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1	S.100
2	Introduced by Committee on Agriculture
3	Date: February 26, 2021
4	Subject: Education; school food programs; locally produced foods
5	Statement of purpose of bill as introduced: This bill proposes to require all
6	public schools in Vermont to make available school breakfast and lunch to all
7	students at no charge. The cost of school meals that is not reimbursed through
8	federal or State funds or other sources would be borne by school districts and
9	therefore ultimately borne by the Education Fund. This bill also proposes to
10	create incentives for schools to purchase locally produced foods.
11 12	An act relating to universal school breakfast and lunch for all public school
13	foods An act relating to universal school breakfast and the creation of the Task Force on Universal School Lanch An act relating to universal school meals
14	foods In act relating to universal school breakfast and the creation of the Task Force on Universal School Lanch
	foods An act relating to universal school breakfast and the creation of the Task Force on Universal School Lanch An act relating to universal school meals
14 15	foods In act relating to universal school breakfast and the creation of the Task Force on Universal School Lunch An act relating to universal school meals It is hereby enacted by the General Assembly of the State of Vermont: *** Title ***
14 15 16	foods In det relating to universal school breakfast and the creation of the Task Force on Universal School Eanch An act relating to universal school meals It is hereby enacted by the General Assembly of the State of Vermont: *** Title *** Sec. 1. TITLE

20 Sec. 2. 16 V.S.A. shapter 27, subshapter 2 is amonded to read:

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1	Subchapter 2. School Food Programs
2	§ 1261a. DEFINITIONS
3	As used in this subchapter:
4	(1) "Pood programs" means provision of food to persons under
5	programs meeting standards for assistance under the National School Lunch
6	Act, 42 U.S.C. § 1731 et seq. and in the Child Nutrition Act, 42 U.S.C. § 1779
7	et seq., each as amended.
8	(2) "School board" means the governing body of a school district
9	responsible for the administration of a public school.
10	(3) "Independent school board" means a governing body responsible for
11	the administration of a nonprofit independent school exempt from United
12	States U.S. income taxes.
13	§ 1262a. AWARD OF GRANTS
14	* * *
15	(d) The Agency shall, from funds appropriated for this subsection to the
16	Agency, award grants to supervisory unions and supervisory districts in
17	accordance with section 1264a of this title (locally produced foods). If the
18	amount appropriated for this purpose is insufficient to fully fund the grants
19	under that section, then the grant amounts that are awarded shall be prorated
20	

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1	1261. FOOD PROGRAM
2	(\mathbf{A})(1)(\mathbf{A}) Each school board operating a public school shall cause to
3	operate within the school district each school in the school district a food
4	program that makes available a school lunch, as provided in the National
5	School Lunch Act as amended, and a school breakfast, as provided in the
6	National Child Nutrition Act as amended, to each attending student who
7	qualifies for those meals under these Acts every school day. School districts
8	shall maximize access to federal funds for the cost of the school breakfast and
9	lunch program under the Community Eligibility Provision, Provision 2, or
10	other provisions under these Acts.
11	(B) In addition, each school board operating a public school shall
12	cause to operate within each school in the school district the same school lunch
13	and the same school breakfast program made available to students who qualify
14	for those meals under the National School Lunch Act and the National Child
15	Nutrition Act, each as amended, to each attending student very school day at
16	no charge.
17	(C) To the extent that costs are not reimbursed through federal or
18	State funds or other sources, the cost of making available school lunches and
19	breakfasts shall be borne by school districts.
20	

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1	(2) In operating its school breakfast and handn program, a school district
2	shall seek to achieve the highest level of student participation, which may
3	include any or all of the following:
4	(A providing breakfast meals that can be picked up by students;
5	(B) making breakfast available to students in classrooms after the
6	start of the school day; and
7	(C) collaborating with the school's wellness community advisory
8	council, as established under subsection 136(e) of this title, in planning school
9	meals.
10	(4) Each school district shall request the parent or guardian of each
11	student to complete the Household Income Form provided by the Agency of
12	Education, which is used to determine a family's economic status to determine
13	eligibility for various State and federal programs. This requirement shall not
14	apply if the school district obtains equivalent information through another
15	means.
16	* * *
17	(d) It is a goal of the State that by the year 2022 school boards operating a
18	school lunch, breakfast, or summer meals program shall purchase a least
19	20 percent of all food for those programs from local producers. [Repeared.]
20	(e)(1) On or before December 31, 2020 and annually thereafter, a school
21	board operating a school lunch, breakfast, or summer meals program shall

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1	submit to the Agency of Education on estimate of the percentage of locally
2	produced foods that were purchased by the school board for those programs.
3	(2) On or before January 31, 2021 and annually thereafter, the Agency
4	of Education shall submit to the Senate Committees on Agriculture and on
5	Education and the House Committees on Agriculture and Forestry and on
6	Education in an aggregated form the information received from school boards
7	regarding the percentage of locally produced foods that are purchased as part
8	of a school lunch, breakfast, or summer meals program. The provisions of
9	2 V.S.A. § 20(d) regarding expiration of required reports shall not apply to the
10	report required by this subdivision. [Repealed.]
11	<u>§ 1264a. LOCALLY PRODUCED FOODS</u>
12	(a) It is a goal of the State that by the year 2023, at least 20 percent of all
13	foods purchased by supervisory unions and supervisory districts, together
14	referred to in this section as "supervisory unions," be tocally produced foods.
15	School boards have the discretion to define what foods are included within the
16	definition of "locally produced foods" for the purposes of this subsection and
17	subsection (b) of this section.
18	(b) On or before December 31, 2021 and annually thereafter, a school
19	board operating a school lunch, breakfast, or summer meals program shall
20	report to the Agency of Education an estimate of the percentage of the cost of

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1	11 foods purchased by the school bourd for those programs that were locally
2	produced foods during the one-year period ending on June 30 of that year.
3	(c)(1) Beginning with the 2021–22 school year and thereafter, supervisory
4	unions shall be eligible for a local foods incentive grant (grant) from funds
5	appropriated to the Agency of Education for this purpose.
6	(2) A supervisory union may apply for the grant if it has:
7	(A) developed locally produced foods purchasing plan that
8	describes the supervisory union's goals for purchasing locally produced foods
9	and its plan to achieve those goan:
10	(B) designated an individual as the food coordinator for locally
11	produced foods who shall be responsible for implementing the locally
12	produced foods purchasing plan;
13	(C) developed a process for tracking the purchase of locally
14	produced foods; and
15	(D) complied with the reporting requirement under subsection (b) of
16	this section.
17	(3) A supervisory union that has satisfied the conditions under
18	subdivision (2) of this subsection may, on or before January 15, 2022 or on or
19	before January 15 of any year thereafter, apply to the Agency for the grant by
20	submitting a cortification signed by the business manager for the supervisory

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1	union, that the supervisory union satisfies the conditions under subdivision (2) .
2	of this subsection.
3	(4) If a supervisory union is eligible for a grant under subdivision (3) of
4	this subsection, then the Agency shall make the grant payment, subject to
5	appropriation, on or before the following March 31 after submission of the
6	supervisory union sapplication (that is due on or before January 15 of that
7	year), which shall be equal to 15 cents per reimbursable school lunch served
8	by the supervisory union in the prior school year through the National School
9	Lunch Program. A supervisory union may apply for this grant and receive this
10	grant funding only once.
11	(5)(A) A supervisory union that has received a grant under
12	subdivision (4) of this subsection (c) may, on or before January 15, 2023 or on
13	or before January 15 of any year thereafter, apply for a further grant by
14	submitting to the Agency of Education information that demonstrates that at
15	least 15 percent of the cost of all foods purchased or grown, raised, or
16	produced by the supervisory union during the one-year period ending on June
17	30 of the previous year were local to Vermont as defined in 9 VS.A.
18	<u>§ 2465a(b), excluding:</u>
19	(i) foods purchased or grown, raised, or produced by the
20	supervisory union that were used to provide catering services for which the
21	supervisory union received compensation, and

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1	(ii) Automik.
2	(B) If a supervisory union grows, raises, or produces food, it shall
3	assign a fair market value to that food for the purpose of reporting its cost.
4	(C) A vendor that contracts with a supervisory union to supply food
5	products shall certify to the supervisory union which of the food products
6	supplied meet the definition of local to Vermont, taking into account the
7	exclusions under subdivision 5(A) of this subsection (c).
8	(6) If a supervisory upion is eligible for a grant under subdivision (5) of
9	this subsection, the Agency shall, on or before the following April 30 after
10	submission of the supervisory union's application (that is due on or before
11	January 15 of that year), make the gran payment, subject to appropriation,
12	which shall be determined as follows:
13	(A) 15 cents per reimbursable school unch served in the prior school
14	year through the National School Lunch Program for supervisory unions
15	purchasing at least 15 percent locally produced foods;
16	(B) 20 cents per reimbursable school lunch served in the prior school
17	year through the National School Lunch Program for supervisory unions
18	purchasing at least 20 percent locally produced foods; or
19	(C) 25 cents per reimbursable school lunch served in the prior school
20	year through the National School Lunch Program for supervisory unions
21	purchasing at least 25 percent locally produced foods.

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1	(7) A supervisery union may apply for and receive grant funding under
2	subdivisions (5) and (6) of this subsection for each year that it qualifies for this
3	grant funding. For applications covering the 2020–2021 school year, meals
4	served through the Summer Food Service Program shall also be counted for
5	this grant payment.
6	(8) The Agency of Education may perform sample audits for any year
7	that grant funds are paid to supervisory unions under subdivision (6) of this
8	subsection to verify that information provided to the Agency under
9	subdivision (5) of this subsection is accurate. If the Agency makes a grant
10	payment under subdivision (6) of this subsection to a supervisory union that
11	was based on inaccurate information reported by the supervisory union, the
12	Agency may seek reimbursement from the supervisory union for an
13	overpayment or reimburse the supervisory union for an underpayment or may
14	adjust future grant amounts under this section to reflect the over- or
15	underpayment.
16	(d)(1) On or before January 31, 2022 and annually thereafter, the Agency
17	of Education shall submit to the Senate Committees on Agriculture and on
18	Education and the House Committees on Agriculture and Forestry and on
19	Education in an aggregated form.

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1	(1) the information received from supervisory unions regarding the
2	percentage of locally produced foods, as the supervisory unions define them,
3	that were reported under subsection (b) of this section; and
4	(B) the percentage of locally produced foods, using the grant funding
5	definition, that were reported under subdivision (c)(5) of this section and the
6	amount of grant funding paid to supervisory unions under subdivision (c)(6) of
7	this section in the prior school year.
8	(2) The provisions of 2 V.S.A. § 20(d) regarding expiration of required
9	reports shall not apply to the reports required by this subsection.
10	§ 1265. EXEMPTION; PUBLIC DISCUSSION
11	(a) The school board of a public school district that wishes to be exempt
12	from the provisions of section 1264 of this title may vote at a meeting warned
13	and held for that purpose to exempt itself from the requirement to offer either
14	the school lunch program or the school breakfast plogram, or both, for a
15	period of one year.
16	(b) If a public school is exempt from offering a breakfast or lunch
17	program, its school board shall conduct a discussion annually on whether to
18	continue the exemption. The pending discussion shall be included on the
19	agenda at a regular or special school board meeting publicly noticed in
20	accordance with 1 V.S.A. § 312(c), and citizens shall be provided an
21	opportunity to participate in the discussion. The school board shall send a

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1	conv of the notice to the Secretary and to the superintendent of the supervisory
2	union at least ten days prior to the meeting. Following the discussion, the
3	school coard shall vote on whether to continue the exemption for one
4	additional year.
5	(c) On or before the first day of November prior to the date on which an
6	exemption voted under this section is due to expire, the Secretary shall notify
7	the boards of the affected school district and supervisory union in writing that
8	the exemption will expire.
9	(d) Following a meeting herd pursuant to subsection (b) of this section, the
10	school board shall send a copy of the agenda and minutes to the Secretary and
11	the superintendent of the supervisory union.
12	(e) The Secretary may grant a supervisery union or a school district a
13	waiver from duties required of it under this subchapter upon a demonstration
14	that the duties would be performed more efficiently and effectively in another
15	manner. [Repealed.]
16	Sec. 3. 16 V.S.A. § 4001 is amended to read:
17	§ 4001. DEFINITIONS
18	As used in this chapter:
19	* * *
20	(6) "Education spending" means the amount of the school district
21	budget, any assessment for a joint contract school, career technical conter

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1	payments made on behalf of the district under subsection 1561(b) of this title
2	and any amount added to pay a deficit pursuant to 24 V.S.A. § 1523(b) that is
3	paid for by the school district, but excluding any portion of the school budget
4	paid for from any other sources such as endowments, parental fundraising,
5	federal funds, nongovernmental grants, or other State funds such as special
6	education funds paic under chapter 101 of this title.
7	(A) [Repealed.]
8	(B) For purposes of calculating excess spending pursuant to
9	32 V.S.A. § 5401(12), "education spending" shall not include:
10	* * *
11	(xii) Costs incurred by a school district or supervisory union to
12	provide school breakfast and lunch under chapter 27 (transportation and
13	board), subchapter 2 (school food programs) of this title.
14	* * *
15	* * * Federal funds; data collection * **
16	Sec. 4. 16 V.S.A. § 45 is added to read:
17	§ 45. FEDERAL FUNDS; DATA COLLECTION
18	(a) The Secretary of Education shall:
19	(1) define the term "student poverty" for the purpose of determining
20	qualification for fodoral funds by school districts;

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1	(2) establish what data should be collected by school districts to qualify
2	for federal funds based on student poverty, the means by which the data should
3	be collected, and the frequency of collection; and
4	(3) determine how this data shall be reported to the Agency of
5	Education by school districts and the frequency of reporting.
6	(b) School districts shall collect data that is necessary to qualify for federal
7	funds based on student poverty and report this data to the Agency of Education
8	in accordance with subsection (a) of this section.
9	* * * Session law; universal school breakfast and lunch * * *
10	Sec. 5. SCHOOL MEALS CONSUMED DURING CLASS
11	A school district shall count time spent by students consuming school meals
12	during class as instructional time.
13	Sec. 6. TRANSITION
14	(a) On or before July 1, 2026, each school district shall comply with
15	16 V.S.A. chapter 27, subchapter 2, as amended by this act. Until the date
16	upon which a school district complies with 16 V.S.A. chapter 27, subchapter 2,
17	as amended by this act, 16 V.S.A. chapter 27, subchapter 2, as in effect on
18	June 30, 2021, shall be in effect.
19	(b)(1) Notwithstanding any provision of law to the contrary, the sum of
20	\$1,000,000.00 is appropriated from the Education Fund to the Agency of
21	Agriculture, Food and Warkets for fiscal year 2022 for the Farm-to-School

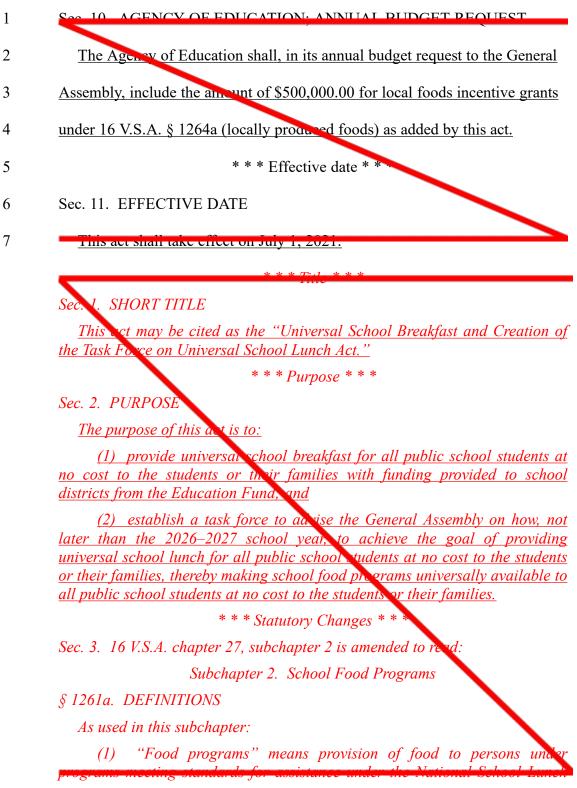
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1	Program established under 6 V.S.A. § 4721. This funding shall be used by the
2	Agency of Agriculture, Food and Markets to award grants during the five-year
3	transition period to school districts that are transitioning to making available
4	school breastast and lunch to all students at no charge. The Agency shall
5	establish criteria for awarding this grant funding, which may include funding
6	for any or all of the following:
7	(A) capital expenditures, including equipment;
8	(B) staff support;
9	(C) administration; and
10	(D) training.
11	(2) Each school that receives a transition grant under subdivision (1) of
12	this subsection shall use the funds to pay for the cost of transitioning under
13	that subdivision and shall report to the Agency of Agriculture, Food and
14	Markets how the funds were used at such time or times as required by the
15	Agency. Any unused funds shall revert to the Farm-to-Echool Program.
16	Sec. 7. AGENCY OF EDUCATION; STAFFING
17	The following position is created in the Agency of Education: one full-
18	time, classified position specializing in the administration of school food
19	programs. The position established in this subsection shall be transferred and
20	converted from an existing vacant position in the Executive Branch of State
21	government. There is appropriated to the Agency of Education from the

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1	Conservation for fiscal year 2022 the amount of \$100,000,00 for salary
2	benefits, and operating expenses.
3	* * * Session law; locally produced foods * * *
4	Sec. 8. ADMINISTRATIVE SUPPORT
5	The Agency of Education shall collaborate with the Agency of Agriculture,
6	Food and Markets to promote the local foods program under 16 V.S.A.
7	§ 1264a to supervisory unions and supervisory districts, farmers, food
8	processors, and distributors.
9	Sec. 9. APPROPRIATIONS FOR FOOD PROGRAMS
10	(a) There is appropriated to the Agency of Education from the General
11	Fund for fiscal year 2022 the amount of \$500,000.00 for local foods incentive
12	grants under 16 V.S.A. § 1264a (locally produced foods) as added by this act.
13	From this appropriation, the Agency of Education may use up to \$60,000.00 to
14	retain a contractor, or otherwise fund costs associated with the implementation
15	of the grant program, to assist with developing and establishing the local foods
16	incentive grants for fiscal year 2022.
17	(b) There is appropriated to the Vermont Agency of Agriculture Food and
18	Markets from the General Fund for fiscal year 2022 the annual base
19	appropriation of \$500,000.00 for the Farm-to-School and Early Childhood
20	Grant Frogram.

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ei seq., each as amended.

(2) "School board" means the governing body <u>of a school district</u> responsible for the administration of a public school.

(3) "Independent school board" means a governing body responsible for the administration of a nonprofit independent school exempt from United States U.S. income taxes.

§ 1262a. AWAND OF GRANTS

(c)(1) On a quarterly basis, from State funds appropriated to the Agency for this subsection subdivision, the Agency shall award to each supervisory union, independent school board, and approved education program as described in subsection (a) of this section a sum equal to the amount that would have been the student share of the cost of all breakfasts and lunches actually provided in the district during the previous quarter to students eligible for a reduced-price breakfast under the federal school breakfast program and students eligible for a reduced-price lunch under the federal school lunch program.

(2)(A) From State funds appropriated to the Agency for this subdivision (2), the Agency shall reimburse each school district that made available school breakfast to students at no charge under subdivision 1264(a)(1)(B) of this title for the cost of each meal actually provided in the district during the previous quarter that qualifies as a paid breakfast under the federal school breakfast program.

(B) The reimbursement amount shall be a sum equal to the federal reimbursement rate for a free school breakfast less the federal reimbursement rate for a paid school breakfast, using rates identified unnually by the Agency of Education from payment levels established annually by the U.S. Department of Agriculture.

§ 1264. FOOD PROGRAM

(a)(1)(<u>A</u>) Each school board operating a public school shall cause to operate within the school district each school in the school district a food program that makes available a school lunch, as provided in the National School Lunch Act as amended, and a school breakfast, as provided to the National Child Nutrition Act as amended, to each attending student who qualifies for those meals under these Acts every school day. School districts

other program under the Community Eligibility Provision, Provision 2, or other provisions under these Acts.

(B) In addition, each school board operating a public school shall cause to operate within each school in the school district the same school breakfast program made available to students who qualify for those meals under the National Child Nutrition Act, as amended, for each attending student every school day at no charge.

(C) In operating its school breakfast program, a school district shall seek to achieve the highest level of student participation, which may include any or all of the following:

(i) providing breakfast meals that can be picked up by students;

(ii) making weakfast available to students in classrooms after the start of the school day; and

(iii) collaborating with the school's wellness community advisory council, as established under subsection 136(e) of this title, in planning school meals.

(D) A school district shall count time spent by students consuming school meals during class as instructional time.

(d) It is a goal of the State that by the year 2022 2023 school boards operating a school lunch, breakfast, or summer meals program shall purchase at least 20 percent of all food for those program, from local producers.

(e)(1) On or before December 31, 2020 and canually thereafter, a school board operating a school lunch, breakfast, or summer meals program shall submit to the Agency of Education an estimate of the percentage of the cost of locally produced foods that were purchased by the school board for those programs that were locally produced foods during the one-year period ending on June 30 of that year.

§ 1265. EXEMPTION; PUBLIC DISCUSSION

(a) The school board of a public school district that wishes to be exempt from the provisions of section 1264 of this title may vote at a meeting warned and held for that purpose to exempt itself from the requirement to offer either the school lunch program or the school breakfast program, or both, jur a period of one year.

(b) If a public school is exempt from offering a breakfast or tanen program,

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the exemption. The pending discussion shall be included on the agenda at a regular or special school board meeting publicly noticed in accordance with 1 V.S.4. § 312(c), and citizens shall be provided an opportunity to participate in the discussion. The school board shall send a copy of the notice to the Secretary and to the superintendent of the supervisory union at least ten days prior to the meeting. Following the discussion, the school board shall vote on whether to continue the exemption for one additional year.

(c) On or before the first day of November prior to the date on which an exemption voted under this section is due to expire, the Secretary shall notify the boards of the affected school district and supervisory union in writing that the exemption will expire.

(d) Following a meeting held pursuant to subsection (b) of this section, the school board shall send a copy of the agenda and minutes to the Secretary and the superintendent of the supervisory union.

(e) The Secretary may grant a supervisory union or a school district a waiver from duties required of it under this subchapter upon a demonstration that the duties would be performed more efficiently and effectively in another manner. [Repealed.]

Sec. 4. 16 V.S.A. § 4025 is amended to read: § 4025. EDUCATION FUND

* * *

(b) Monies in the Education Fund shall be used for the following:

(6) To make payments required under subdivision 1262a(c)(2) of this title for school food programs.

* * * Session Law * * *

Sec. 5. APPROPRIATION; SCHOOL MEALS

<u>The sum of \$8,000,000.00 is appropriated from the Education Fund for</u> fiscal year 2022 to provide reimbursement for school meals under 16 V.S.A. § 1262a(c)(2).

Sec. 6. AGENCY OF EDUCATION; CONSULTATION; REPORT

The Agency of Education shall consult with school districts, Hunger Free Vermont, the Vermont School Boards Association, the Vermont Superintendems Association, the Vermont Association of School Business Officials, the Vermont BILL AS INTRODUCED AND PASSED BY SENATE AND HOUSE S.100 2021 Page 20 of 25

Erincipals' Association, and the School Nutrition Association of Vermont on the impact of this act and, on or before December 15, 2021, shall report to the House and Senate Committees on Education and on Appropriations, the House Committee on Agriculture and Forestry, and the Senate Committee on Agriculture on the status of implementation under this act.

Sec. 7. AGENCY OF EDUCATION; STAFFING

The following position is created in the Agency of Education: one full-time, classified position specializing in the administration of school food programs. The position established in this section shall be transferred and converted from an existing vacant position in the Executive Branch of State government. There is appropriated to the Agency of Education from the General Fund for fiscal year 2022 the amount of \$100,000.00 for salary, benefits, and operating expenses.

Sec. 8. TASK FORCE ON UNIVERSAL SCHOOL LUNCH; REPORT

(a) Creation. There is created the Task Force on Universal School Lunch. The Task Force shall make recommendations on how, not later than the 2026– 2027 school year, to achieve the goal of providing universal school lunch for all public school students at no cost to the students or their families.

(b) Membership. The Task Force shall be composed of the:

(1) Secretary of Education or designed

(2) Secretary of Human Services or designee; and

(3) Secretary of Agriculture or designee.

(c) Powers and duties. The Task Force shall make recommendations on how, not later than the 2026–2027 school year, to achieve the goal of providing universal school lunch for all public school students at no cost to the students or their families and shall perform the following tasks:

(1) recommend funding sources for universal school lunch,

(2) recommend what data should be collected by local education agencies, school districts, and schools to qualify for federal fund, based on student poverty, the means by which the data should be collected, the frequency of collection, and how this data should be reported to the Agency of Education and the frequency of this reporting;

(3) consider how other states offer and fund universal school meals at no cost to students or their families, and

(4) meet with Vermont's federal delegation to discuss what changes could be made to federal law and regulations to more readily facilitate universal school meals.

(d) Collaboration. In performing its duties under this section, the Task Force shall collaborate with Hunger Free Vermont, the School Nutrition Association of Vermont, the Vermont Superintendents Association, the Vermont School Boards Association, the Vermont Council of Special Education Administrators, the Vermont Principals' Association, and the Vermont-National Education Association.

(e) Report. On or before January 15, 2022, the Task Force shall submit a written report to the House and Senate Committees on Education and on Appropriations, the House Committee on Agriculture and Forestry, and the Senate Committee on Agriculture with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The Secretary of Education shell call the first meeting of the Task Force to occur on or before October 10, 2021

(2) The Task Force shall select a chair from among its members at the first meeting.

(3) A majority of the membership shall constitute a quorum.

(4) The Task Force shall meet not more than eight times.

(5) The Task Force shall expire on January 16, 2022.

(g) Assistance. The Task Force shall have the administrative, technical, and legal assistance of the Agency of Education.

* * * Effective Date * * *

Sec. 9. EFFECTIVE DATE

* * * Title * * *

Sec. 1. SHORT TITLE

This act may be cited as the "Universal School Meals Act."

* * * Findings * * *

Sec. 2. FINDINGS

The General Assembly finds that:

(1) According to the Vermont Agency of Education, an average of 38 percent of students across all supervisory unions during the 2019–2020 school year qualified for free or reduced-price lunch. The General Assembly recognizes that students need fresh and nutritional foods to enable them to focus on their education and that many students come to school hungry. Providing universal school meals offered at no cost to students or their families creates a necessary foundation for learning readiness during the school day.

(2) A 2021 study by the National Food Access and COVID Research Team found that in the first year of the pandemic, nearly one-third of people in Vermont faced hunger, and families with children were five times more likely to face hunger. Food insecurity rates remained above pre-pandemic levels a year after the start of the pandemic.

(3) In a 2019 research report, the Urban Institute found that up to 42 percent of children living in food-insecure homes may not be eligible for free or reduced-price school meals.

(4) In 2016, the Center for Rural Studies at the University of Vermont partnered with the Vermont Farm to School Network to measure the economic contribution and impacts of Farm to School in Vermont. The final report found that school meal programs support a vibrant agricultural economy with every \$1.00 spent on local food in schools contributing \$1.60 to the Vermont economy.

(5) A study conducted by researchers at the University of Vermont and Hunger Free Vermont, and published in the Journal of Hunger and Environmental Nutrition, found that universal school meals programs in Vermont were associated with, among other benefits, improved overall school climate as a result of financial differences being less visible and improved readiness to learn among students overall.

* * * Universal Meals * * *

Sec. 3. UNIVERSAL MEALS

(a) Notwithstanding provision. The provisions of this section shall apply notwithstanding any provision of law to the contrary.

(b) Definition. As used in this section, "approved independent school" means an approved independent school physically located in Vermont.

(c) Universal food program.

(1) In addition to the requirements of 16 V.S.A. § 1264(a)(1) (food program), each school board operating a public school shall cause to operate within each school in the school district the same school breakfast and school

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lunch program made available to students who qualify for those meals under the National Child Nutrition Act and the National School Lunch Act, as amended, for each attending student every school day at no charge. An approved independent school located in Vermont may operate the same school lunch and the same school breakfast program made available to students who qualify for those meals under the National Child Nutrition Act and the National School Lunch Act, each as amended, to each student attending on public tuition every school day at no charge.

(2) In operating its school breakfast and lunch program, a school district and an approved independent school shall seek to achieve the highest level of student participation, which may include any or all of the following:

(A) providing breakfast meals that can be picked up by students;

(B) making breakfast available to students in classrooms after the start of the school day; and

(C) for school districts, collaborating with the school's wellness community advisory council, as established under 16 V.S.A. § 136(e), in planning school meals.

(3) A school district and an approved independent school shall count time spent by students consuming school meals during class as instructional time.

(d) Award of Grants.

(1) Public schools. From State funds appropriated to the Agency for this subsection, the Agency shall reimburse each school district that made available both school breakfast and lunch to students at no charge under subsection (c) of this section for the cost of each meal actually provided in the district during the previous quarter that qualifies as a paid breakfast or paid lunch under the federal school breakfast and federal school lunch programs. Reimbursement from State funds shall be available only to districts that maximize access to federal funds for the cost of the school breakfast and lunch program by participating in the Community Eligibility Provision or Provision 2 of these programs, or any other federal provision that in the opinion of the Agency draws down the most possible federal funding for meals served in that program.

(2) Approved independent schools.

(A) Subject to subdivision (B) of this subsection (2), from State funds appropriated to the Agency for this subsection (d), the Agency shall reimburse each approved independent school that made available both school breakfast and lunch to students attending on public tuition at no charge under subsection (c) of this section for the cost of each meal actually provided by the approved independent school to those students during the previous quarter that qualifies as a paid breakfast or paid lunch under the federal school breakfast and federal school lunch programs.

(B) An approved independent school is eligible for reimbursement under this subsection (d) only if it operates a food program that makes available a school lunch, as provided in the National School Lunch Act as amended, and a school breakfast, as provided in the National Child Nutrition Act as amended, to each attending student who qualifies for those meals under these Acts every school day.

(C) Reimbursement from State funds shall be available only to approved independent schools that maximize access to federal funds for the cost of the school breakfast and lunch program by participating in the Community Eligibility Provision or Provision 2 of these programs, or any other federal provision that in the opinion of the Agency draws down the most possible federal funding for meals served in that program.

(3) Reimbursement amounts for public schools and approved independent schools. The reimbursement amount for breakfast shall be a sum equal to the federal reimbursement rate for a free school breakfast less the federal reimbursement rate for a paid school breakfast, using rates identified annually by the Agency of Education from payment levels established annually by the U.S. Department of Agriculture. The reimbursement amount for lunch shall be a sum equal to the federal reimbursement rate for a free school lunch less the federal reimbursement rate for a paid school lunch, using rates identified annually by the Agency of Education from payment levels established annually by the U.S. Department of Agriculture.

(e) Notwithstanding any provision of law to the contrary, 16 V.S.A. § 1265 shall not apply to school year 2022–2023.

Sec. 4. REPEAL

Sec. 3 of this act is repealed on July 1, 2023.

Sec. 5. APPROPRIATION; UNIVERSAL MEALS

Notwithstanding 16 V.S.A. § 4025(d) and any other provision of law to the contrary, the sum of \$29,000,000.00 is appropriated from the Education Fund to the Agency of Education for fiscal year 2023 to provide reimbursement for school meals under Sec. 3 this act.

* * * Reports * * *

Sec. 6. AGENCY OF EDUCATION; CONSULTATION; REPORT

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On or before January 15, 2023, the Agency of Education shall report to the House and Senate Committees on Education and on Appropriations, the House Committee on Ways and Means, and the Senate Committee on Finance on the impact and status of implementation under this act. The report shall include data on student participation rates in the universal meals program on an individual school level and, if possible, on a grade level; the relationship of federal rules to the State-funded program; and strategies for minimizing the use of State funds.

Sec. 7. JOINT FISCAL OFFICE; REPORT

On or before February 1, 2023, the Joint Fiscal Office (JFO) shall prepare a report examining possible revenue sources including expansion of the sales tax base, enactment of an excise tax on sugar sweetened beverages, and other sources of revenue not ordinarily used for General Fund purposes. The report shall include preliminary revenue estimates and other policy considerations.

* * * Future Funding Sources * * *

Sec. 8. FUTURE FUNDING; INTENT

It is the intent of the General Assembly to use the data and information from the reports required in this act to identify the amount of and sources of potential long-term funding for universal school meals in Vermont.

* * * Effective Date * * *

Sec. 9. EFFECTIVE DATE

This act shall take effect on July 1, 2022.