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## Testimony Regarding Cost Estimates for Statewide Universal School Meals

House Committee on Education  
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Thank you for inviting myself and Tim Morgan to present Hunger Free Vermont's analysis of what we believe to be the most likely cost range for the current version of S.100 being considered by the House Committee on Education.

We have provided three documents to the Committee. I will start by providing a walk-through of Hunger Free Vermont's Universal School Meals Fiscal Memo (a pdf). We have also provided an Excel spreadsheet containing detailed data on participation rates over time in every Vermont school using the Community Eligibility Provision to provide universal meals between 2014 and 2019, and an Excel spreadsheet listing every school district in Vermont ranked in order of their overall percentage of students enrolled in free and reduced-price school meals. All of these documents were prepared by Tim Morgan, Hunger Free Vermont's Child Nutrition & Program Data Manager.

Hunger Free Vermont estimates that the state investment in providing permanent universal school meals in every Vermont public school is between \$15 - \$26 million a year. We arrived at our estimates by examining the actual year by year changes in student participation in Vermont schools after they began providing universal meals. We calculated participation changes in three different ways to determine this range, and these are summarized in Table 1 on page 2 of our Fiscal Memo.

We agree with the JFO that the rate of student participation is the most important factor in determining cost, and also that we cannot know what will actually happen once statewide universal school meals is enacted and goes into effect.

This table shows the State cost of covering all meals up to the federal free reimbursement rate for Vermont public schools at different estimated rates of student participation (daily meals served as a percentage of student enrollment).

The first scenario uses data from a national USDA study showing actual national participation increases in schools providing universal meals. We reject these participation increases as too low, because collectively Vermont schools have shown much higher participation increases than national averages.

The second scenario (the low end of our cost estimate range) represents the actual participation growth in Vermont schools after operating universal meals for 4 years relative to participation growth rates prior to implementing universal meals.

The third scenario (our mid-range cost estimate) assumes that once schools implement universal meals, students who would have had to pay for their meals will start eating at the same rate as students receiving free meals did prior to universal meals. The actual participation rates of low income students at every Vermont school were used in this calculation.

The fourth scenario (the high end of our cost estimate) assumes that all Vermont schools that were not providing universal meals before the pandemic will achieve the same participation rates as the schools that were providing universal meals before the pandemic, plus we added a 5% additional participation increase as a buffer.

I also want to point out that this table shows the number of additional healthy and nutritionally complete school meals that will be served to students after S.100 is passed – between 2.5 and 7.5 million more meals a year according to our three scenarios, bringing \$3 to \$5 million additional federal dollars into Vermont for school meal programs.

The fifth scenario uses similar assumptions as does the JFO – that all or nearly all students in attendance will eat both school breakfast and school lunch every day when universal meals are enacted. We disagree with the assumption underlying scenario 5 because at no school in Vermont have 90% of students in attendance eaten both the school breakfast and the school lunch on every school attendance day for a full year. Evidence from the more than 60 Vermont schools that have been providing universal school meals for years confirms that a significant number of students—mostly from households over-income for free school meals, continue to eat breakfast at home and bring a packed lunch to school on many or most days.

Hunger Free Vermont also does not agree with the JFO's other assumption: that families will stop filling out school meal applications, leading to lower and lower numbers of students who count as "low income" under the current USDA rules governing federal reimbursements for school breakfast and lunch. We have worked closely with many different Vermont schools, and some have implemented best practices and have been able to successfully explain to families why either the school meal application or the household income form is critical, and have been able to achieve high return rates for these forms. S.100 calls on all schools to implement every possible best practice to ensure the maximum amount of federal reimbursement, and Hunger Free Vermont is prepared to commit significant resources to these efforts as well.

In addition, we do not know that family enrollment in 3SquaresVT—currently the way most students become directly certified for free school meals—will decline in the coming years. For example, at this time, 3SquaresVT enrollment is increasing.

While the JFO's scenario is theoretically possible, it is not supported by an analysis of the actual experiences of Vermont schools that were providing universal school meals prior to the COVID-19 pandemic.

Hunger Free Vermont's cost range of \$15-\$26 million represents likely outcomes based on Vermont schools' real experiences over 6 years of providing universal school meals to real Vermont students prior to the pandemic, and collecting school meal applications and household income forms from real Vermont families.

In addition, the Universal Income Declaration Form will help schools qualify for more federal funding to support the educational needs of low-income students, and it will also help schools conduct direct and personal outreach to families who qualify to encourage and assist them in applying for 3SquaresVT or in filling out school meal applications when they are needed in Provision 2 base years.

This is because schools may require that all families fill out the Universal Income Declaration Form, making it a powerful tool to help schools identify families who are income eligible for 3SquaresVT and free or reduced-price school meals. Personalized outreach can then be done to support these families. This customized approach could improve schools' direct certification / school meal application collection rates.

### **Cost Savings and Other Value Generated Due to Statewide Universal School Meals**

It is very difficult to know what other kinds of cost savings and economic value universal school meals would yield for individual school districts and communities, so we did not incorporate them into our cost estimates, even though we know they will exist. For example:

- Although we have not been able to come to a solid number because different school districts account for these costs in their budgets in different ways, we are confident that before the pandemic school districts in Vermont

were absorbing at least \$1 million in unpaid debt owed by families to school meal programs every year, and according to anecdotal information provided by school meal program directors, the true amount is likely much higher, and predicted to increase significantly if schools are forced to reinstate the old model of charging “paid” students for meals.

- There may be cost savings in school meal programs due to new economies of scale, and there may also be administrative savings—certainly at the minimum a savings in time and mental anguish for those school administrators who in the past have had to try and collect unpaid school meal fees from families.
- The increased purchasing power S.100, combined with the new per-lunch Local Food Purchasing Incentive, will allow schools to buy and serve more and more local produce, dairy, meat, and eggs from Vermont farmers, making our kids physically healthier and our communities economically healthier.

In addition, as I testified in a previous hearing, the trend at the federal level is toward lowering eligibility barriers and increasing reimbursements for universal school meal programs. Therefore, it is also possible that Vermont’s universal meals program will cost the state less in the future, and return much more on our investment in terms of student success, family stability, and farm viability in the future, than even we can imagine today.

### **In Conclusion:**

S.100 is a must-pass bill.

I respectfully submit that the only choice actually on the table is whether we are going to feed all our children in our schools or not.

The old system of means testing individual students for school meals and the stigma and stress that invariably loads onto children and their families cannot be tweaked or fixed. Teams of very smart people in school nutrition programs and AOE and Hunger Free Vermont and school nutrition programs

The eligibility threshold for reduced-price school meals is 185% of the federal poverty line, only \$32,227 for a single parent with one child. The Joint Fiscal Office’s [Vermont Basic Needs Budget 2021](#) estimates that a single parent/one child household in urban Vermont requires \$67,759 to meet basic needs, more than twice the income-level that qualifies for reduced-price school meals, and nearly 400% of the federal poverty line. As family size increases, this gap only grows. Many, many children who do not qualify for free school meals will start learning all over again what hunger feels like in school next September unless S.100 is passed this year.

As the Senators from Maine said so memorably [in their testimony](#) on March 8th, universal school meals will ensure that we are getting the most out of every education dollar we are spending, because hungry, distracted, anxious children cannot learn.

Thank you so much for allowing Hunger Free Vermont to present our cost analysis this morning.