

AOE Testimony: Universal Meals DR 21-0378

Testimony To: Senate Committee on Agriculture

Respectfully Submitted by: Ted Fisher, Director of Communications and Legislative Affairs
Robert Keeley, Education Project Manager
Jesse Roy, Assistant Director, Federal Education and Support Programs Division

Date: February 23, 2021

The Vermont Agency of Education supports the intent and concept of this bill. Ensuring all our students have access to healthy and nutritious meals is fundamental to success of students and an important part of ensuring equity in education. Nevertheless, the federally funded school meals programs are administratively complex and interrelated with many other areas of education on both the state and federal level, making any changes or expansion of the program worthy of careful consideration and deliberate implementation.

AOE does not support the bill as currently drafted, and has concerns about the timing of this legislation, if enacted this year. AOE recommends that the Committees on Education take testimony on this bill prior to passage.

General Concerns with the Draft Language

Cost of the Program

The first concern is with the total cost of the program. While we do not have estimates of the exact fiscal impact after federal reimbursements are factored in, our best conservative estimate (from AOE and JFO) ranges from \$40 to \$50 million annually, assuming full participation as intended by the bill. This means an overall increase in the cost of education spending and a commensurate overall increase year by year to local tax rates and other education fund revenue sources. An increase in education spending of this magnitude is not something that the administration will support this year. Furthermore, laying aside the question of the amount of increased spending, the Agency is not confident that funding this program out of the Education Fund is the best policy approach.

Secondly, and notwithstanding the concern noted directly above, the Agency believes that the way the costs are structured in this bill is far from optimal in terms of education fiscal policy. Requiring Vermont School Food Authorities (school districts and supervisory unions) to include the state share of the cost of CEP or Provision 2 into their general school will have the following negative consequences, which AOE believes should be avoided if at all possible:

- **Negative impact to school district budgets:** Requiring school districts to include this cost in their budget will stretch already tight budgets. Many districts in Vermont struggle to pass budgets annually; making universal meals a requirement will make local conversations about education spending more fraught, while potentially forcing

boards to choose between feeding students – a state requirement under this bill – and cutting education programs.

- **Lack of transparency about state spending for universal meals:** Making universal meals a state mandated program that is budgeted for locally will make accounting for costs more difficult. This will deprive policymakers of key data about the overall cost and efficacy of the program.

If the General Assembly decides that using Education Fund dollars is the best way to fund the state share of a universal meals programs, the Agency of Education believes it would be more appropriate to source funding as a state grant off the top of the Education Fund, rather than making it a requirement for local budgeting.

Ongoing Challenges with Data

As has been noted for this committee previously, the Free and Reduced Lunch (FRL) application process yields important data that the Agency of Education and other policy stakeholders use for a broad range of applications. FRL currently is our most accurate measure of poverty status, which is a required reporting metric to the Federal Government and is used in a broad range of calculations and applications for grants. The AOE is concerned that, absent a way of collecting replacement data that is valid and useful, this policy change could have significant impacts to a broad range of programs and services. The Agency is working on this problem but needs additional time to complete this work.

We appreciate the committees' attention to this in the bill, and the inclusion of a household income form, however we are concerned this will not yield data that is as accurate as the current FRL data. Concerns include:

- Lower incentive for returning the form on the part of families, as it is not tied to meals eligibility.
- Lower or differential investment among SFAs to collect income forms, leading to disparities in the data district to district.

Furthermore, there are potential negative impacts to a range of education programs which base eligibility on FRL data. These programs range from federal Title programs, which bring millions of dollars in Federal education spending to Vermont, to the state's accountability framework which disaggregates student performance for Historically Marginalized Students, which includes low-income students. The Agency is concerned that less accurate data could lead to less money for Vermont schools, either in the aggregate statewide, or on a district by district basis, as SU/SD FRL data is used in the eligibility calculations for certain programs.

And while concerns about the potential fiscal impact cannot be overstated, there are also a range of potential non-fiscal impacts. FRL data is used for a broad range of purposes; for the committee's reference, we have included a table at the end of this document.

The impacts of COVID-19 and moving to the Summer Food Service Program (SFSP) as part of the pandemic response have accelerated our work to identify suitable replacement poverty metrics. A cross-divisional working group at AOE is working to identify a solution that will maintain valid and reliable poverty metrics to replace FRL for all of the uses referenced above.

AOE is actively working towards this, and work has been in process for over six months, but an additional six months to a year would be ideal to ensure we have a sustainable solution.

The critical importance of this work cannot be overstated. Because FRL data is a key metric for so many programs, we need to find a solution that yields accurate and statistically comparable data.

Administrative Impacts to Schools and the Agency

The proposed legislation would mean significant administrative changes for school food authorities, even under the best of circumstances. Particularly under COVID-19, the impact of this should not be underestimated. It is important to structure the program in a manner that will allow school districts to implement it in a way that both increases student access to meals, increases School districts' ability to pull down USDA and other federal dollars where applicable.

Finally, the Agency appreciates the Committee's inclusion of a position in the Child Nutrition Programs team to help manage the additional administrative complexity of the program. The Agency is concerned however about the increased administrative burden, and would like to take the opportunity to note that, should this position not be included in the final version of the bill, it will have serious implications for the Agency's ability to implement this program. At present, the Child Nutrition Programs team is not staffed to handle the additional administrative complexity posed by this bill.

Conclusion

While the Agency of Education supports the intent and goal of this legislation, for the reasons of cost, data complexity, and administrative burden both for the Agency and individual school districts, we believe that this proposal is not right this year. If the committee is committed to moving forward, we recommend that the committee take testimony, at minimum, from the Vermont Superintendents Association, Vermont Principals Association, Vermont School Boards Association.

We additionally recommend the Committee ask the Senate Education Committee to take up and consider the policy considerations outlined above. This is of particular importance given the potentially large cost of the program, and potential fiscal and programmatic impacts of the changes to data collection procedures.

How FRL Data is Used at AOE:

Child Nutrition Programmatic Activities
<ul style="list-style-type: none">• Eligibility of schools for CEP and/or Provision 2 "universal meals" options, and determination of General Fund contribution amount (in case of Provision 2)• Eligibility to participate in a variety of supplemental Child Nutrition Programs (ex. Fresh Fruit and Vegetable Program, NSLP Afterschool Snack Service, CACFP At-Risk)

After School Meals) and/or to get preference on FS equipment grant programs, which depend on reaching certain thresholds of poverty (usually 50% FRL)

Other Programmatic Activities

- Title I Targeting and Ranking to determine Title I school eligibility
- Eligibility to operate Title I Schoolwide Program
- Under Part B of the IDEA, States are required to make subgrants to eligible LEAs (15 percent of the remaining funds based on poverty)
- Eligibility for loan forgiveness for teachers (national program)
- One-off state grant program eligibility
- Eligibility for 21st CCLC programs
- Eligibility for ERATE (uses end of Oct info.) (national program)
- Flexible Pathways:
 - VT lottery maker space grant (state level)
 - Broadband initiatives that rely on measures of economic disadvantage (e. g. T-Mobile Program)
- AAFM Farm to School Grants

Individual Student/Family Level Activities

- Waivers of SAT and other testing fees (national program)
- Waiver of college application fees
- Comcast discounts (state level)
- Eligibility for free school meals
- Flexible Pathways:
 - VSAC stipend eligibility for students for Dual Enrollment and Early College
 - Governor's Institutes of Vermont grant (the grantee offers reduced rate/scholarships to the program)

Federal Accountability Activities

- Determinations of disparities between non-LI and LI students on student assessment measures - equity determinations
- Supplemental resources distributed based on Equity determinations
- Perkins accountability metric disaggregation and related improvement plans (state level and local level)

- 21st CCLC annual reports to USDOE
- Exclusionary practices data

Publicly Shared Data

- Vermont Education Dashboard – Student Characteristic Variable for SES Across Year
- Annual Snapshot – Any SES variable that uses FRL
- 21st CCLC evaluations
- NESSC Common Data Report
- Dual Enrollment Legislative Report