1	Introduced by Committee on Agriculture
2	Date:
3	Subject: Education; school food programs; locally produced foods
4	Statement of purpose of bill as introduced: This bill proposes to require all
5	public schools in Vermont to make available school breakfast and lunch to all
6	students at no charge. The cost of school meals that is not reimbursed through
7	federal or State funds or other sources would be borne by school districts, and
8	therefore ultimately borne by the Education Fund. This bill also proposes to
9	create incentives for schools to purchase locally produced foods.
10 11 12	An act relating to universal school breakfast and lunch for all public school students and to creating incentives for schools to purchase locally produced foods
13	It is hereby enacted by the General Assembly of the State of Vermont:
14	* * * Title * * *
15	Sec. 1. TITLE
16	This act shall be known as "Farm Fresh School Meals for All."
17	* * * Statutory changes; universal school breakfast and lunch; locally produced
18	foods * * *
19	Sec. 2. 16 V.S.A. chapter 27, subchapter 2, is amended to read:
20	Subchapter 2. School Food Programs
21	§ 1261a. DEFINITIONS

1	As used in this subchapter:
2	(1) "Food programs" means provision of food to persons under
3	programs meeting standards for assistance under the National School Lunch
4	Act, 42 U.S.C. § 1751 et seq. and in the Child Nutrition Act, 42 U.S.C. § 1779
5	et seq., each as amended.
6	(2) "School board" means the governing body of a school district
7	responsible for the administration of a public school.
8	(3) "Independent school board" means a governing body responsible for
9	the administration of a nonprofit independent school exempt from United
10	States <u>U.S.</u> income taxes.
11	§ 1262a. AWARD OF GRANTS
12	(a)(1) The Agency may, from funds appropriated for this subsection to the
13	Agency, award grants to:
14	(A) supervisory unions for the use of member school boards that
15	establish and operate food programs;
16	(B) independent school boards that establish and operate food
17	programs; and
18	(C) approved education programs, as defined in subdivision
19	11(a)(34) of this title and operating under private nonprofit ownership as
20	defined in the National School Lunch Act, that establish and operate food

- programs for students engaged in a teen parent education program or students
   enrolled in a Vermont public school.
  - (2) The amount of any grant awarded under this subsection shall not be more than the amount necessary, in addition to any reimbursement from federal funds, to pay the actual cost of the meal.
  - (b) The Agency may, from funds available to the Agency for this subsection, award grants to supervisory unions consisting of one or more school districts that need to initiate or expand food programs in order to meet the requirements of section 1264 of this title and that seek assistance in meeting the cost of initiation or expansion. The amount of the grants shall be limited to 75 percent of the cost deemed necessary by the Secretary to construct, renovate, or acquire additional facilities and equipment to provide lunches to all students, and shall be reduced by the amount of funds available from federal or other sources, including those funds available under section 3448 of this title. The Agency shall direct supervisory unions seeking grants under this section to share facilities and equipment within the supervisory union and with other supervisory unions for the provision of lunches wherever more efficient and effective operation of food programs can be expected to result.
  - (c) On a quarterly basis, from State funds appropriated to the Agency for this subsection, 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.

(d) The Agency shall, from funds appropriated for this subsection to the Agency, award grants to supervisory unions and supervisory districts in accordance with section 1264a of this title (locally produced foods). If the amount appropriated for this purpose is insufficient to fully fund the grants under that section, then the grant amounts that are awarded shall be prorated.

\* \* \*

## § 1264. FOOD PROGRAM

(a)(1)(A) 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 in the National Child Nutrition Act as amended, to each attending student who qualifies for those meals under these Acts every school day. School districts shall maximize access to federal funds for the cost of the school breakfast and

I	lunch program under the Community Eligibility Provision, Provision 2, or
2	other provisions under these Acts.
3	(B) In addition, each school board operating a public school shall
4	cause to operate within each school in the school district the same school lunch
5	and the same school breakfast program made available to students who qualify
6	for those meals under the National School Lunch Act and the National Child
7	Nutrition Act, each as amended, to each attending student every school day at
8	no charge.
9	(C) To the extent that costs are not reimbursed through federal or
10	State funds or other sources, the cost of making available school lunches and
11	breakfasts shall be borne by school districts.
12	(2) Each school board operating a public school shall offer a summer
13	snack or meals program funded by the Summer Food Service program or the
14	National School Lunch Program for participants in a summer educational or
15	recreational program or camp if:
16	(A) at least 50 percent of the students in a school in the district
17	were eligible for free or reduced-price meals under subdivision (1) of this
18	subsection (a) for at least one month in the preceding academic year;
19	(B) the district operates or funds the summer educational or
20	recreational program or camp; and

1	(C) the summer educational or recreational program or camp is
2	offered 15 or more hours per week.
3	(3) In operating its school breakfast and lunch program, a school district
4	shall seek to achieve the highest level of student participation, which may
5	include:
6	(A) providing breakfast meals that can be picked up by students;
7	(B) making breakfast available to students in classrooms after the
8	start of the school day; or
9	(C) collaborating with the school's wellness community advisory
10	council, as established under subsection 136(e) of this title, in planning school
11	meals.
12	(4) Each school district shall request the parent or guardian of each
13	student to complete the Household Income Form provided by the Agency of
14	Education, which is used to determine a family's economic status to determine
15	eligibility for various State and federal programs. This requirement shall not
16	apply if the school district obtains equivalent information through another
17	means.
18	(b) In the event of an emergency, the school board may apply to the
19	Secretary for a temporary waiver of the requirements in subsection (a) of this
20	section. The Secretary shall grant the requested waiver if he or she finds that it
21	is unduly difficult for the school district to provide a school lunch, breakfast, or

- summer meals program, or any combination of the three, and if he or she finds that the school district and supervisory union have exercised due diligence to avoid the emergency situation that gives rise to the need for the requested waiver. In no event shall the waiver extend for a period to exceed 20 school days or, in the case of a summer meals program, the remainder of the summer vacation.
- (c) The State shall be responsible for the student share of the cost of breakfasts provided to all students eligible for a reduced-price breakfast under the federal school breakfast program and for the student share of the cost of lunches provided to all students eligible for a reduced-price lunch under the federal school lunch program.

(d) It is a goal of the State that by the year 2022 school boards operating a

- school lunch, breakfast, or summer meals program shall purchase at least 20 percent of all food for those programs from local producers. [Repealed.]

  (e)(1) On or before December 31, 2020 and annually 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 locally produced foods that were purchased by the school board for those programs.
- (2) On or before January 31, 2021 and annually thereafter, the Agency of Education shall submit to the Senate Committees on Agriculture and on Education and the House Committees on Agriculture and Forestry and on

1	Education in an aggregated form the information received from school boards
2	regarding the percentage of locally produced foods that are purchased as part
3	of a school lunch, breakfast, or summer meals program. The provisions of
4	2 V.S.A. § 20(d) regarding expiration of required reports shall not apply to the
5	report required by this subdivision. [Repealed.]
6	§ 1264a. LOCALLY PRODUCED FOODS
7	(a) It is a goal of the State that by the year 2023, at least 20 percent of all
8	foods purchased by supervisory unions and supervisory districts, together
9	referred to in this section as "supervisory unions," be locally produced foods.
10	School boards have the discretion to define what foods are included within the
11	definition of "locally produced foods" for the purposes of this subsection and
12	subsection (b) of this section.
13	(b) On or before December 31, 2021 and annually thereafter, a school
14	board operating a school lunch, breakfast, or summer meals program shall
15	report to the Agency of Education an estimate of the percentage of the cost of
16	all foods purchased by the school board for those programs that were locally
17	produced foods during the one-year period ending on June 30 of that year.
18	This report shall also include the school district's budget for its food program,
19	its sources and amount of funding to pay for its food program, and the costs of
20	its food program.

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

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

1	(B) If a supervisory union grows, raises, or produces food, it shall
2	assign a fair market value to that food for the purpose of reporting its cost.
3	(6) If a supervisory union is eligible for a grant under subdivision (5) of
4	this subsection, the Agency shall, on or before the following March 31 after
5	submission of the supervisory union's application (that is due on or before
6	January 15 of that year), make the grant payment, subject to appropriation,
7	which shall be determined as follows:
8	(A) 15 cents per reimbursable school lunch served in the prior school
9	year through the National School Lunch Program for supervisory unions
10	purchasing at least 15 percent locally produced foods;
11	(B) 20 cents per reimbursable school lunch served in the prior school
12	year through the National School Lunch Program for supervisory unions
13	purchasing at least 20 percent locally produced foods; or
14	(C) 25 cents per reimbursable school lunch served in the prior school
15	year through the National School Lunch Program for supervisory unions
16	purchasing at least 25 percent locally produced foods.
17	(7) A supervisory union may apply for and receive grant funding under
18	subdivisions (5) and (6) of this subsection for each year that it qualifies for this
19	grant funding.
20	(8) The Agency of Education may perform sample audits for any year
21	that grant funds are paid to supervisory unions under subdivision (6) of this

1	subsection to verify that information provided to the Agency under
2	subdivision (5) of this subsection is accurate. If the Agency makes a grant
3	payment under subdivision (6) of this subsection to a supervisory union that
4	was based on inaccurate information reported by the supervisory union, the
5	Agency may seek reimbursement from the supervisory union for an
6	overpayment or reimburse the supervisory union for an underpayment or may
7	adjust future grant amounts under this section to reflect the over- or
8	underpayment.
9	(d)(1) On or before January 31, 2022 and annually thereafter, the Agency
10	of Education shall submit to the Senate Committees on Agriculture and on
11	Education and the House Committees on Agriculture and Forestry and on
12	Education in an aggregated form:
13	(A) the information received from supervisory unions regarding the
14	percentage of locally produced foods, as the supervisory unions define them,
15	that were reported under subsection (b) of this section; and
16	(B) the percentage of locally produced foods, using the grant funding
17	definition, that were reported under subdivision (c)(5) of this section and the
18	amount of grant funding paid to supervisory unions under subdivision (c)(6) of
19	this section in the prior school year.
20	(2) The provisions of 2 V.S.A. § 20(d) regarding expiration of required
21	reports shall not apply to the reports required by this subsection.

## § 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, for a period of one year.
- (b) If a public school is exempt from offering a breakfast or lunch program, its school board shall conduct a discussion annually on whether to continue 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.A. § 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.

1	(d) Following a meeting held pursuant to subsection (b) of this section, the
2	school board shall send a copy of the agenda and minutes to the Secretary and
3	the superintendent of the supervisory union.
4	(e) The Secretary may grant a supervisory union or a school district a
5	waiver from duties required of it under this subchapter upon a demonstration
6	that the duties would be performed more efficiently and effectively in another
7	manner. [Repealed.]
8	Sec. 3. 16 V.S.A. § 4001 is amended to read:
9	§ 4001. DEFINITIONS
10	As used in this chapter:
11	* * *
12	(6) "Education spending" means the amount of the school district
13	budget, any assessment for a joint contract school, career technical center
14	payments made on behalf of the district under subsection 1561(b) of this title,
15	and any amount added to pay a deficit pursuant to 24 V.S.A. § 1523(b) that is
16	paid for by the school district, but excluding any portion of the school budget
17	paid for from any other sources such as endowments, parental fundraising,
18	federal funds, nongovernmental grants, or other State funds such as special
19	education funds paid under chapter 101 of this title.
20	(A) [Repealed.]

1	(B) For purposes of calculating excess spending pursuant to
2	32 V.S.A. § 5401(12), "education spending" shall not include:
3	* * *
4	(xii) Costs incurred by a school district or supervisory union to
5	provide school breakfast and lunch under 16 V.S.A. chapter 27 (Transportation
6	and Board), subchapter 2 (School Food Programs).
7	* * *
8	* * * Session law; universal school breakfast and lunch * * *
9	Sec. 4. SCHOOL MEALS CONSUMED DURING CLASS
10	A school district shall count time spent by students consuming school meals
11	during class as instructional time.
12	Sec. 5. TRANSITION
13	(a) On or before July 1, 2026, each school district shall comply with
14	16 V.S.A. chapter 27, subchapter 2, as amended by this act. Until the date
15	upon which a school district complies with 16 V.S.A. chapter 27, subchapter 2,
16	as amended by this act, 16 V.S.A. chapter 27, subchapter 2, as in effect on
17	June 30, 2021, shall be in effect.
18	(b)(1) Notwithstanding any provision of law to the contrary, the sum of
19	\$1,000,000.00 is appropriated from the Education Fund to the Agency of
20	Agriculture, Food and Markets for fiscal year 2022 for the Farm-to-School
21	Program established under 6 V.S.A. § 4721. This funding shall be used by the

1	Agency of Agriculture, Food and Markets to award grants during the five-year
2	transition period to school districts that are transitioning to making available
3	school breakfast and lunch to all students at no charge. The Agency shall
4	establish criteria for awarding this grant funding, which may include funding
5	<u>for:</u>
6	(A) capital expenditures, including equipment;
7	(B) staff support;
8	(C) administration; or
9	(D) training.
10	(2) Each school that receives a transition grant under subdivision (1) of
11	this subsection shall use the funds to pay for the cost of transitioning under that
12	subdivision and shall report to the Agency of Agriculture, Food and Markets
13	how the funds were used at such time or times as required by the Agency. Any
14	unused funds shall revert to the Farm-to-School Program.
15	Sec. 6. AGENCY OF EDUCATION
16	(a) On or before August 31, 2021 and annually thereafter, the Agency of
17	Education, in collaboration with Hunger Free Vermont and the Vermont
18	Association of School Business Officials, shall update the Household Income
19	Form, which is used to determine a family's economic status to determine
20	eligibility for various State and federal programs, to reflect best practices.

1	(b) The following position is created in the Agency of Education: one full-
2	time, classified position specializing in the administration of school food
3	programs. The position established in this subsection shall be transferred and
4	converted from an existing vacant position in the Executive Branch of State
5	government. There is appropriated to the Agency of Education from the
6	General Fund for fiscal year 2022 the amount of \$100,000.00 for salary,
7	benefits, and operating expenses.
8	* * * Session law; locally produced foods * * *
9	Sec. 7. ADMINISTRATIVE SUPPORT
10	The Agency of Education shall collaborate with the Agency of Agriculture,
11	Food and Markets to promote the local foods program under 16 V.S.A.
12	§ 1264a to supervisory unions and supervisory districts, farmers, food
13	processors, and distributors.
14	Sec. 8. APPROPRIATIONS FOR FOOD PROGRAMS
15	(a) There is appropriated to the Agency of Education from the General
16	Fund for fiscal year 2022 the amount of \$500,000.00 for local foods incentive
17	grants under 16 V.S.A. § 1264a (locally produced foods) as added by this act.
18	From this appropriation, the Agency of Education may use up to \$60,000.00 to
19	retain a contractor to assist with developing and establishing the local foods
20	incentive grants for fiscal year 2022.

1	(b) There is appropriated to the Vermont Agency of Agriculture, Food and
2	Markets from the General Fund for fiscal year 2022 the annual base
3	appropriation of \$500,000.00 for the Farm-to-School and Early Childhood
4	Grant Program.
5	Sec. 9. AGENCY OF EDUCATION; ANNUAL BUDGET REQUEST
6	The Agency of Education shall, in its annual budget request to the General
7	Assembly, include the amount of \$500,000.00 for local foods incentive grants
8	under 16 V.S.A. § 1264a (locally produced foods) as added by this act.
9	* * * Effective date * * *
10	Sec. 10. EFFECTIVE DATE
11	This act shall take effect on July 1, 2021.