1 TO THE SENATE:

2	The Committee on Appropriations to which was referred Senate Bill No.
3	100 entitled "An act relating to universal school breakfast and lunch for all
4	public school students and to creating incentives for schools to purchase
5	locally produced foods" respectfully reports that it has considered the same and
6	recommends that the bill be amended by striking out all after the enacting
7	clause and inserting in lieu thereof the following:
8	Sec. 1. TITLE
9	This act shall be known as "Farm Fresh School Meals for All."
10	* * * Statutory changes; universal school breakfast and lunch;
11	locally produced foods * * *
12	Sec. 2. 16 V.S.A. chapter 27, subchapter 2 is amended to read:
13	Subchapter 2. School Food Programs
14	§ 1261a. DEFINITIONS
15	As used in this subchapter:
16	(1) "Food programs" means provision of food to persons under
17	programs meeting standards for assistance under the National School Lunch
18	Act, 42 U.S.C. § 1751 et seq. and in the Child Nutrition Act, 42 U.S.C. § 1779
19	et seq., each as amended.
20	(2) "School board" means the governing body of a school district
21	responsible for the administration of a public school.
	VT LEG #354546 v.2

1	(3) "Independent school board" means a governing body responsible for
2	the administration of a nonprofit independent school exempt from United
3	States U.S. income taxes.
4	§ 1262a. AWARD OF GRANTS
5	* * *
6	(c)(1) On a quarterly basis, from State funds appropriated to the Agency for
7	this subsection, the Agency shall award to each supervisory union, independent
8	school board, and approved education program as described in subsection (a)
9	of this section a sum equal to the amount that would have been the student
10	share of the cost of all breakfasts and lunches actually provided in the district
11	during the previous quarter to students eligible for a reduced-price breakfast
12	under the federal school breakfast program and students eligible for a reduced-
13	price lunch under the federal school lunch program.
14	(2) On a quarterly basis, from State funds appropriated to the Agency
15	for this subsection, the Agency shall award to each school district a sum equal
16	to the amount necessary to reimburse the costs of meals actually provided in
17	the district during the previous quarter to students who are not eligible for free
18	or reduced-price meals under section 1264(a)(1)(B) of this title.
19	(d) The Agency shall, from funds appropriated for this subsection to the
20	Agency, award grants to supervisory unions and supervisory districts in
21	accordance with section 1264a of this title (locally produced foods). If the
	VT LEG #354546 v.2

1	amount appropriated for this purpose is insufficient to fully fund the grants
2	under that section, then the grant amounts that are awarded shall be prorated.
3	* * *
4	§ 1264. FOOD PROGRAM
5	(a)(1)(A) Each school board operating a public school shall cause to
6	operate within the school district each school in the school district a food
7	program that makes available a school lunch, as provided in the National
8	School Lunch Act as amended, and a school breakfast, as provided in the
9	National Child Nutrition Act as amended, to each attending student who
10	qualifies for those meals under these Acts every school day. School districts
11	shall maximize access to federal funds for the cost of the school breakfast and
12	lunch program under the Community Eligibility Provision, Provision 2, or
13	other provisions under these Acts.
14	(B) In addition, each school board operating a public school shall
15	cause to operate within each school in the school district the same school lunch
16	and the same school breakfast program made available to students who qualify
17	for those meals under the National School Lunch Act and the National Child
18	Nutrition Act, each as amended, to each attending student every school day at
19	no charge.

1	(C) To the extent that costs are not reimbursed through federal or
2	State funds or other sources, the cost of making available school lunches and
3	breakfasts shall be borne by school districts.
4	* * *
5	(3) In operating its school breakfast and lunch program, a school district
6	shall seek to achieve the highest level of student participation, which may
7	include any or all of the following:
8	(A) providing breakfast meals that can be picked up by students;
9	(B) making breakfast available to students in classrooms after the
10	start of the school day; and
11	(C) collaborating with the school's wellness community advisory
12	council, as established under subsection 136(e) of this title, in planning school
13	meals.
14	(4) Each school district shall request the parent or guardian of each
15	student to complete the Household Income Form provided by the Agency of
16	Education, which is used to determine a family's economic status to determine
17	eligibility for various State and federal programs. This requirement shall not
18	apply if the school district obtains equivalent information through another
19	means.
20	* * *

1	(d) It is a goal of the State that by the year 2022 school boards operating a
2	school lunch, breakfast, or summer meals program shall purchase at least
3	20 percent of all food for those programs from local producers. [Repealed.]
4	(e)(1) On or before December 31, 2020 and annually thereafter, a school
5	board operating a school lunch, breakfast, or summer meals program shall
6	submit to the Agency of Education an estimate of the percentage of locally
7	produced foods that were purchased by the school board for those programs.
8	(2) On or before January 31, 2021 and annually thereafter, the Agency
9	of Education shall submit to the Senate Committees on Agriculture and on
10	Education and the House Committees on Agriculture and Forestry and on
11	Education in an aggregated form the information received from school boards
12	regarding the percentage of locally produced foods that are purchased as part
13	of a school lunch, breakfast, or summer meals program. The provisions of
14	2 V.S.A. § 20(d) regarding expiration of required reports shall not apply to the
15	report required by this subdivision. [Repealed.]
16	<u>§ 1264a. LOCALLY PRODUCED FOODS</u>
17	(a) It is a goal of the State that by the year 2023, at least 20 percent of all
18	foods purchased by supervisory unions and supervisory districts, together
19	referred to in this section as "supervisory unions," be locally produced foods.
20	School boards have the discretion to define what foods are included within the

1	definition of "locally produced foods" for the purposes of this subsection and
2	subsection (b) of this section.
3	(b) On or before December 31, 2021 and annually thereafter, a school
4	board operating a school lunch, breakfast, or summer meals program shall
5	report to the Agency of Education an estimate of the percentage of the cost of
6	all foods purchased by the school board for those programs that were locally
7	produced foods during the one-year period ending on June 30 of that year.
8	(c)(1) Beginning with the 2021–22 school year and thereafter, supervisory
9	unions shall be eligible for a local foods incentive grant (grant) from funds
10	appropriated to the Agency of Education for this purpose.
11	(2) A supervisory union may apply for the grant if it has:
12	(A) developed a locally produced foods purchasing plan that
13	describes the supervisory union's goals for purchasing locally produced foods
14	and its plan to achieve those goals;
15	(B) designated an individual as the food coordinator for locally
16	produced foods who shall be responsible for implementing the locally
17	produced foods purchasing plan;
18	(C) developed a process for tracking the purchase of locally produced
19	foods; and
20	(D) complied with the reporting requirement under subsection (b) of
21	this section.

1	(3) A supervisory union that has satisfied the conditions under
2	subdivision (2) of this subsection may, on or before January 15, 2022 or on or
3	before January 15 of any year thereafter, apply to the Agency for the grant by
4	submitting a certification, signed by the business manager for the supervisory
5	union, that the supervisory union satisfies the conditions under subdivision (2)
6	of this subsection.
7	(4) If a supervisory union is eligible for a grant under subdivision (3) of
8	this subsection, then the Agency shall make the grant payment, subject to
9	appropriation, on or before the following March 31 after submission of the
10	supervisory union's application (that is due on or before January 15 of that
11	year), which shall be equal to 15 cents per reimbursable school lunch served by
12	the supervisory union in the prior school year through the National School
13	Lunch Program. A supervisory union may apply for this grant and receive this
14	grant funding only once.
15	(5)(A) A supervisory union that has received a grant under
16	subdivision (4) of this subsection (c) may, on or before January 15, 2023 or on
17	or before January 15 of any year thereafter, apply for a further grant by
18	submitting to the Agency of Education information that demonstrates that at
19	least 15 percent of the cost of all foods purchased or grown, raised, or
20	produced by the supervisory union during the one-year period ending on June

1	30 of the previous year were local to Vermont as defined in 9 V.S.A.
2	<u>§ 2465a(b), excluding:</u>
3	(i) foods purchased or grown, raised, or produced by the
4	supervisory union that were used to provide catering services for which the
5	supervisory union received compensation; and
6	(ii) fluid milk.
7	(B) If a supervisory union grows, raises, or produces food, it shall
8	assign a fair market value to that food for the purpose of reporting its cost.
9	(C) A vendor that contracts with a supervisory union to supply food
10	products shall certify to the supervisory union which of the food products
11	supplied meet the definition of local to Vermont, taking into account the
12	exclusions under subdivision 5(A) of this subsection (c).
13	(6) If a supervisory union is eligible for a grant under subdivision (5) of
14	this subsection, the Agency shall, on or before the following April 30 after
15	submission of the supervisory union's application (that is due on or before
16	January 15 of that year), make the grant payment, subject to appropriation,
17	which shall be determined as follows:
18	(A) 15 cents per reimbursable school lunch served in the prior school
19	year through the National School Lunch Program for supervisory unions
20	purchasing at least 15 percent locally produced foods;

1	(B) 20 cents per reimbursable school lunch served in the prior school
2	year through the National School Lunch Program for supervisory unions
3	purchasing at least 20 percent locally produced foods; or
4	(C) 25 cents per reimbursable school lunch served in the prior school
5	year through the National School Lunch Program for supervisory unions
6	purchasing at least 25 percent locally produced foods.
7	(7) A supervisory union may apply for and receive grant funding under
8	subdivisions (5) and (6) of this subsection for each year that it qualifies for this
9	grant funding. For applications covering the 2020–2021 school year, meals
10	served through the Summer Food Service Program shall also be counted for
11	this grant payment.
12	(8) The Agency of Education may perform sample audits for any year
13	that grant funds are paid to supervisory unions under subdivision (6) of this
14	subsection to verify that information provided to the Agency under
15	subdivision (5) of this subsection is accurate. If the Agency makes a grant
16	payment under subdivision (6) of this subsection to a supervisory union that
17	was based on inaccurate information reported by the supervisory union, the
18	Agency may seek reimbursement from the supervisory union for an
19	overpayment or reimburse the supervisory union for an underpayment or may
20	adjust future grant amounts under this section to reflect the over- or
21	underpayment.

1	(d)(1) On or before January 31, 2022 and annually thereafter, the Agency
2	of Education shall submit to the Senate Committees on Agriculture and on
3	Education and the House Committees on Agriculture and Forestry and on
4	Education in an aggregated form:
5	(A) the information received from supervisory unions regarding the
6	percentage of locally produced foods, as the supervisory unions define them,
7	that were reported under subsection (b) of this section; and
8	(B) the percentage of locally produced foods, using the grant funding
9	definition, that were reported under subdivision (c)(5) of this section and the
10	amount of grant funding paid to supervisory unions under subdivision (c)(6) of
11	this section in the prior school year.
12	(2) The provisions of 2 V.S.A. § 20(d) regarding expiration of required
13	reports shall not apply to the reports required by this subsection.
14	§ 1265. EXEMPTION; PUBLIC DISCUSSION
15	(a) The school board of a public school district that wishes to be exempt
16	from the provisions of section 1264 of this title may vote at a meeting warned
17	and held for that purpose to exempt itself from the requirement to offer either
18	the school lunch program or the school breakfast program, or both, for a period
19	of one year.
20	(b) If a public school is exempt from offering a breakfast or lunch program,
21	its school board shall conduct a discussion annually on whether to continue the
	VT LEG #354546 v.2

1	exemption. The pending discussion shall be included on the agenda at a
2	regular or special school board meeting publicly noticed in accordance with
3	1 V.S.A. § 312(c), and citizens shall be provided an opportunity to participate
4	in the discussion. The school board shall send a copy of the notice to the
5	Secretary and to the superintendent of the supervisory union at least ten days
6	prior to the meeting. Following the discussion, the school board shall vote on
7	whether to continue the exemption for one additional year.
8	(c) On or before the first day of November prior to the date on which an
9	exemption voted under this section is due to expire, the Secretary shall notify
10	the boards of the affected school district and supervisory union in writing that
11	the exemption will expire.
12	(d) Following a meeting held pursuant to subsection (b) of this section, the
13	school board shall send a copy of the agenda and minutes to the Secretary and
14	the superintendent of the supervisory union.
15	(e) The Secretary may grant a supervisory union or a school district a
16	waiver from duties required of it under this subchapter upon a demonstration
17	that the duties would be performed more efficiently and effectively in another
18	manner. [Repealed.]
19	Sec. 3. 16 V.S.A. § 4001 is amended to read:
20	<mark>§ 4001. DEFINITIONS</mark>
21	As used in this chapter:

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

1	(1) define the term "student poverty" for the purposes of:
2	(A) determining qualification for federal funds by local education
3	agencies, school districts, and schools;
4	(B) student eligibility for various educational programs and benefits
5	where economic need is a consideration; and
6	(C) collecting and reporting disaggregated and student-level
7	performance data as required;
8	(2) establish what student poverty data should be collected by local
9	education agencies, school districts, and schools, the means by which the data
10	should be collected, and the frequency of collection; and
11	(3) determine how this data shall be reported to the Agency of
12	Education by local education agencies, school districts, and schools, and the
13	frequency of reporting.
14	(b) Local education agencies, school districts, and schools shall collect data
15	required under subdivision (a)(2) of this section and report this data to the
16	Agency of Education as required under subdivision (a)(3) of this section.
17	* * * Session law; universal school breakfast and lunch * * *
18	Sec. 4. SCHOOL MEALS CONSUMED DURING CLASS
19	A school district shall count time spent by students consuming school meals
20	during class as instructional time.
21	Sec. <mark>5.</mark> TRANSITION

1	(a) On or before July 1, 2026, each school district shall comply with
2	16 V.S.A. chapter 27, subchapter 2, as amended by this act. Until the date
3	upon which a school district complies with 16 V.S.A. chapter 27, subchapter 2,
4	as amended by this act, 16 V.S.A. chapter 27, subchapter 2, as in effect on
5	June 30, 2021, shall be in effect.
6	(b)(1) Notwithstanding any provision of law to the contrary, the sum of
7	\$1,000,000.00 is appropriated from the Education Fund to the Agency of
8	Agriculture, Food and Markets for fiscal year 2022 for the Farm-to-School
9	Program established under 6 V.S.A. § 4721. This funding shall be used by the
10	Agency of Agriculture, Food and Markets to award grants during the five-year
11	transition period to school districts that are transitioning to making available
12	school breakfast and lunch to all students at no charge. The Agency shall
13	establish criteria for awarding this grant funding, which may include funding
14	for any or all of the following:
15	(A) capital expenditures, including equipment;
16	(B) staff support;
17	(C) administration; and
18	(D) training.
19	(2) Each school that receives a transition grant under subdivision (1) of
20	this subsection shall use the funds to pay for the cost of transitioning under that
21	subdivision and shall report to the Agency of Agriculture, Food and Markets
	VT LEG #354546 v.2

1	how the funds were used at such time or times as required by the Agency. Any
2	unused funds shall revert to the Farm-to-School Program.
3	Sec. 6. APPROPRIATIONS FOR UNIVERSAL SCHOOL MEALS
4	There is appropriated to the Agency of Education from the [General Fund]
5	for fiscal year 2022 the amount of \$[25],000,000.00 for universal school meals
6	under subdivision (c)(2) of 16 V.S.A. § 1262a (Award of Grants) as added by
7	this act.
8	Sec. 7. AGENCY OF EDUCATION; STAFFING
9	The following position is created in the Agency of Education: one full-
10	time, classified position specializing in the administration of school food
11	programs. The position established in this subsection shall be transferred and
12	converted from an existing vacant position in the Executive Branch of State
13	government. There is appropriated to the Agency of Education from the
14	General Fund for fiscal year 2022 the amount of \$100,000.00 for salary,
15	benefits, and operating expenses.
16	* * * Session law; locally produced foods * * *
17	Sec. 8. ADMINISTRATIVE SUPPORT
18	The Agency of Education shall collaborate with the Agency of Agriculture,
19	Food and Markets to promote the local foods program under 16 V.S.A.
20	<u>§ 1264a to supervisory unions and supervisory districts, farmers, food</u>
21	processors, and distributors.

1	Sec. 9. APPROPRIATIONS FOR FOOD PROGRAMS
2	(a) There is appropriated to the Agency of Education from the General
3	Fund for fiscal year 2022 the amount of \$500,000.00 for local foods incentive
4	grants under 16 V.S.A. § 1264a (locally produced foods) as added by this act.
5	From this appropriation, the Agency of Education may use up to \$60,000.00 to
6	retain a contractor, or otherwise fund costs associated with the implementation
7	of the grant program, to assist with developing and establishing the local foods
8	incentive grants for fiscal year 2022.
9	(b) There is appropriated to the Vermont Agency of Agriculture, Food and
10	Markets from the General Fund for fiscal year 2022 the annual base
11	appropriation of \$500,000.00 for the Farm-to-School and Early Childhood
12	Grant Program.
13	Sec. 10. AGENCY OF EDUCATION; ANNUAL BUDGET REQUEST
14	The Agency of Education shall, in its annual budget request to the General
15	Assembly, include the amount of \$500,000.00 for local foods incentive grants
16	under 16 V.S.A. § 1264a (locally produced foods) as added by this act.
17	* * * Effective date * * *
18	Sec. 10. EFFECTIVE DATE
19	This act shall take effect on July 1, 2021.
20	
21	

Page 17 of 17

1		
2		
3		
4	(Committee vote:)	
5		
6		Representative
7		FOR THE COMMITTEE