



## **Testimony provided to the House Committee on Agriculture, Food Resiliency, and Forestry regarding proposed changes to H.165**

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Thank you for the opportunity to share the collective recommendations of Hunger Free Vermont, Vermont FEED, and the Vermont Farm to School Network regarding the changes to H.165 currently under consideration by this Committee.

### **Regarding the Agency of Education's recommendation to replace references to "cost" with defined "Universal Meals Supplement"**

We are in agreement with the Agency of Education that the term "Universal Meals Supplement" should be used to make it clear that in H.165, state education funds are being used to reimburse a set per-meal amount for "paid rate" meals provided to students under USDA rules. We understand this to be the intent of Act 151, and this approach has always been the approach supported by the coalition of organizations that launched the campaign for universal school meals.

### **Regarding the Agency of Education's recommendation to clarify the payment of the Universal Meals Supplement to independent schools**

The Agency of Education has recommended several changes to the section of H.165 pertaining to what independent schools would need to do to receive the Universal Meals Supplement, and how that supplement would be calculated and paid out by the Agency of Education. We support all of the changes recommended by the Agency of Education. We agree that the intent of the legislature in passing Act 151 was to require independent schools that wish to receive the Universal Meals Supplement for meals served to publicly tuitioned students to operate universal meal programs, and that H.165 is meant to continue this approach.

### **Regarding strengthening the Agency of Education's authority to require SFAs maximize federal funds**

The language in Act 151 and H.165 regarding the requirement that School Food Authorities (SFAs) maximize their ability to draw down federal meal reimbursements through use of whichever provision of the National School Lunch Act will do so in each of their schools is critical to the success and sustainability of Vermont's Universal School Meals Program. This language is unique among the states that have passed and implemented universal school meals programs, and is now being circulated nationally and adopted as part of efforts in many of the 19 (or more) states currently considering universal school meals legislation. The requirement to maximize federal reimbursement, and the careful efforts of the Agency of Education to help SFAs determine the best provisions in the most effective combination to use has resulted in program costs to the state Education Fund being lower than what was appropriated for Act 151. We agree with the Agency of Education that additional coming changes to the process of directly certifying students as eligible for free and reduced-price school meals through Medicaid data, and coming changes to the eligibility threshold for schools to use the Community Eligibility Provision are likely to lower the state cost of Vermont's Universal School Meals Program further in

future years. However, this will only be true if the Agency of Education has the authority to require SFAs to respond to these (and other future) program improvements in order to ongoingly maximize federal funding. Therefore, we support the language changes proposed by the Agency of Education, and we understand these changes as remaining within the original intent of a Vermont Universal School Meals Program as we envisioned it. While this change may require additional administrative effort on the part of school districts from time to time in future years, the amount of federal funding at issue is significant, and in our view, worth taking every action to maximize it. Given early projections by DVHA and AOE it is likely that directly certifying students through Medicaid data will greatly reduce, if not completely eliminate, the administrative burden associated with implementing a new Provision 2 base year in any case.

#### **Regarding clarifying the status of child care centers with PreKs**

Act 151, and subsequently H.165, are designed with care to adhere to all USDA program rules in order to ensure that Vermont's Universal School Meals Program can qualify for all federal per-meal reimbursements. This strategy is essential to ensure that the Universal School Meals Program will be sustainable over time, and will be administered in an equitable manner consistent with all federal program requirements.

We consider the current approach taken by the Agency of Education in regards to including in the Universal School Meals Program all children who are enrolled under a School Food Authority to be consistent with, and in fact required under, USDA program rules. According to USDA rules for Provision 2 and the Community Eligibility Provision (CEP), any child served under a School Food Authority cannot be excluded from meal service, and therefore should and must receive their meals under the National School Lunch and School Breakfast Programs (NSLP and SBP).

We also note that likely the majority of these children are being included in the calculation of the school district's free and reduced-price eligible student percentage, thus drawing down additional federal funding that is helping to cover the costs of the school meal programs.

#### **Regarding clarifying the status of state approved education programs**

We recommend permitting state approved education programs to participate in the Universal School Meals Program if they comply with all other requirements outlined in H.165. This makes sense to us given that they are eligible to receive the state funds available to cover the cost of reduced-price school breakfast and lunch. None of the six state approved education programs currently participate in the National School Lunch or School Breakfast programs. In the future, one or more of them may, for example, enroll in a public school district SFA, and it would then be administratively easier for the SFA to be able to treat their meals in the same way as meals provided to other students in the SFA are treated. These programs serve a small number of students, but these students may be particularly in need of a stable source of healthy meals, and so we believe that the option to participate in the Universal School Meals Program should be made available.

#### **Regarding clarifying the meaning of second breakfasts**

When used in the context of the federal School Breakfast Program, a "second breakfast" means that another federally reimbursable breakfast meal is served to a student who has already received one federally reimbursable breakfast meal at school that day, and under specific conditions are permitted by USDA program rules. We understood the Agency of Education's initial recommendation to include language to H.165 stating that "second breakfasts" would not receive the state Universal Meals Supplement to refer to these "second breakfasts" only. The School Nutrition Association has also been consulted previously regarding this recommendation and supports it, along with the addition of this clarifying language recommended by the Agency of Education.

#### **Regarding the definition of "local food" as it relates to the Local Food Purchasing Incentive for schools**

We do not see the need to change the State of Vermont's official definition of local under Act 129.

However, a solution that addresses this Committee's concern to ensure that schools are able to use the Local Food Purchasing Incentive as intended would be to allow the direct purchase of raw agricultural products from producers located in bordering states within 30 miles of the School Food Authority.

We also request that this Committee prioritizes \$500,000 in base funding for the Local Food Purchasing Incentive program in your budget memo to the Appropriations Committee.