

Chapter 18

2023 Regular Session

Subject Free School Meals for K12 Students**Bill** H.F. 5**Analyst** Tim Strom
Cristina Parra**Date** March 20, 2023

Overview

The National School Lunch Program provides meal assistance to students in Minnesota's public and private schools. The meal programs are administered by the Minnesota Department of Education (MDE) under the rules established by the United States Department of Agriculture. The federal government annually sets and provides funding levels for each meal served based on the student's family income. Nationally, students qualify for free meals if their family income is less than 130 percent of the federal poverty guidelines and for reduced price meals if family income is between 130 percent and 185 percent of the FPG. Minnesota also provides state aid for a portion of each school's nutrition programs and for school lunch, including providing the 40 cent per lunch difference so that under current law, all school lunches served to free or reduced-price meal eligible students are free to the qualifying Minnesota student.

The Community Eligibility Provision (CEP) program allows a school to serve free meals to all of its students. For school sites with at least 62.5 percent free and reduced-price meal programs, the federal funds cover the full costs of providing the meals. Other sites with more than 40 percent free and reduced-price meal eligible students may also join the program, but the federal reimbursement (roughly 60 percent more) is generally not sufficient to fully fund the cost of the meals even though schools participating in CEP reduce costs by eliminating the need to track student meal status and by forgoing the school's need to undertake any collection activities for unpaid meal debts.

Chapter 18 uses state funds, after the application of all available federal funds, to provide free school breakfast and free school lunch to Minnesota students in all participating schools, regardless of their family income. Chapter 18 also adds a onetime adjustment to compensatory revenue for the 2024-2025 school year to ensure that no school building receives less compensatory revenue than in the previous fiscal year.

Summary

Section	Description
1	<p>School meals policies; lunch aid.</p> <p>Replaces the current state funding for school meals with a requirement that the state pay the difference between the federally determined average cost of a school meal and the actual federal reimbursement rate for that meal for all school meals served to students under the free school meals program. Requires all schools participating in the free school meals program to participate in the Community Eligibility Provision (CEP) program.</p> <p>Prohibits a participant (school district, charter school, or nonpublic school) in the free school meals program from charging a fee to any student for school lunch.</p>
2	<p>School breakfast program.</p> <p>Requires any school that participates in the free school meals program to provide a federally reimbursable breakfast at no cost to any enrolled student.</p> <p>Prohibits a participant (“participant” is the name given to the schools participating in the program) in the free school meals school breakfast program from charging a fee to any student for school breakfast.</p>
3	<p>Compensation revenue pupil units.</p> <p>Sets Compensatory revenue for fiscal year 2025 equal to the greater of the amount calculated using each school building’s actual count compensatory pupil units determined using the fall of 2023 count, or calculated using the building’s fall of 2022 count of compensatory pupil units.</p>
4	<p>Appropriations; school meals.</p> <p>Subd. 1. Department of Education. Appropriates amounts to MDE.</p> <p>Subd. 2. School lunch. Appropriates \$174.8 million over base in fiscal year 2024 and \$181.9 million over base in fiscal year 2025 for the free school meals program.</p> <p>Subd. 3. School breakfast. Appropriates \$14.8 million over base in fiscal year 2024 and \$15.4 million over base in fiscal year 2025 for free school meals breakfasts.</p> <p>Subd. 4. Administrative costs. Appropriates \$400,000 in fiscal year 2023 for administrative and computer systems costs for the free school meals program. Makes funding available until June 30, 2025. Appropriates \$202,000 annually, beginning in fiscal year 2025 to administer the program.</p>

Section	Description
---------	-------------

	<p>Subd. 5. Additional general education aid. Establishes an aid entitlement of \$6,038,000 for the additional compensatory revenue costs created by section 3. Appropriates \$5,434,000 in fiscal year 2025 as the 90 percent current year payment for the aid entitlement and sets the remaining 10 percent of the entitlement (the 10 percent clean-up payment) at \$604,000 for fiscal year 2026.</p>
--	--



**MN HOUSE
RESEARCH**

Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.

www.house.mn/hrd | 651-296-6753 | 155 State Office Building | St. Paul, MN 55155