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LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS
56th Legislature, 1st Session, 2023

Bill Number	<u>SB4/SECS/aSFC</u>	Sponsor	<u>SEC</u>
Tracking Number	<u>.224541.1</u>	Committee Referrals	<u>SEC/SFC</u>
Short Title	<u>Healthy Universal School Meals</u>		
Analyst	<u>Condon</u>	Original Date	<u>3/1/23</u>
		Last Updated	<u>3/3/23</u>

BILL SUMMARY

Synopsis of the SFC Amendment

The Senate Finance Committee (SFC) amendment removes the appropriation from Senate Bill 4 (SB4/SECS/aSFC).

The bill has an effective date of July 1, 2023.

Synopsis of the SEC Substitute

The Senate Education Committee Substitute for Senate Bill 4 (SB4/SECS) amends Section 22-13C-1 NMSA 1978 to create the “Healthy Hunger-Free Students’ Bill of Rights Act” which would expand free meals to all public and charter school students attending schools that are operating the national school breakfast and lunch programs, and allows tribally controlled schools and private schools operating the national school breakfast and lunch programs to opt in, to offer free, high-quality meals, regardless of family income.

FISCAL IMPACT

SB4/SECS/aSFC does not make an appropriation.

SB4/SECS is part of the executive budget recommendation for the Food Initiative, which includes more than \$75 million to build a food system that grows, transports, and serves food to New Mexicans who need it the most.

The House Appropriations and Finance Committee Substitute for House Bills 2 and 3 (HB2/HAFCS) includes a \$7.5 million general fund appropriation for meal quality initiatives that improve the nutritional quality and availability of school meals statewide and for food waste reduction initiatives.

SUBSTANTIVE ISSUES

Healthy Hunger-Free Students' Bill of Rights. Section 1 of SB4/SECS/aSFC amends the title in Section 22-13C-1 NMSA 1978 to read the “Healthy Hunger-Free Students’ Bill of Rights Act.” In 2017, the New Mexico Legislature established Section 22-13C-1 NMSA 1978, known as the Hunger-Free Students’ Bill of Rights, making New Mexico the first state to make it expressly illegal to single out or humiliate a child who cannot pay for his or her lunch at school. The Hunger-Free Students’ Bill of Rights specified students’ rights and schools’ responsibilities regarding free or reduced fee lunch to ensure that student nutrition needs are met. Additionally, it required that schools provide a school lunch for a student regardless of ability to pay, limited schools’ abilities to collect debts from parents and students for unpaid school lunches, and banned public identification and stigmatization of students who cannot pay for a meal.

Universal School Meals for Children. SB4/SECS/aSFC amends The Hunger-Free Students’ Bill of Rights by changing the title and replacing the entire section which dealt with requirements to provide meals to students regardless of whether or not a student has money to pay for a meal or owes money for earlier meals, and ensures that eligible students are enrolled in free meal programs. SB4/SECS/aSFC changes the section title to “Universal Schools Meals for Children” and outlines requirements for program eligibility, funding mechanisms and allowable expenditures, PED responsibilities, and school food authority responsibilities, including but not limited to:

- Requires public school districts and charter schools operating the national lunch program and the school breakfast program to establish a program to offer high-quality meals at no charge to all students;
- Obliges eligible school food authorities to use money received to purchase commodities necessary to improve meal quality, including food and other consumables, equipment, staffing, labor needs or training, and technical assistance; and
- Mandates PED to promulgate rules regarding meal quality improvement requirements and procedures for establishes an annual certification.

Maximizing Federal Funding. Section 3 requires school food authorities to maximize access to federal funds for the cost of school breakfast and lunch programs by adopting the United States Department of Agriculture's community eligibility provision (CEP) or any other federal provision that, in the opinion of PED, results in the most possible federal funding for meals served in that program. The bill establishes program requirements to offer free high-quality meals to all students attending schools that are operating the national school breakfast and lunch programs. All participating school food authorities will offer one free breakfast and lunch per day to students who request a meal without consideration of the student’s eligibility for a federally funded free or reduced-price meal, with a maximum of one free meal for each meal service period. Examples of federal programs to provide free or reduced price meals are the National School Lunch Program and the Community Eligibility Provision.

The National School Lunch Program (NSLP). The Food and Nutrition Service (FNS) of the United States Department of Agriculture (USDA) administers NSLP at the Federal level. At the state level, the NSLP is administered by state agencies, which operate the program through agreements with school food authorities. NSLP is an assisted meal program operating in public and nonprofit private schools and residential child care institutions that provides nutritionally balanced, low-cost or no-cost lunches to children each school day. Low-income children are eligible to receive reduced-price or free meals at school. Children in households with incomes below 130 percent of the poverty level or those receiving SNAP or TANF qualify for free meals.

Those with family incomes between 130 and 185 percent of the poverty line qualify for fully free or reduced-price meals (FRL).

The Community Eligibility Provision (CEP). CEP is a non-pricing meal service option for schools and school districts in low-income areas. CEP allows the nation’s highest poverty schools and districts to serve breakfast and lunch at no cost to all enrolled students whereas non-CEP school students must qualify for FRL, and could be paying a reduced cost instead of having the full cost covered by federal dollars. CEP is established without collecting household applications, and instead, schools that adopt CEP are reimbursed using a formula based on the percentage of students categorically eligible for free meals based on their participation in other specific means-tested programs, such as the Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF).

New Mexico Grown. Section 4 incentivizes school food authorities who are eligible to procure New Mexico grown, raised or processed food products through an additional grant. A minimum of 75 percent of such funds shall be used for the purchase of minimally processed products, and up to 25 percent of funds may be used for value-added processed products. By August 1 of each year, and subject to available appropriations, PED must distribute to each participating school food authority the greater of \$1 thousand or an amount equal to \$.10 cents multiplied by the number of lunches served to students that qualified for federal free meal reimbursement.

Minimizing Food Waste. Section 5 seeks to minimize food waste by requiring at least twenty minutes of seated mealtime for kindergarten through fifth grade each day, utilization of shared tables, and the redistribution and donation of excess and rescued foods. Additionally, SB4/SECS/aSFC requires schools to provide “share tables” where food service staff, students and parents can return allowable food for students to take during the course of a regular school meal period. Any food not taken from the share table can be donated to students, foodbanks, or nonprofit charitable organizations.

ADMINISTRATIVE IMPLICATIONS

PED would be required to:

- Promulgate a rule to establish the meal quality improvement requirements schools must meet to qualify for funding;
- Award and distribute funding to eligible school food authorities;
- Inform eligible school food authorities of the amount of program funding they will receive during the upcoming school year by August 1 of each year; and
- Promulgate procedures for annual certification, presumably of school food authorities, although SB4/SECS/aSFC doesn’t specify who will be certified.

PED anticipates the department would need an additional 1 FTE for fiscal management and additional staff or contractual support for implementation of the provisions of SB4/SECS/aSFC.

SOURCES OF INFORMATION

- LESC Files
- Public Education Department (PED)