

HEALTHY MEALS, HEALTHY KIDS ACT SUMMARY

Updated July 27, 2022

Overview

On Wednesday, July 20, 2022 the House Education and Labor Committee Chairman Bobby Scott (D-VA) and House Civil Rights and Human Services Subcommittee Chair, Susan Bonamici (D- OR) introduced the <u>Healthy Meals, Healthy Kids Act</u>. This was a key step in the Child Nutrition Reauthorization (CNR) process in which the committee pulls together proposals and ideas across the child nutrition programs, many taken from previously released "marker bills," and incorporates them into a single bill.

On July 27, 2022, the House Education and Labor Committee held its markup of the *Healthy Meals, Healthy Kids Act.* Members debated and considered amendments before voting to pass the bill out of committee.

There is still a long road ahead in the CNR process: the bill must be considered and passed by the full House. A similar process must also occur with the Senate Agriculture Committee and the full Senate.

Summary

This summary reflects the latest version of the bill. For details on the amendments made since the bill was introduced, see the <u>Updates</u> section at the end.

The *Healthy Meals, Healthy Kids Act* proposes several critical improvements to the child nutrition programs. Among other provisions, this bill:

Emergency Preparedness: Gives USDA permanent authority in cases of federally declared disasters or other emergencies to issue waivers of usual child nutrition program requirements on state, regional or nationwide basis and to implement a streamlined waiver request process for states and operators.

- This authority allows waivers that extend for up to 90 days past the end of the declared disaster or emergency.
- Waivers are otherwise subject to the restrictions in Sec. 12(I) of the National School Lunch Act, meaning that waivers cannot increase costs to the federal government or modify meal standards.

School Meals: Increases access to the benefits of no-cost school meals by:

- Expanding the Community Eligibility Provision (CEP), making it financially sustainable for more schools to offer no-cost meals to all students, through:
 - A lower minimum Identified Student Percentage (ISP) threshold of 25% (down from 40%) and
 - A higher ISP multiplier (2.5 up from 1.6).
- Allowing statewide CEP adoption in states that have passed legislation to provide nocost meals to all students and make up the difference in reimbursements, which will simplify school meals program administration in these states.
- Permanently authorizing the option to directly certify students as eligible for free or reduced-price school meals using Medicaid participation and income data and to directly certify students as eligible for free school meals on the basis of eligibility for Medicaid due to receiving supplement security income (SSI), adoption assistance payments, or kinship guardianship assistance payments.

School Meals: Increases funding available for school meals by:

- Raising the reimbursement rate for all school lunches by 10 cents.
- Providing 6 cents in commodity assistance per school breakfast. Currently there is no commodity assistance provided for school breakfast.
- Allowing schools to retroactively (back to the beginning of the school year) claim reimbursement at the free or reduced rate for meals served to a student determined later in the school year to be eligible for free or reduced-price meals.

Summer EBT: Establishes a permanent, nationwide Summer Electronic Benefit Transfer for Children (Summer EBT or SEBTC) program that, beginning in 2024:

- Is available to all states and covered Indian Tribal Organizations (ITOs).
- Provides \$75 in grocery benefits, electronically or via EBT card, per child per month of summer vacation.
 - This amount is adjusted annually in the same manner as the Thrifty Food Plan, which is the basis of SNAP benefits.
 - Benefits can be spent in the same manner as SNAP benefits except in Summer EBT pilot states that previously used the WIC model, which may choose to allow benefits to be used for eligible foods at WIC or other specifically designated retailers. ITOs must follow this model.
- Automatically enrolls students who were directly certified or determined eligible for free or reduced-price school meals during the prior school year and creates an opt-out process.
- Establishes an application process to determine eligibility for other students, including students enrolled in CEP schools who were not directly certified.

Summer Meals: Expands access to summer meals by:

- Lowering the eligibility threshold for sites from 50 percent to 40 percent eligible for free or reduced-price school meals.
- Allowing operators to serve an additional meal or snack each day, up to three meals per child per day.

Summer and Afterschool Meals: Reduces the burden on out-of-school-time programs by allowing non-school sponsors – public and private non-profit organizations – to operate the Summer Food Service Program (SFSP) year-round rather than needing to switch to the Child and Adult Care Food Program At-Risk Afterschool Meals component during the school year.

- This option is available at sites that provide educational or enrichment activities during the school year. This is not required during the summer. It is a current CACFP At-Risk Afterschool requirement.
- Meals may be served through SFSP after school, on weekends, and during school holidays during the school year.
- Organizations may serve up to one meal and one snack per child per day through SFSP during the school year.

Unanticipated School Closures: Supports access to meals during unanticipated school closures like snow days by allowing meals to be served at school sites, without a waiver, through the SFSP.

CACFP: Expands access to meals in child care settings and emergency shelters by:

- Providing reimbursement for an additional meal or snack per child per day if 8 or more hours elapses between the first and fourth meal service.
- Permanently extending eligibility to participants in homeless and emergency shelters to age 25 instead of 18.

Funding: Authorizes grants and other funding to support:

- States in implementing Summer EBT.
- Schools in scratch cooking, purchasing kitchen equipment, providing plant-based food options, and reducing food waste.
- Schools in modernizing their technology infrastructure in order to support processing free and reduced-price meal applications, integrating menu planning, production and service data, and syncing with statewide reporting systems.
- Summer meals operators with mobile meals and transportation options.
- Child nutrition program operators in implementing farm to school activities.

WIC: Modernizes and streamlines access to the WIC program with several measures, including:

- Expanding adjunctive eligibility, allowing those who participate or reside in households participating in certain other assistance programs to be automatically eligible for WIC, and encouraging cross-enrollment with SNAP and Medicaid.
- Expanding eligibility to children up to the age of six, rather than five, or until the child begins kindergarten.
- Extending the certification period for participants to two years, including for postpartum participants.
- Allowing states to issue benefits remotely.
- Permitting phone, video, and other meeting formats for certification and recertification appointments.
- Providing funding to improve technology platforms for remote appointments and benefit issuance.
- Expanding access to online ordering with WIC benefits and permitting contactless transactions.

Share Our Strength and our No Kid Hungry campaign support the *Healthy Meals, Healthy Kids Act* and appreciate the many much-needed updates to the child nutrition programs. However, we are disappointed that the bill does **not** include a permanent non-congregate service option for the summer meals program. The pandemic has proven that a non-congregate option is an effective and necessary tool for reaching children while school is closed, especially in rural and hard-to-reach communities. We will continue to advocate for a non-congregate option to be included in the final bill.

Updates

The *Healthy Meals, Healthy Kids Act* as passed out of the House Education and Labor Committee on July 27, 2022 includes a few changes since its initial introduction on July 20, 2022. These include:

School Meals:

- Establishing an option for a statewide online application system to determine student eligibility for free or reduced-price school meals, with the state agency responsible for determining and communicating eligibility to the local educational agency as well as verifying eligibility for three percent of applications.
- Directing LEAs to obtain a transferring student's eligibility for free or reduced-price meals from their prior LEA, and directing LEAs to share the eligibility determination for a transferring student with their new LEA.
 - Students who transfer out of a school in an LEA serving meals at no charge through a special provision may receive meals at no charge in their new LEA until an eligibility determination may be made, up to 30 days.

- Adding a requirement for the National Academies of Sciences, Engineering, and Medicine to review the school meal standards and recommend updates in accordance with the latest Dietary Guidelines for Americans (DGAs) and authorizing \$3 million for the first report.
- Extending the time allowed for USDA to promulgate regulations for new school meal standards based on the DGAs from 180 days to one year following the National Academies report, which the USDA may initiate up to one year following the release of the DGAs, and removing a timeline for the final regulations and effective date.
 - As detailed in the bill initially introduced, the update process must be initiated in response to the next DGAs released after the law is passed and at least once every 10 years thereafter, or within one year after the second consecutive update to the DGAs, whichever is first.
- Ensuring that school meal requirements permit nutritionally equivalent substitutions to accommodate religiously-based or other special dietary needs.
- Prohibiting regulations to ban serving varieties of milk that are consistent with the Dietary Guidelines for Americans.
- Directing USDA to publicly post online each year a list of school food authorities certified as being in compliance with current school nutrition standards.
- Encouraging USDA to emphasize high-protein foods with commodities and ensuring that at least 75 percent of commodity assistance is provided in the form of donated food for school lunches.
- Allowing one year, up from 180 days, for the USDA to issue a request for information on school food service management company contracts.
- Allowing one year, up from six months, for the USDA to submit a report to Congress summarizing SFA reports on the plant-based foods pilot.
- Authorizing \$30 million for grants and monetary incentives to improve the nutrition quality of meals and snacks, enhance the nutrition environment, support food systems, and fund statewide nutrition education coordinators, rather than authorizing \$3 million per year to support all required and permitted assistance.
- Updating the requirements for nondairy substitutes to be nutritionally equivalent to fluid milk and meet USDA guidelines, rather than requiring them to meet the nutrition standards of the NSLP and SBP.
- Adding whether a school food authority experienced suspected, alleged or confirmed noncompliance with the Buy American provisions on the part of their distributors as part of the Buy American review process.

Summer EBT:

• Limiting automatic eligibility for Summer EBT to students who were determined eligible for free or reduced-price school meals during the prior school (whether through direct certification, applications or other means), rather than allowing all students enrolled at schools serving meals at no cost through a special provision to be automatically enrolled.

- Creating an application process for students not automatically enrolled in Summer EBT to qualify based on the free or reduced-price meal eligibility guidelines. This would cover students enrolled in schools serving meals at no charge through a special provision like CEP and who are not identified students.
- Eliminating explicit provision for Summer EBT administrative funding for states, Indian Tribal Organizations, and local educational agencies as well as a specific appropriation amount for state implementation grants.

Summer Meals:

• Allowing all operators, not just schools, to implement Offer Versus Serve (OVS).

Unanticipated School Closures:

• Adds a provision allowing meals to be served at school sites, without a waiver, through the SFSP during unanticipated school closures like snow days.

CACFP:

- Eliminating a prohibition on considering state-specific requirements in determining noncompliance or serious deficiency in the CACFP.
- Eliminating a directive for the USDA to issue guidance specifically related to reducing the paperwork burden on parents as part of the serious deficiency process review.
- Allowing three years, up from two, for USDA to issue guidance related to the work of the Advisory Committee on Paperwork Reduction.

WIC:

- Adding a prohibition on the collection of interchange and transaction fees from WIC vendors when WIC shoppers make purchases online.
- Limiting WIC Farmers' Market Nutrition Program coupons to no more than \$100 per year.
- Allowing state agencies administering WIC to utilize up to 10 percent of their administrative funds to cover prior year costs, up from 5 percent.

Funding:

- Increasing the maximum allowable Farm to School grant from \$250,000 to \$500,000.
- Adding performance improvement grants to enhance direct certification systems.

If you have questions, need details, or want information on other provisions, please contact Carolyn Vega at <u>cvega@strength.org</u>.