

**SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION**

S.F. No. 777

(SENATE AUTHORS: HOUSLEY and Chamberlain)

DATE
02/11/2021

D-PG

Introduction and first reading
Referred to Education Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to education; modifying school meal provisions; amending Minnesota
1.3 Statutes 2020, section 124D.111.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2020, section 124D.111, is amended to read:

1.6 **124D.111 SCHOOL MEALS POLICIES; LUNCH AID; FOOD SERVICE**
1.7 **ACCOUNTING.**

1.8 Subdivision 1. ~~School lunch aid computation~~ meals policies. (a) Each Minnesota
1.9 participant in the national school lunch program must adopt and post to its website, or the
1.10 website of the organization where the meal is served, a school meals policy.

1.11 (b) The policy must be in writing and clearly communicate student meal charges when
1.12 payment cannot be collected at the point of service. The policy must be reasonable and
1.13 well-defined and maintain the dignity of students by prohibiting lunch shaming or otherwise
1.14 ostracizing the student.

1.15 (c) The policy must address whether the participant uses a collections agency to collect
1.16 unpaid school meals debt.

1.17 (d) The policy must ensure that once a participant has placed a meal on a tray or otherwise
1.18 served the meal to a student, the meal may not be subsequently withdrawn from the student
1.19 by the cashier or other school official, whether or not the student has an outstanding meals
1.20 balance.

2.1 (e) The policy must ensure that a student who has been determined eligible for free and
2.2 reduced-price lunch must always be served a reimbursable meal even if the student has an
2.3 outstanding debt.

2.4 (f) If a school contracts with a third party for its meal services, it must provide the vendor
2.5 with its school meals policy. Any contract between the school and a third-party provider
2.6 entered into or modified after July 1, 2021, must ensure that the third-party provider adheres
2.7 to the participant's school meals policy.

2.8 **Subd. 1a. School lunch aid amounts.** Each school year, the state must pay participants
2.9 in the national school lunch program the amount of 12.5 cents for each full paid and free
2.10 student lunch and 52.5 cents for each reduced-price lunch served to students.

2.11 **Subd. 2. Application.** A school district, charter school, nonpublic school, or other
2.12 participant in the national school lunch program shall apply to the department for this
2.13 payment on forms provided by the department.

2.14 **Subd. 2a. Federal child and adult care food program; criteria and notice.** The
2.15 commissioner must post on the department's website eligibility criteria and application
2.16 information for nonprofit organizations interested in applying to the commissioner for
2.17 approval as a multisite sponsoring organization under the federal child and adult care food
2.18 program. The posted criteria and information must inform interested nonprofit organizations
2.19 about:

2.20 (1) the criteria the commissioner uses to approve or disapprove an application, including
2.21 how an applicant demonstrates financial viability for the Minnesota program, among other
2.22 criteria;

2.23 (2) the commissioner's process and time line for notifying an applicant when its
2.24 application is approved or disapproved and, if the application is disapproved, the explanation
2.25 the commissioner provides to the applicant; and

2.26 (3) any appeal or other recourse available to a disapproved applicant.

2.27 **Subd. 3. School food service fund.** (a) The expenses described in this subdivision must
2.28 be recorded as provided in this subdivision.

2.29 (b) In each district, the expenses for a school food service program for pupils must be
2.30 attributed to a school food service fund. Under a food service program, the school food
2.31 service may prepare or serve milk, meals, or snacks in connection with school or community
2.32 service activities.

3.1 (c) Revenues and expenditures for food service activities must be recorded in the food
3.2 service fund. The costs of processing applications, accounting for meals, preparing and
3.3 serving food, providing kitchen custodial services, and other expenses involving the preparing
3.4 of meals or the kitchen section of the lunchroom may be charged to the food service fund
3.5 or to the general fund of the district. The costs of lunchroom supervision, lunchroom custodial
3.6 services, lunchroom utilities, and other administrative costs of the food service program
3.7 must be charged to the general fund.

3.8 That portion of superintendent and fiscal manager costs that can be documented as
3.9 attributable to the food service program may be charged to the food service fund provided
3.10 that the school district does not employ or contract with a food service director or other
3.11 individual who manages the food service program, or food service management company.
3.12 If the cost of the superintendent or fiscal manager is charged to the food service fund, the
3.13 charge must be at a wage rate not to exceed the statewide average for food service directors
3.14 as determined by the department.

3.15 (d) Capital expenditures for the purchase of food service equipment must be made from
3.16 the general fund and not the food service fund, unless the restricted balance in the food
3.17 service fund at the end of the last fiscal year is greater than the cost of the equipment to be
3.18 purchased.

3.19 (e) If the condition set out in paragraph (d) applies, the equipment may be purchased
3.20 from the food service fund.

3.21 (f) If a deficit in the food service fund exists at the end of a fiscal year, and the deficit
3.22 is not eliminated by revenues from food service operations in the next fiscal year, then the
3.23 deficit must be eliminated by a permanent fund transfer from the general fund at the end of
3.24 that second fiscal year. However, if a district contracts with a food service management
3.25 company during the period in which the deficit has accrued, the deficit must be eliminated
3.26 by a payment from the food service management company.

3.27 (g) Notwithstanding paragraph (f), a district may incur a deficit in the food service fund
3.28 for up to three years without making the permanent transfer if the district submits to the
3.29 commissioner by January 1 of the second fiscal year a plan for eliminating that deficit at
3.30 the end of the third fiscal year.

3.31 (h) If a surplus in the food service fund exists at the end of a fiscal year for three
3.32 successive years, a district may recode for that fiscal year the costs of lunchroom supervision,
3.33 lunchroom custodial services, lunchroom utilities, and other administrative costs of the food
3.34 service program charged to the general fund according to paragraph (c) and charge those

4.1 costs to the food service fund in a total amount not to exceed the amount of surplus in the
4.2 food service fund.

4.3 Subd. 4. **No fees.** A participant that receives school lunch aid under this section must
4.4 make lunch available without charge and must not deny a school lunch to all participating
4.5 students who qualify for free or reduced-price meals, whether or not that student has an
4.6 outstanding balance in the student's meals account attributable to a la carte purchases or for
4.7 any other reason.

4.8 Subd. 5. **Respectful treatment.** (a) The participant must also provide meals to students
4.9 in a respectful manner according to the policy adopted under subdivision 1. The participant
4.10 must ensure that any reminders for payment of outstanding student meal balances do not
4.11 demean or stigmatize any child participating in the school lunch program-, including but
4.12 not limited to dumping meals, withdrawing a meal that has been served, announcing or
4.13 listing students names publicly, or affixing stickers, stamps, or pins. The participant must
4.14 not impose any other restriction prohibited under section 123B.37 due to unpaid student
4.15 meal balances. The participant must not limit a student's participation in any school activities,
4.16 graduation ceremonies, field trips, athletics, activity clubs, or other extracurricular activities
4.17 or access to materials, technology, or other items provided to students due to an unpaid
4.18 student meal balance.

4.19 (b) If the commissioner or the commissioner's designee determines a participant has
4.20 violated the requirement to provide meals to participating students in a respectful manner,
4.21 the commissioner or the commissioner's designee must send a letter of noncompliance to
4.22 the participant. The participant is required to respond and, if applicable, remedy the practice
4.23 within 60 days.

4.24 **EFFECTIVE DATE.** This section is effective July 1, 2021.