TESTIMONY ON HB 1491
SENATE EDUCATION COMMITTEE
March 15, 2023
By: Linda Schloer, Director of Child Nutrition and Food Distribution Programs
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Chairman Elkin and Members of the Committee:

My name is Linda Schloer and I am the Director of Child Nutrition and Food Distribution Programs with the Department of Public Instruction. I am here to provide information regarding HB 1491 as amended regarding grants to schools to provide free meals to students.

The National School Lunch and School Breakfast Programs are administered nationally by the United States Department of Agriculture (USDA) and through the Department of Public Instruction in North Dakota. In North Dakota, 169 public school districts, with an enrollment of approximately 118,000 students, participate in the National School Lunch Program. The majority of these districts also participate in the School Breakfast Program.

Participating school districts receive cash subsidies and USDA Foods for each reimbursable meal they serve. In exchange, districts must serve meals that meet Federal meal pattern requirements and offer the meals at a free or reduced price to eligible children.

Children may be determined "categorically eligible" for free meals through participation in certain Federal Assistance Programs, such as the Supplemental Nutrition Assistance Program, or based on their status as a homeless, migrant, runaway, or foster child. Children can also qualify for free or reduced-price school meals based on household income and family size. Children from families with incomes at or below 130 percent of the Federal poverty level are eligible for free meals. Those with incomes between 130 and 185 percent of the Federal poverty level are eligible for reduced-price meals. Currently, in public districts, approximately 15,000 students qualify for free meals by being categorically eligible, 15,000 students qualify for free meals based on household income and family size, and 7,600 qualify for reduced-price meals based on household income and family size.

In addition, 26 private districts participate in the programs with a total enrollment of 6,695 students, of which 476 are eligible for free meals and 156 reduced-price.

Student access to meals at no charge in North Dakota has been shown to have an impact on student participation in school meal programs. In public districts, daily breakfast participation in SY 21-22, when all students received meals free of charge, averaged around 38,500 meals/day. The daily average this year is about 28,500, a

26% decrease. Lunch participation is down 7% from 86,000 meals in SY 21-22 to 80,000 meals this school year.

HB 1491. As amended, will provide free meal benefits to approximately 10,000 additional students. 7,600 students will go from reduced-price to free, and 2,400 students that live in households with incomes that fall in the 185% to 200% poverty level will go from full-pay status to free. The total biennial cost to provide these additional meals is estimated at $6 million. For each additional 5% increase in the poverty level for free meal eligibility, approximately 700 additional students will receive free meals at school, and the cost to the state will increase by about $1.3 million per biennium. It's important to note that these numbers are estimates, as the exact number of public school district students that fall within the particular income levels is not available.

Districts will continue to collect free and reduced-price applications from households and claim meals based on individual student eligibility for free or reduced-price meals. In fact, this process will increase in complexity as districts will need to identify students that qualify based on federal guidelines vs. state guidelines. To claim reimbursement for meals served, districts will be required to identify meal participation for these separate eligibility categories as well.

Chairman Elkin and Members of the Committee that concludes my prepared testimony. I will stand for any questions that you may have.