

**TESTIMONY ON HB 1494
SENATE EDUCATION COMMITTEE**

March 14, 2023

By: Lynelle Johnson, Assistant Director of Child Nutrition Programs

701-328-3718

North Dakota Department of Public Instruction

Chairman Elkin and Members of the Committee:

My name is Lynelle Johnson, and I am the Assistant Director of Child Nutrition Programs with the Department of Public Instruction. I am here to provide information about HB 1494 regarding school district school meals policy.

As part of administering the United States Department of Agriculture (USDA) Child Nutrition and Food Distribution Programs, our office is responsible for ensuring program operators comply with federal laws and regulations. In 2017, USDA established the requirement for schools participating in the National School Lunch and/or School Breakfast program to develop and communicate a policy for handling unpaid meal charges. The policy must define the district's policy on the number of meals that may be charged and actions that may be taken when students exceed the meal charge limit. The policies must also include actions that will be taken to ensure households are able to apply for free or reduced-price meals at any time of the year. These policies must be communicated with households, school personnel, and the public through student and employee handbooks, and the district website.

The North Dakota School Board Association, in consultation with the North Dakota Department of Public Instruction, has developed an Unpaid Meal Charge policy template that districts can use to define and communicate their own policy. A copy of this template is included with this testimony.

DPI's Child Nutrition and Food Distribution Programs office reviews the district Unpaid Meal Charge policy as part of the School Nutrition Programs compliance monitoring process. The review establishes that the policy content meets federal requirements and that it has been communicated as required.

Unpaid meal charge policies clarify the processes districts will take when meals are not paid for, but they don't prevent the charges from occurring. The National School Nutrition Association recently surveyed districts nationwide regarding unpaid meal debt. Among the 847 districts that reported, the accumulated unpaid meal debt exceeded \$19 million.

North Dakota districts are not immune. Information collected from the largest districts shows unpaid meal debts anywhere from \$5,000 to over \$40,000, even after receiving sizable donations in several situations. Overall, school districts around the state have expressed concern about rising debt this year. Many are seeing record high negative lunch balances accrue. Once schools have received donations, they must decide how those funds will be dispersed equitably amongst students with lunch debt. Districts also put considerable effort into collecting charges, but much of it becomes

unrecoverable. Once the district determines the charges to be uncollectable, the district must use nonfederal funding sources such as donations or the district general fund to repay the school foodservice account for the total amount.

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