



BILL SUMMARY

EDUCATION & THE WORKFORCE COMMITTEE

THE IMPROVING CHILD NUTRITION AND EDUCATION ACT

In 2010, Congress vastly expanded the federal government's role in child nutrition. As a result, schools are facing higher costs, prescriptive federal mandates, and more administrative burdens while fewer children are being served. *The Improving Child Nutrition and Education Act of 2016* (H.R. 5003) reforms federal child nutrition policies to provide states and schools more flexibility, so that all children have access to healthy meals.

Nutrition standards – The legislation requires the U.S. Department of Agriculture (USDA) to review and update federal meal patterns and nutrition standards every three years, and then update the standards as necessary. The first review is to be completed within 90 days of enactment of the bill. In conducting these reviews, USDA is to consult with school leaders. The department must ensure that federal standards do not limit student participation, are appropriate for school age children, and do not increase costs for schools.

Reining in the secretary's authority – The legislation limits the secretary's authority to ensure the secretary does not impose additional requirements not included in the law and to ensure the secretary does not dictate what educational content around nutrition can and cannot include.

Reducing administrative burdens – Overly prescriptive federal rules dictate when schools can and cannot serve certain foods and different rules apply depending on how the meal is served, whether as a part of a reimbursed meal or an a la carte meal item. These federal requirements have created confusion and administrative challenges for school lunch officials. The bill allows all foods that qualify to be served as part of a reimbursed meal to also be served in a la carte lines, making it easier for school officials to plan school meals.

Strengthening verification – Current law requires schools to verify the accuracy of student participation by reviewing a small percentage of applications, focusing on those applications that are prone for error. To decrease fraud and abuse, the bill raises the standard verification sample to 10 percent of *all applications*. Schools that perform well based on school district-specific metrics will be able to reduce their verification sample by certain amounts. Schools that perform in the top 20 percent in the state will be able to drop their sample size to 2.5 percent immediately. Schools performing in the bottom 10 percent will be required to take additional verification steps to address their error rate.

Improving community eligibility – The Community Eligibility Provision (CEP) allows schools to provide free breakfast and lunch to all students if the school or school district is in an area of high poverty. This is determined when 40 percent or more of the student population are (among other factors) homeless, in foster care, or in a family eligible for other means-tested benefit programs. The legislation would raise the CEP percentage to 60 percent in order to better target resources to those students in need, while also ensuring all students who are eligible for assistance continue to receive assistance.

Repealing the middle-class “tax” increase – The 2010 reauthorization of child nutrition assistance forced schools to increase prices on students and families who do not rely on federal assistance when purchasing school meals (also known as “full-paid” students). The bill repeals this mandated increase in the price of full-paid meals.

Repealing the ban on student bake sales – The 2010 law required the secretary to issue regulations over all foods sold in school, including student-led activities, such as bake sales and fundraisers. This has undermined the ability of students to raise funds to support academic and extracurricular activities. The bill exempts student group fundraisers from federal nutrition standards.

Streamlining state audits – The legislation requires states to audit school programs once every five years, rather than once every three years as mandated by current law. This change will ensure states have more time to help schools in need of assistance instead of focusing solely on complying with paperwork requirements imposed by the federal government.

Breakfast reimbursement – Reimbursement rates for free, reduced, and full-paid school meals are adjusted for cost of living each year. While the last reauthorization provided schools an additional \$0.06 for every school lunch served, it did not include any additional support for school breakfast, despite the additional costs associated with new federal nutrition standards. The bill provides schools an additional \$0.02 for breakfast without adding any additional cost to taxpayers. For the school year beginning in 2020, that amount will increase to \$0.03.

Summer Food Service Program – The Summer Food Service Program helps provide low-income children with access to healthy meals when they are not in school. Food is served at designated sites (also known as “congregate sites”), which can be difficult to visit for children who live in rural areas or who lack transportation. The bill allows states to provide summer meals away from a congregate site in rural or low-income areas without access to summer service. It also makes it easier for congregate sites to provide meals for off-site consumption in the case of extreme or emergency circumstances.

Child and Adult Care Food Program – The Child and Adult Care Food Program (CACFP) supports meals and snacks served to children and adults in home-based and center-based daycare. To reduce administrative burdens and paperwork, the bill lengthens eligibility determinations from one to four months after approval. It also allows public or licensed nonprofit private residential child care institutions, as well as any boarding school funded by the Bureau of Indian Education, to participate in the program if they are not participating in the school lunch or breakfast programs. The bill requires USDA to improve its program integrity measures to ensure a more fair, accurate, and consistent review process. Finally, it requires the secretary to convene an advisory committee to recommend ways to reduce unnecessary or duplicative paperwork and to implement those recommendations accordingly.

Streamlining applications of service providers – Children currently may receive meals through both the Summer Food Service Program and the at-risk afterschool meals component of the CACFP. It is common for service providers to participate in both programs, but under current law, they must apply for and comply with the various requirements in each of the individual programs. The bill empowers states to streamline the programs by simplifying administration and operations, and by reimbursing providers for year-round service at CACFP levels.

Strengthening the integrity of the WIC program – The bill authorizes the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) program at the current appropriation for the next five years. The bill strengthens the integrity of the program by encouraging states to move to Electronic Benefits Transfer more quickly.

Additionally, the bill improves the process for state moratoriums on the addition of new vendors to ensure there are clear guidelines in place to help states control costs and improve program integrity. The bill includes changes to the rebate process for infant formula to provide greater fairness and accountability. Finally, the Government Accountability Office is required to review how adjunctive eligibility through Medicaid impacts WIC participation and costs.

Supporting innovation – Current law authorizes certain demonstration projects to determine more effective ways to eliminate hunger and deliver healthy food to children in and out of school. To help spur local innovation, the bill includes a number of reforms around demonstration projects:

- Summer Electronic Benefit Transfer for Children – Ten states are currently able to provide benefits through the Summer Electronic Benefit Transfer for Children program. Those states can use either Supplemental Nutrition Assistance Program or WIC electronic benefits transfer (EBT) technology to allow families to purchase food in the summer rather than eat at a congregate site. The bill continues the project for states that are currently operating with WIC technology but changes requirements and adds new limitations. The bill requires a robust evaluation to determine the effects of EBT as an alternate delivery method during the summer months.
- Farm to School – The legislation requires a greater focus on nutrition education for children and families and increases support for the program to help address high demand.
- Local business participation – The bill authorizes local businesses in four states to act as a sponsor in the Summer Food Service Program in low-income or rural areas where there is currently no meal service in order to evaluate the benefit of partnering with local employers to address hunger issues.

Other notable provisions –

- Family meal days – Under the legislation, federal nutrition standards can be waived up to four days out of the year so schools can provide family meal days that are intended to help parents learn about the benefits of nutrition and be more engaged in their children's education. This is a voluntary option for schools to choose.
- All forms of fruits and vegetables – The bill removes a federal mandate in the fruits and vegetables snack program that dictates the types of produce school nutrition officials can and cannot serve.
- Improvements to school lunch facilities – The legislation would continue to provide assistance to improve school kitchens and cafeterias, which require matching funds by recipients who receive assistance.
- Sharing best practices – The bill requires the secretary to establish a centralized exchange network to facilitate the sharing information and best practices between the states. The primary purpose of the network will be to share information on ways to improve efficiency, improve compliance, and reduce waste, fraud, and abuse.
- Paperwork reduction and use of technology – The bill requires the secretary to review regulations, guidance, and other federal requirements in order to find ways to streamline and reduce the paperwork burden on states and schools, and to review the current use of technology in the school lunch program to identify ways to make improvements and encourage greater use.