2012 Legislative Issue Paper

Since 1946 the National School Lunch Act has functioned successfully as a grant-in-aid program. Continuing the historic support for child nutrition, the Healthy, Hunger-Free Kids Act of 2010 (P.L. 111-296) made a number of important changes to strengthen the programs. The statute, among other things, limited indirect expenses, established professional standards and required nutrition guidelines for all competitive foods and beverages sold in schools.

In order to fully embrace these changes, in a fiscally challenging environment, we ask Congress to consider the following:

- Unpaid meal charges owed to the School Food Authority (SFA) by families participating in the program have increased significantly. Congress should require USDA to establish a consistent, national policy on how to address the debt incurred by the unpaid meal charges.

- Each year, the School Food Authority collects and verifies income data that is used by a number of school and non-school programs. The cost of collecting this data is borne most often by the SFA. Therefore, USDA, in coordination with the Secretary of Education, should establish a mechanism for sharing these costs equitably by all programs using this data.

- Breakfast is often recognized as the most important meal of the day for academic success, but it is not supported with USDA Foods (commodities). Therefore, as a part of the 2012 Farm Bill, SNA requests ten cents per breakfast in USDA commodities to support the School Breakfast Program.

- SNA requests that the Congress require the Secretary to develop a standard contract that school districts may use between local school districts and food service management companies. SNA also requests that Congress give USDA the authority, in coordination with the states, to review and monitor compliance of all bids and contracts between local school districts and for-profit food service management companies.

- Section 307 of P.L. 111-296 requires the Secretary to determine which expenses (“indirect costs”) incurred by a local school can be charged to the nonprofit school food service account. While the Department plans to conduct a study regarding indirect costs, SNA requests that the Congress follow up with the Secretary to guarantee that only those expenses “necessary to provide meals under the Act” are paid from the school food service account, and that appropriate regulations are implemented to ensure compliance.