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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 2724

02/20/2018 Authored by Jurgens; Anderson, S.; Loon; Poston; Franke and others  
The bill was read for the first time and referred to the Committee on Education Innovation Policy

1.1 A bill for an act  
1.2 relating to education; prohibiting school lunch providers from shaming students;  
1.3 requiring meals policies to be posted to school Web sites; creating a supplementary  
1.4 reserve fund; amending Minnesota Statutes 2016, sections 119A.03, subdivision  
1.5 2; 124D.111; 270A.03, subdivision 2.

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

1.7 Section 1. Minnesota Statutes 2016, section 119A.03, subdivision 2, is amended to read:

1.8 Subd. 2. **Duties of commissioner.** The commissioner shall:

1.9 (1) identify measurable outcomes by which programs administered by the department  
1.10 will be evaluated at the state and local level;

1.11 (2) develop linkages with other state departments to ensure coordination and consistent  
1.12 state policies promoting healthy development of children and families;

1.13 (3) prepare, in consultation with the Children's Cabinet and affected parties, prior to July  
1.14 1 of each year, guidelines governing planning, reporting, and other procedural requirements  
1.15 necessary to administer this chapter;

1.16 (4) facilitate inclusive processes when designing or implementing guidelines and strategies  
1.17 to achieve agency goals for children and families;

1.18 (5) facilitate intergovernmental and public-private partnership strategies necessary to  
1.19 implement this chapter;

1.20 (6) submit to the federal government, or provide assistance to local governments and  
1.21 organizations in submitting, where appropriate and feasible, requests for federal waivers or

2.1 recommendations for changes in federal law necessary to carry out the purposes of this  
2.2 chapter;

2.3 (7) coordinate review of all plans and other documents required under the guidelines  
2.4 provided for in clause (3);

2.5 (8) coordinate development of the management support system components required  
2.6 for implementation of this chapter;

2.7 (9) coordinate and review local school meals policies according to section 124D.111;

2.8 (10) review other programs serving children and families to determine the feasibility  
2.9 for transfer to the Department of Education or the feasibility of inclusion in the funding  
2.10 consolidation process; and

2.11 ~~(10)~~ (11) monitor local compliance with this chapter.

2.12 **EFFECTIVE DATE.** This section is effective July 1, 2018.

2.13 Sec. 2. Minnesota Statutes 2016, section 124D.111, is amended to read:

2.14 **124D.111 SCHOOL MEALS POLICIES; LUNCH AID; FOOD SERVICE**  
2.15 **ACCOUNTING.**

2.16 Subdivision 1. **School ~~lunch aid computation~~ meals policies.** (a) Each Minnesota  
2.17 participant in the national school lunch program must adopt and post to its Web site, or the  
2.18 Web site of the organization where the meal is served, a model school meals policy. For  
2.19 school district and charter school participants, the school board must annually affirm the  
2.20 model meals policy and inform parents of the school meals policy.

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

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

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

3.1 (e) If a school contracts with a third party for its meal services, it must provide the vendor  
3.2 with its school meals policy. Any contract between the school and a third-party provider  
3.3 entered into or modified after the effective date of this act must ensure that the third-party  
3.4 provider adheres to the participant's school meals policy.

3.5 Subd. 1a. **Commissioner's duties.** The commissioner of education must develop a  
3.6 model school meals policy and post that policy on the department's Web site. The  
3.7 commissioner must annually notify participants in the national school lunch program that  
3.8 their policies must be approved and posted to their Web sites. The commissioner must also  
3.9 publicize the statewide unpaid school lunch account established in subdivision 1b, and  
3.10 encourage donations to that account and to local schools for unpaid meals.

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

3.14 (b) For any meals served by a participant without a model policy adopted under  
3.15 subdivision 1, the state shall pay the amounts otherwise earned under paragraph (a) for the  
3.16 time period for which no policy has been adopted to the unpaid school lunch account  
3.17 established in paragraph (c).

3.18 (c) An unpaid school lunch account is created in the special revenue fund. Payments  
3.19 under paragraph (b) must be deposited in the unpaid school lunch account. Any school meal  
3.20 donations received by the commissioner must also be deposited in this account. Each year,  
3.21 the balance in the unpaid school lunch account is appropriated to the commissioner for  
3.22 proportional distribution to charter schools and school districts with unpaid lunch balances.

3.23 Subd. 2. **Application.** A school district, charter school, nonpublic school, or other  
3.24 participant in the national school lunch program shall apply to the department for this  
3.25 payment on forms provided by the department. The participant annually must submit its  
3.26 school meals policy to the department in the form and manner specified by the department.

3.27 Subd. 2a. **Federal child and adult care food program; criteria and notice.** The  
3.28 commissioner must post on the department's Web site eligibility criteria and application  
3.29 information for nonprofit organizations interested in applying to the commissioner for  
3.30 approval as a multisite sponsoring organization under the federal child and adult care food  
3.31 program. The posted criteria and information must inform interested nonprofit organizations  
3.32 about:

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

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

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

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

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

4.14 (c) Revenues and expenditures for food service activities must be recorded in the food  
4.15 service fund. The costs of processing applications, accounting for meals, preparing and  
4.16 serving food, providing kitchen custodial services, and other expenses involving the preparing  
4.17 of meals or the kitchen section of the lunchroom may be charged to the food service fund  
4.18 or to the general fund of the district. The costs of lunchroom supervision, lunchroom custodial  
4.19 services, lunchroom utilities, and other administrative costs of the food service program  
4.20 must be charged to the general fund.

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

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

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

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

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

5.11 (h) If a surplus in the food service fund exists at the end of a fiscal year for three  
 5.12 successive years, a district may recode for that fiscal year the costs of lunchroom supervision,  
 5.13 lunchroom custodial services, lunchroom utilities, and other administrative costs of the food  
 5.14 service program charged to the general fund according to paragraph (c) and charge those  
 5.15 costs to the food service fund in a total amount not to exceed the amount of surplus in the  
 5.16 food service fund.

5.17 Subd. 4. **No fees.** A participant that receives school lunch aid under this section must  
 5.18 make lunch available without charge to all participating students who qualify for free or  
 5.19 reduced-price meals.

5.20 Subd. 5. **Respectful treatment.** The participant must also provide meals to participating  
 5.21 students in a respectful manner according to the policy adopted under subdivision 1 and  
 5.22 ensure that any reminders for payment of outstanding student meal balances do not demean  
 5.23 or stigmatize any child participating in the school lunch program and conform to the  
 5.24 participant's school meals policy.

5.25 **EFFECTIVE DATE.** This section is effective July 1, 2018.

5.26 Sec. 3. Minnesota Statutes 2016, section 270A.03, subdivision 2, is amended to read:

5.27 Subd. 2. **Claimant agency.** "Claimant agency" means any state agency, as defined by  
 5.28 section 14.02, subdivision 2, the regents of the University of Minnesota, any district court  
 5.29 of the state, any county, any statutory or home rule charter city, including a city that is  
 5.30 presenting a claim for a municipal hospital or a public library or a municipal ambulance  
 5.31 service, a hospital district, a private nonprofit hospital that leases its building from the county  
 5.32 or city in which it is located, any ambulance service licensed under chapter 144E, any public  
 5.33 agency responsible for child support enforcement, any public agency responsible for the

- 6.1 collection of court-ordered restitution, any school district, and any public agency established
- 6.2 by general or special law that is responsible for the administration of a low-income housing
- 6.3 program.