Nutrition Senate Language S3086-2

ARTICLE 6 64.20 **NUTRITION** 64.21 Section 1. Minnesota Statutes 2017 Supplement, section 123B.52, subdivision 7, is amended 64.23 64.24 Subd. 7. Food service contracts. A contract between a school board and a food service management company that complies with Code of Federal Regulations, title 7, section 210.16, 225.15, paragraph (m), or 226.21 may be renewed annually after its initial term for not more than four additional years. Sec. 2. Minnesota Statutes 2016, section 124D.111, is amended to read: 124D.111 SCHOOL MEALS POLICIES; LUNCH AID; FOOD SERVICE ACCOUNTING. 64.30 Subdivision 1. School lunch aid computation meals policies. (a) Each Minnesota 65.1 participant in the national school lunch program must adopt and post to its Web site, or the 65.2 Web site of the organization where the meal is served, a school meals policy. 65.4 (b) The policy must be in writing and clearly communicate student meal charges when payment cannot be collected at the point of service. The policy must be reasonable and well-defined and maintain the dignity of students by prohibiting lunch shaming or otherwise 65.6 ostracizing the student. 65.7 65.8 (c) The policy must address whether the participant uses a collections agency to collect unpaid school meals debt. (d) The policy must ensure that once a participant has placed a meal on a tray or otherwise 65.10 served the meal to a student, the meal may not be subsequently withdrawn from the student by the cashier or other school official, whether or not the student has an outstanding meals 65.13 balance. (e) The policy must ensure that a student who has been determined eligible for free and 65.14 reduced-price lunch must always be served a reimbursable meal even if the student has an outstanding debt. 65.16 65.17 (f) If a school contracts with a third party for its meal services, it must provide the vendor with its school meals policy. Any contract between the school and a third-party provider

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152.16	ARTICLE 7
152.17	NUTRITION
152.18	Section 1. Minnesota Statutes 2017 Supplement, section 123B.52, subdivision 7, is amended
	to read:
152.20	Subd. 7. Food service contracts. A contract between a school board and a food service
	management company that complies with Code of Federal Regulations, title 7, section
152.22	210.16, 225.15, paragraph (m), or 226.21 may be renewed annually after its initial term for
152.23	not more than four additional years.
152.24	Sec. 2. Minnesota Statutes 2016, section 124D.111, is amended to read:
152.25	124D.111 RESPECTFUL SCHOOL MEALS POLICY; LUNCH AID; FOOD
152.26	SERVICE ACCOUNTING.

NOTE: FROM SUBDIVISION 5

55.3	(b) Once a participant has placed a meal on a tray or otherwise served the meal to a
55.4	student, the meal must not be subsequently withdrawn from the student by the cashier or
55.5	other school official whether or not the student has an outstanding meals balance.

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65.19	entered into or modified after the July 1, 2018, effective date of this act, must ensure that
65.20	the third-party provider adheres to the participant's school meals policy.
65.21	Subd. 1a. School lunch aid amounts. Each school year, the state must pay participants
65.22	in the national school lunch program the amount of 12.5 cents for each full paid and free
65.23	student lunch and 52.5 cents for each reduced-price lunch served to students.
65.24	Subd. 2. Application. A school district, charter school, nonpublic school, or other
65.25	participant in the national school lunch program shall apply to the department for this
65.26	payment on forms provided by the department.
65.27	Subd. 2a. Federal child and adult care food program; criteria and notice. The
65.28	commissioner must post on the department's Web site eligibility criteria and application
65.29	information for nonprofit organizations interested in applying to the commissioner for
65.30	approval as a multisite sponsoring organization under the federal child and adult care food
65.31	program. The posted criteria and information must inform interested nonprofit organizations
65.32	about:
66.1	(1) the criteria the commissioner uses to approve or disapprove an application, including
66.2	how an applicant demonstrates financial viability for the Minnesota program, among other
66.3	criteria;
CC 1	(2) 4h
66.4	(2) the commissioner's process and time line for notifying an applicant when its application is approved or disapproved and, if the application is disapproved, the explanation
66.5 66.6	the commissioner provides to the applicant; and
00.0	the commissioner provides to the applicant, and
66.7	(3) any appeal or other recourse available to a disapproved applicant.
00.7	(3) any appear of other recourse available to a disapproved applicant.
66.8	Subd. 3. School food service fund. (a) The expenses described in this subdivision must
66.9	be recorded as provided in this subdivision.
00.5	be recorded as provided in this succession.
66.10	(b) In each district, the expenses for a school food service program for pupils must be
66.11	attributed to a school food service fund. Under a food service program, the school food
66.12	service may prepare or serve milk, meals, or snacks in connection with school or community
66.13	service activities.
66.14	(c) Revenues and expenditures for food service activities must be recorded in the food
66.15	service fund. The costs of processing applications, accounting for meals, preparing and
66.16	serving food, providing kitchen custodial services, and other expenses involving the preparing
66.17	of meals or the kitchen section of the lunchroom may be charged to the food service fund
66.18	or to the general fund of the district. The costs of lunchroom supervision, lunchroom custodial
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152.27 152.28 152.29	Subdivision 1. School lunch aid computation. Each school year, the state must pay participants in the national school lunch program the amount of 12.5 cents for each full paid and free student lunch and 52.5 cents for each reduced-price lunch served to students.
153.1 153.2 153.3	Subd. 2. Application. A school district, charter school, nonpublic school, or other participant in the national school lunch program shall apply to the department for this payment on forms provided by the department.
153.4 153.5 153.6 153.7 153.8 153.9	Subd. 2a. Federal child and adult care food program; criteria and notice. The commissioner must post on the department's Web site eligibility criteria and application information for nonprofit organizations interested in applying to the commissioner for approval as a multisite sponsoring organization under the federal child and adult care food program. The posted criteria and information must inform interested nonprofit organizations about:
	(1) the criteria the commissioner uses to approve or disapprove an application, including how an applicant demonstrates financial viability for the Minnesota program, among other criteria;
	(2) the commissioner's process and time line for notifying an applicant when its application is approved or disapproved and, if the application is disapproved, the explanation the commissioner provides to the applicant; and
153.16	(3) any appeal or other recourse available to a disapproved applicant.
153.17 153.18	Subd. 3. School food service fund. (a) The expenses described in this subdivision must be recorded as provided in this subdivision.
153.21	(b) In each district, the expenses for a school food service program for pupils must be attributed to a school food service fund. Under a food service program, the school food service may prepare or serve milk, meals, or snacks in connection with school or community service activities.
153.25 153.26	(c) Revenues and expenditures for food service activities must be recorded in the food service fund. The costs of processing applications, accounting for meals, preparing and serving food, providing kitchen custodial services, and other expenses involving the preparing of meals or the kitchen section of the lunchroom may be charged to the food service fund or to the general fund of the district. The costs of lunchroom supervision, lunchroom custodial

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66.19 66.20	services, lunchroom utilities, and other administrative costs of the food service program must be charged to the general fund.
66.21	That portion of superintendent and fiscal manager costs that can be documented as
66.22	attributable to the food service program may be charged to the food service fund provided
66.23	that the school district does not employ or contract with a food service director or other
66.24	individual who manages the food service program, or food service management company.
66.25	If the cost of the superintendent or fiscal manager is charged to the food service fund, the
66.26	charge must be at a wage rate not to exceed the statewide average for food service directors
66.27	as determined by the department.
66.28	(d) Capital expenditures for the purchase of food service equipment must be made from
66.29	the general fund and not the food service fund, unless the restricted balance in the food
66.30	service fund at the end of the last fiscal year is greater than the cost of the equipment to be
56.31	purchased.
56.32	(e) If the condition set out in paragraph (d) applies, the equipment may be purchased
56.33	from the food service fund.
67.1	(f) If a deficit in the food service fund exists at the end of a fiscal year, and the deficit
57.1	is not eliminated by revenues from food service operations in the next fiscal year, then the
57.2	deficit must be eliminated by a permanent fund transfer from the general fund at the end of
57.3 57.4	that second fiscal year. However, if a district contracts with a food service management
57.5	company during the period in which the deficit has accrued, the deficit must be eliminated
67.6	by a payment from the food service management company.
37.0	by a payment from the root service management company.
67.7	(g) Notwithstanding paragraph (f), a district may incur a deficit in the food service fund
67.8	for up to three years without making the permanent transfer if the district submits to the
57.9	commissioner by January 1 of the second fiscal year a plan for eliminating that deficit at
57.10	the end of the third fiscal year.
37.10	the old of the third hoest year.
57.11	(h) If a surplus in the food service fund exists at the end of a fiscal year for three
57.12	successive years, a district may recode for that fiscal year the costs of lunchroom supervision,
57.13	lunchroom custodial services, lunchroom utilities, and other administrative costs of the food
57.14	service program charged to the general fund according to paragraph (c) and charge those
57.15	costs to the food service fund in a total amount not to exceed the amount of surplus in the
57.16	food service fund.

153.28 services, lunchroom utilities, and other administrative costs of the food service program 153.29 must be charged to the general fund. That portion of superintendent and fiscal manager costs that can be documented as 153.31 attributable to the food service program may be charged to the food service fund provided 153.32 that the school district does not employ or contract with a food service director or other 153.33 individual who manages the food service program, or food service management company. If the cost of the superintendent or fiscal manager is charged to the food service fund, the charge must be at a wage rate not to exceed the statewide average for food service directors as determined by the department. 1544 (d) Capital expenditures for the purchase of food service equipment must be made from 154.5 the general fund and not the food service fund, unless the restricted balance in the food service fund at the end of the last fiscal year is greater than the cost of the equipment to be 154.7 purchased. (e) If the condition set out in paragraph (d) applies, the equipment may be purchased 154.8 from the food service fund. 154.10 (f) If a deficit in the food service fund exists at the end of a fiscal year, and the deficit 154.11 is not eliminated by revenues from food service operations in the next fiscal year, then the 154.12 deficit must be eliminated by a permanent fund transfer from the general fund at the end of 154.13 that second fiscal year. However, if a district contracts with a food service management 154.14 company during the period in which the deficit has accrued, the deficit must be eliminated 154.15 by a payment from the food service management company. A district's meal charge policy 154.16 may allow a district to collect unpaid meal debt that contributes to a food service fund deficit. Such collection efforts must be consistent with subdivisions 4 and 5. (g) Notwithstanding paragraph (f), a district may incur a deficit in the food service fund 154.18 154.19 for up to three years without making the permanent transfer if the district submits to the 154.20 commissioner by January 1 of the second fiscal year a plan for eliminating that deficit at 154.21 the end of the third fiscal year. (h) If a surplus in the food service fund exists at the end of a fiscal year for three 154.23 successive years, a district may recode for that fiscal year the costs of lunchroom supervision, 154.24 lunchroom custodial services, lunchroom utilities, and other administrative costs of the food 154.25 service program charged to the general fund according to paragraph (c) and charge those 154.26 costs to the food service fund in a total amount not to exceed the amount of surplus in the 154.27 food service fund.

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

Subd. 5. Respectful treatment. (a) The participant must also provide meals to students in a respectful manner according to the policy adopted under subdivision 1. The participant must ensure that any reminders for payment of outstanding student meal balances do not demean or stigmatize any child participating in the school lunch program; including, but not limited to, dumping meals, withdrawing a meal that has been served, announcing or listing students names publicly, or affixing stickers, stamps, or pins. The participant must

not impose any other restriction prohibited under section 123B.37 due to unpaid student meal balances. The participant must not limit a student's participation in graduation

- (b) If the commissioner or the commissioner's designee determines a participant has violated the requirement to provide meals to participating students in a respectful manner, the commissioner or the commissioner's designee must send a letter of noncompliance to the participant. The participant is required to respond and, if applicable, remedy the practice within 60 days.
- 67.34 **EFFECTIVE DATE.** This section is effective July 1, 2018.

ceremonies due to an unpaid student meal balance.

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Subd. 4. No fees. A participant that receives school lunch aid under this section must 154.29 make lunch available without charge and must not deny a school lunch to all participating 154.30 students who qualify for free or reduced-price meals, whether or not that student has an 154.31 outstanding balance in the student's meals account attributable to a la carte purchases or for 154.32 any other reason. 154.33 Subd. 5. Respectful treatment. (a) The participant must also provide meals to 154.34 participating students in a respectful manner and ensure that any reminders for payment of outstanding student meal balances do not demean or stigmatize any child participating in 155.2 the school lunch program and conform to the participant's school meals policy. 155.6 (c) Notwithstanding section 123B.38, the participant must not limit a student's participation in any school activities, graduation ceremonies, field trips, athletics, activity 155.8 clubs, or other extracurricular activities or access to materials, technology, or other items provided to other students because of unpaid meal balances. The participant must not impose any other restriction prohibited under section 123B.37 due to unpaid student meal balances.

(d) The participant must not discipline a student due to an unpaid student meal balance.

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

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