

Progress on Free Meals for All: Feeding All Students in Elementary School

2024 Supplemental Operating Budget Decision Package

Recommendation Summary

Hungry students cannot focus fully on learning. While Washington has made great strides in expanding access to free school meals, the state must continue investing in feeding students until meals with no out-of-pocket costs is just part of the school day for all students. As part of the agency's long-term goal, the Office of Superintendent of Public Instruction (OSPI) requests funding to provide nutritious school meals to all of Washington's elementary school students. Funding will supplement federal reimbursement and cover costs for schools who are not eligible to participate in federal universal meal options to ensure every elementary-aged student has the same opportunity.

Fiscal Details (Funding, FTEs, Revenue, Objects)

Operating Expenditures	FY 2024	FY 2025	FY 2026	FY 2027
General Fund State – 001-1	\$0	\$26,892,000	\$26,846,000	\$26,846,000
Total Expenditures	\$0	\$26,892,000	\$26,846,000	\$26,846,000
Biennial Totals	\$26,892,000		\$53,692,000	
Staffing	FY 2024	FY 2025	FY 2026	FY 2027
FTEs	0.0	1.0	1.0	1.0
Average Annual	0.5		1.0	
Revenue	FY 2024	FY 2025	FY 2026	FY 2027
General Fund State - 01	\$0	\$0	\$0	\$0
Total Revenue	\$0	\$0	\$0	\$0
Biennial Totals	\$0		\$0	
Object of Expenditure	FY 2024	FY 2025	FY 2026	FY 2027
Obj. A	\$0	\$91,000	\$91,000	\$91,000
Obj. B	\$0	\$48,000	\$47,000	\$47,000
Obj. C	\$0	\$34,000	\$0	\$0
Obj. E	\$0	\$7,000	\$7,000	\$7,000
Obj G	\$0	\$7,000	\$7,000	\$7,000
Obj. J	\$0	\$11,000	\$0	\$O
Obj. N	\$0	\$26,694,000	\$26,694,000	\$26,694,000

Package Description

What is the problem, opportunity, or priority you are addressing with the request?

Quality nutrition is a key component of student success. When students are hungry, their ability to learn and engage in school is impacted. During the COVID-19 pandemic, federal waivers provided all students access to meals free of charge. Since then, schools have had to return to normal operations where many students must be charged for meals if they don't meet federal requirements for free or reduced-price meals or their school is not eligible to participate in the Community Eligibility Provision (CEP).

Although school meal program regulations prevent identifying a student's eligibility status to peers, the stigma persists. Choosing to eat school meals can often be seen as a source of shame, indicating your household's need for financial support. This often results in students being less likely to access meals and instead choosing to go hungry.

This is a tremendous opportunity to fully invest in our student's well-being and learning by making free school meals a standard part of the school day for every elementary student.

What is your proposed solution?

This request is for state funding to supplement federal meal reimbursement dollars so all of Washington's elementary students have access to meals at school with no out-of-pocket costs. Under this proposal, school meals at elementary schools will be free for all students without disrupting school district food service programs or financing. Like how Washington has supplemented the copay for students eligible for reduced-price meals, state funding would supplement the cost of meals for students who pay for the meals, ensuring all students would have access at no charge, regardless of their meal eligibility status.

This solution expands on legislation passed in 2023 (House Bill 1238) that provides no-cost meals at high-need elementary schools and moves the state closer to providing no-cost meals for all students. If this proposal is adopted, around 80% of Washington's students would attend a school that provides meals at no cost to all students. A growing number of states have recognized both the importance of providing no-cost meals to all students, and the efficiency savings that it brings.

What are you purchasing and how does it solve the problem?

Under this proposal, state funding will cover the cost of breakfast and lunch that would normally be paid for by the families of students who aren't eligible for free or reduced-price meals. School meals are funded on a reimbursement basis, meaning funding is only provided for meals served to students. Specifically, state funds would pay the difference between the U.S. Department of Agriculture (USDA) Free Rate and the USDA Paid Rate. This supplemental reimbursement would be paid to school districts in place of receiving money from families.

If the Legislature invests in this proposal, Washington's youngest learners will be able to rely on a nutritious breakfast and lunch each day as part of their learning experience. Along with the financial support to families, free meals for all also eliminates the stigma around school meals. Historically, there has been a stigma around participation in school meal programs, especially breakfast. Viewed as a program for "poor" students, many hungry students opt out of eating for fear of identifying themselves in front of their peers.

Additionally, when meals are free for all students, districts don't need to spend resources on tracking and collecting meal debts. Contacting families and collecting money for meal charges takes a significant amount of time and contributes to a negative experience between families and schools. Providing school meals at no cost to the student or their family eliminates this problem.

Finally, when meals are free for all students, participation rates increase. In turn, this provides economy of scale for food and meal production costs and allows school nutrition programs to focus their time and energy on providing quality, nutritious meals.

To implement this change, one-time funding is needed to update the Washington Integrated Nutrition System (WINS), OSPI's child nutrition data system, and funding for an Administrative Program Specialist to provide technical assistance, training, and support to districts.

What alternatives did you explore and why was this option chosen?

OSPI proposed universal school meals for all Washington students in the 2023 Legislative Session, which was ultimately unsuccessful. However, the Legislature did pass legislation expanding no-cost meals to the highest-need elementary schools who are not already providing free meals for all through the CEP. Providing nutritious school meals for all students remains the ultimate goal and this targeted proposal moves the state in that direction.

Future changes in the federal law may open the door for alternative funding models to achieve this goal, including changes to the CEP funding formula. Currently, however, the federal government has not indicated they plan on making these changes. As a result, states across the nation are creating their own universal meals programs as they recognize the numerous benefits to students, families, and school districts.

Performance Measures

Performance outcomes:

Nutritious school meals for all elementary schools would bring several positive outcomes.

Benefits for students and their families:

- A significant cost-savings for working families. School breakfast and lunch costs around \$6 per student per day. A family of four with a household income of \$56,000 would not qualify for free or reduced-price meals and could easily spends upwards of \$260 per month to participate in school meals.
- Increased equity by allowing all students in Washington's elementary schools to have access to a healthy breakfast and lunch each day regardless of their income, eligibility status, or school location.

• Removal of the stigma around school meals, especially school breakfast. By making meals free for all students, it removes the stigma around school meals being for "poor" students.

Benefits for school districts and the state:

- Increased administrative efficiencies:
 - Elimination of the time intensive work around tracking and collecting unpaid meal debt. Districts have a prescriptive process they must follow including email, letters, and phone calls to families.
 - Removal of the Paid Lunch Equity Tool, an administrative process to annually determine how much a district is required to charge for paid meals.
- Increased meal participation:
 - Purchasing more Washington grown and raised food, keeping money here in our state and supporting Washington agriculture.
 - Generates more school district revenue to invest in the school meals program, such as more scratch cooking or other innovative improvements.
 - Improved Breakfast After the Bell program, allowing flexible meal counting processes. No-cost meals for all results in faster and easier meal counts that support Breakfast After the Bell, especially breakfast in the classroom.

Assumptions and Calculations

Expansion or alteration of a current program or service:

For years, the Legislature has supplemented the costs of reduced-price meals for eligible students by paying the \$0.30 breakfast copay with state funds and the lunch copay for students in grades K–3. In 2021, the Legislature went further with House Bill 1342 and \$4.4 million in funding to supplement the remaining reduced-price lunch copays. They then expanded on this idea in the 2023 Legislative Session with House Bill 1238, providing free school meals for all students in high-need elementary schools not already covered by the Community Eligibility Provision at a cost of \$7.4 million in fiscal year 2024 and \$16 million in fiscal year 2025. This proposal expands on these past efforts to provide free school meals for all of Washington's elementary students.

Detailed assumptions and calculations:

This proposal builds on the investments the Legislature has already put in place to support school meals. Calculations were first updated for the existing state investments for the Community Eligibility Provision and House Bill 1238 (2023). The remaining elementary schools not qualifying under these provisions and program were then included in the calculation for this proposal.

The USDA provides reimbursement to schools for meals served based on different per-meal rates. This per-meal reimbursement rate will vary based on the meal (breakfast or lunch) and the category of school, with USDA reimbursement rates being higher in identified "high needs schools." The modeling used the difference between the federal Free and Paid reimbursement rates ("Breakfast Gap" and "Lunch Gap"). For example, in school year 2023–24, the USDA Free

Rate for Lunch is \$4.27 and the Free Rate is \$0.42, resulting in a \$3.85 difference, the "Lunch Gap." For breakfast the gap is \$2.35. Rates are updated annually.

Meal	Free	Reduced-Price	Paid	
Breakfast	\$2.28	\$1.98	\$0.38	
Severe Need Breakfast	\$2.73	\$2.43	\$0.38	
Lunch (less than 60%)	\$4.25	\$3.85	\$0.40	
Lunch (60% or more)	\$4.27	\$3.87	\$0.42	

Table 1. 2023–24 USDA Reimbursement Rates

To determine the cost of this proposal, OSPI reviewed meal participation data from the 282 elementary schools that are not already serving meals at no cost through the Community Eligibility Provision (CEP) or the program for highest-need elementary schools. Prior-year meal participation numbers were then multiplied by 15%, which is the average increase in participation when schools transition from charging for meals to no-cost meals.

Statewide, this equates to an estimated 1,252,672 breakfasts and 6,168,844 lunches served to students who are not already eligible for free or reduced-price meals per year. These meals will need to be supplemented by the "breakfast gap" and "lunch gap" defined above, for a total cost of \$26,693,828 per fiscal year.

- Breakfast: 1,252,672 X \$2.35 = \$2,943,779
- Lunch: 6,168,844 X \$3.85 = \$23,750,049
- Total reimbursement cost = \$26,693,828

These are the best possible predictions using the available data and current federal law. Ongoing state financial support of school meals will be variable, due to the following ongoing changes:

- Student enrollment
- The number of students qualifying for federal free and reduced-price meals
- Daily meal participation rates
- Qualifying CEP schools
- USDA reimbursement rates
- USDA program rules

Additionally, one-time funding to update the Washington Integrated Nutrition System (WINS) is estimated at \$34,000.

Workforce assumptions:

This request includes funding for a 1.0 full-time equivalent (FTE) Administrative Program Specialist 2 to help administer the program. The cost is \$164,000 in fiscal year 2025 and \$152,000 annually thereafter.

How our Proposal Impacts Equity in the State

At the forefront of every program, policy, and decision, OSPI actively focuses on ensuring all students have access to the instruction and support they need to succeed in Washington's public schools. OSPI regularly engages with a wide array of partners and stakeholders to continuously connect with students, families, and community representatives as partners in decision-making. By providing access to nutritious school meals in all elementary schools, we can guarantee our youngest learners have access to the nutrition they need to learn and lead healthy lives.

Many families across the state, including families with concerns around disclosing documentation status, decline to apply for free school meals due to stigma or fear of repercussions. By making school meals part of the school day for every student, just like textbooks or desks, we can make sure all students have access to one of the most critical tools they need to be successful: food.

Strategic and Performance Outcomes

Strategic framework:

This proposal aligns with the Governor's Results Washington Goal 1: World-class Education, and Goal 4: Healthy and Safe Communities. By providing school meals to all elementary students every day, the state can reduce one of the most pertinent barriers to learning and well-being. School meals model healthy eating habits, along with an introduction to a variety of fruits and vegetables that support student health.

This proposal also aligns with Superintendent Reykdal's Strategic Goal #1: Equitable Access to Strong Foundations. With this proposal, the state can support strong foundations by making sure every student has access to the nutrition they need each day.

Initial objectives:

- Expand no-cost school meals to all elementary schools in the state.
- Support school districts in making the transition from standard claiming to no-cost meals by holding webinars and trainings, as well as conducting site visits to provide technical assistance.

Other Collateral Connections

Intergovernmental:

OSPI partners with the Department of Social and Health Services (DSHS) to share data to directly certify students for free school meals. This request would not change or impact this partnership.

Stakeholder response:

OSPI facilitates and participates in a significant range of committees and workgroups, regularly engaging with a variety of stakeholders to ensure representative voices are heard and ideas are incorporated. This request is informed by feedback and input from a variety of diverse stakeholders. Specifically, a coalition of anti-hunger advocates, as well as the Washington School

Nutrition Association, and the Washington Chapter for the American Academy of Pediatrics have indicated their support of this proposal.

Legal or administrative mandates:

None.

Changes from current law:

OSPI will propose legislation to amend Chapter 28A.235 RCW. Specifically, sections related to school meals at no charge to young students (RCW 28A.235.135).

State workforce impacts:

The supplemental state revenue would allow Washington's school districts to further invest in their meal programs, including increasing meal quality, and expanding staff positions and hours to support more scratch cooking.

State facilities impacts: None.

Puget Sound recovery: N/A