



**SCHOOL  
NUTRITION  
ASSOCIATION**

*Making the right food choices, together.*

**2009 SNA Legislative Issue Paper  
Talking Points**

1. **Increase Funding:** The current reimbursement for a “free” lunch is \$2.57. This is not adequate to cover the cost of producing a school meal. A latte costs more. The costs of food, transportation, labor and benefits, training, equipment and indirect expenses, are all increasing rapidly and the reimbursement has not kept pace.
  - **SNA urges the Congress to increase reimbursement rates sufficiently to cover actual costs, and to provide semi-annual adjustments in reimbursement rates.**
  - **Expand the “free” meal category from 130% of poverty to 185%, consistent with the WIC income eligibility guidelines (eliminating the reduced price meal category).**
  - School nutrition programs are expected to be financially self sufficient and support themselves through federal reimbursements and the charges paid by students who purchase a lunch.
  - The economy is pushing more students into the free category. Many of those in the reduced category cannot afford even this lower meal price of 40 cents.
  - Data from a 2008 SNA survey of school district directors indicates costs for food, labor and gas/transportation are clearly affecting school foodservice operations — 97.5% of respondents expect that their program will experience an increase in food costs, 84% expect an increase in labor costs, 94% expect an increase in gas and transportation costs, and 67% expect an increase in indirect costs - items charged by the school district to the school nutrition program (utilities, trash removal, administrative staff salaries, etc.).
  - Most school districts (68%) expected that the National School Lunch Program (NSLP) reimbursement at the end of the 2007/08 school year would not meet their costs.

- SNA supports implementation of the 2005 Dietary Guidelines for Americans which call for more fruits and vegetables, whole grains and lowfat dairy – and is working on the 2010 Dietary Guidelines. These types of improvements in the meal pattern will further increase the cost of producing a school meal.
- According to the USDA, the all-food CPI increased another 5.5 percent between 2007 and 2008, the highest annual increase since 1990. The CPI is forecasted to increase another 3-4% in 2009.
- Estimates put the average cost to provide a reimbursable school lunch at \$2.92. The average cost for the 100 largest school districts by enrollment is \$3.10 (Technomic 2007 and SNA research 2008.) The current reimbursement for a free lunch is \$2.57 and the national average price of a school lunch as set by local school boards is \$1.80 (plus a 24 cent federal reimbursement). Even with the 20.75 cents in commodity entitlement per meal served, school nutrition programs are losing money on each balanced, nutritious meal provided to students.
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2. **A Matter of Standards:** SNA is deeply committed to the Dietary Guidelines for Americans and we believe that they should be applied to all foods and beverages sold in school. The current law requires that the school lunch and breakfast programs meet the goals of the Dietary Guidelines for Americans, but they are interpreted differently from state to state and from school district to school district. Further, since 1983 the Secretary has not had the authority to regulate the sale of food and beverages outside of the school cafeteria.

- **SNA urges the Congress to require a science-based, yet practical, national nutrition standard to govern the sale of all foods and beverages sold on the school campus during the school day. We urge the Congress to:**
  - **Give the Secretary the authority to regulate and enforce the sale of food and beverages outside of the cafeteria (ending the “time and place” rule).**
  - **Require all a la carte and competitive food sales to be consistent with the Dietary Guidelines, as is required for school meals.**
  - **Require consistent interpretation throughout the country. Children in all states and local districts need the same nutrients to grow and be healthy.**
- Standards are needed for both the reimbursable meal and food and beverages available outside of the reimbursable meal.

- While there are USDA meal pattern requirements that serve as a national standard for the NSLP and SBP, the current law also allows states to 'go further' than the meal pattern requirements. As a result several states have added their own individual standards (for example in Texas the entree portion of a reimbursable meal cannot have more than 23 grams of fat for each meal served) in addition to the USDA meal pattern requirements.
- Since 2003, over 275 pieces of state legislation have been introduced.
  - Eighteen states set requirements for school meals to exceed the nutrition standards set by the federal U.S. Department of Agriculture (USDA) standards.
  - Twenty-five states set nutrition requirements on food sold in schools beyond the regular school meal programs, such as in vending machines and school stores.
  - Twenty-seven states set limitations on when and where food can be sold in schools outside of the regular school meal programs, such as restrictions on hours or locations.
- Many of the introduced state guidelines are not based on current scientific evidence and instead focus on individual foods.
- Each piece of state legislation has varied considerably from recommended guidelines to prescriptive nutrient standards and lists of 'banned' and 'approved' food items.
- SNA believes that we need to craft a science based, practical, nutrition standard that applies throughout the school and throughout the entire country. The children in California need the same nutrients for healthy development that are needed by the children in South Dakota and Florida.

3. **The Variation in Standards Increases Costs:** The current lack of uniformity of nutrition standards, guidelines and policies greatly increases the cost of the program. The school foodservice industry is struggling at the manufacturing level to meet the wide variety of standards that exist. They see their costs (and therefore ours as well) going up – and some fear they may have to leave market entirely.

- Multiple standards mean multiple products. Well-intended but insignificant differences in product specifications increase production costs which have to be passed on to the program.
- The lack of certainty regarding standards retards proper business planning in an economic environment that calls for reducing costs in every possible way. Some industry members may have to rethink their willingness to offer multiple formulations.

- Over time school food specifications can and have helped move the broader consumer market. But it takes time and consistency to develop broader consumer acceptance.
4. **School Breakfast Commodities:** SNA urges that 10 cents be provided in USDA commodities for each school breakfast served. USDA currently provides 18 cents in commodities for each lunch served to the 29 million children participating in the program. By comparison, no commodity support is provided to the School Breakfast Program for the 9 million children who participate daily. School breakfast commodity support is essential to providing additional nutritious school breakfasts to all children. It is estimated that for each penny in the breakfast commodity entitlement, Congress will need to appropriate \$10 million.
- The addition of commodities for breakfast will support the nutritional quality of the meal while keeping costs down for schools.
  - Through the commodity program school nutrition programs now receive low-fat cheese, bulgur, lean meats, canned fruits in light syrup, sunflower seed butter and many other foods that are part of balanced, nutritious school meals.
  - According to a 2001 United States Department of Agriculture report, “school breakfast participation is associated with higher intakes of food energy, calcium, phosphorus, and vitamin C.
  - Research in Massachusetts, Minnesota and Maryland has shown that consumption of healthy school breakfasts result in improved standardized test scores, less tardiness, and fewer trips to the nurse’s office.