MSNA Newsletter Legislative Update [4.14.23]

The Minnesota Legislature stuck to their record-setting pace this session and barreled right on through the third bill deadline in early April. Having just returned to work on April 11th from their traditional spring break over Easter/Passover, they have just over a month to wrap up major budget bills. This budget session must close no later than May 22nd.

With the MN Free School Meals legislation already law, signed by the Governor on Friday, March 17th, MSNA and the folks at the MN Department of Education now turn to implementation plans. The MN Free School Meals Program takes effect on July 1, 2023, and many logistical details need to be worked out in time for the next school year to start. In the meantime, we're turning our attention to the remainder of the Education budget, which is slated for a fresh \$2.2 billion investment over the next two years.





Education Plans Emerge – chopping up \$2.2 Billion

The joint budget target for Education is \$2.2 billion over base for the next two fiscal years. These investments can grow another \$3.3 billion in the two years to follow,

which we refer to as the "tails" budget. All told, \$5.5 billion in new revenue will flow into the education system over the next four years. The House DFL has aligned more with the Governor in how they allocate the budget target. Both the Governor and the House are proposing 4&2 on the basic education formula for the next two years, and indexing future increases to a range of CPI inflation, somewhere between 0%-3%.



Governor Tim Walz visited Webster Elementary
School in Minneapolis on March 17 to sign the MN
Free Meals bill.

The Senate is taking a different direction. Their plan would pump 4&5 into the formula but does not include any inflator in the "tails" budget (fiscal years 26-27). The decision to index the basic formula to CPI will be the biggest decision the Education Conference Committee has to make. All three camps agree on a major investment in special education and buying down district cross-subsidies.

In addition to special education spending, there is agreement between the DFL Trifecta to spend money on English Learner programs, Student Support Personnel aid, Grow Your Own programs to attract new teachers, Literacy training, and more PreK slots.

The DFL Trifecta continues to support extending Unemployment Insurance to non-certified school staff. The House and Senate plans require the cost of the new unemployment policy to come off the top of a school district's formula dollars, not off the existing UI levy. The new unemployment policy could create challenges for summer nutrition programs. School officials are asking for at least a one-year delay on the UI extension as major questions about summertime staffing and cost impacts remain.

National Funding Set to Expire

Current reimbursement rates from the "Keep Kids Fed Act" are set to expire on June 30, 2023. This funding was for one year to help with expenses as schools were moving from pandemic waivers that provided universal meals nationwide. Two new bills have been introduced in Congress that would provide increased funding for school nutrition programs:

- Rep. James McGovern (D-MA) introduced <u>H.R. 1269</u>, the "Healthy Meals Help Kids Learn Act," to permanently increase the federal reimbursement rate for all school lunches by 45 cents and school breakfast by 28 cents.
 This bill would include annual adjustments.
- Reps. Abigail Spanberger (D-VA) and Brian Fitzpatrick (R-PA) introduced <u>H.R. 1424</u>, the "Helping Schools Feed Kids Act," to extend and increase reimbursement for 30 cents for lunch and 15 cents for breakfast, stimulated in the "Keep Kids Fed Ave of 2022," through school year 2023-24.

Additional School Nutrition Bills Introduced

- Rep. Morgan McGarvey (D-KS) and 14 co-sponsors introduced <u>H.R.2567</u>, the "School Meals Expansion Act," to allow more students to receive free meals without an application by increasing the number of schools in low-income communities able to take advantage of the Community Eligibility Provision (CEP). It also increased the CEP multiplier used to determine federal reimbursement for meals served from 1.6 to 2.5, eliminating financial barriers for schools currently eligible for CEP. This act would also expand school eligibility for CEP by lowering the Identified Student Percentage from 40 to 25 percent.
- Rep Ilhan Omar (D-MN) introduced <u>H.R.2777</u>, the "School Meals During School Closures Act", this legislation
 would allow states or school districts to continue to provide free and subsidized meals during disruptions,
 such as extreme weather events, emergency repairs of school closures.

Comment Period for Proposed Nutrition Standards Open until May 10, 2023

There is still time to send in your comments! USDA needs to hear from YOU about how the <u>proposed nutrition</u> <u>standards</u>, including additional sodium reductions and new limits on sugar and flavored milk. These new rules would impact your menus, meal participation, operations, and finances. SNA has put together <u>customizable letters</u> to help you submit comments on these proposed rules. Each unique comment will be counted by the USDA so feel free to comment more than once!

Darcy Stueber, SNS
MSNA PPL Chair
Mankato Area Public Schools
DStueb1@isd77.org

Sam Walseth MSNA Lobbyist sam@capitolhillassoc.com



MSNA's Day at the Capitol February 21

