

## Can There Still be Such a Thing as a Free (School) Lunch?

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A new proposal in the U.S. Farm Bill could cut off the free lunch program to millions of students across the country and an estimated 200,000 in Pennsylvania.

<u>The proposal</u>, drafted in response to Agriculture Improvement Act of 2018, commonly known as the Farm Bill, lowers the minimum requirement for students to receive free school lunches, making it more difficult for families to qualify.

Families are generally only eligible for Supplemental Nutrition Assistance Program (SNAP) benefits if the annual household income is less than 130% of the federal poverty level. However, expanded eligibility programs currently allow families to be eligible for those same benefits if they are also receiving any benefits under Temporary Assistance for Needy Families (TANF) programs.

Commonly known as food stamps, SNAP benefits assist needy families by acting as currency for the purchase of food. SNAP eligibility also automatically qualifies students for free meals at public schools.

If successful, the recent proposal would require that a family receive more than \$50 a month in TANF benefits for six months in order to also be eligible for SNAP. This tightening of eligibility standards <u>was unsuccessful</u> in the 2018 Farm Bill.

The U.S. Department of Agriculture implements the Farm Bill's provisions and oversees federally subsidized free and reduced school meal programs. SNAP provisions have been the primary subject of discussions between the parties each time the Farm Bill is due for renewal in recent years.

The USDA acknowledges the proposal could cut up to 3.1 million people out of eligibility nationally in 2020. According to the Pennsylvania Governor's office, more than 1.7 million people use SNAP in Pennsylvania, and about 200,000 people would potentially lose that benefit under the proposed rule. Some of the students who qualify for free school meals based on SNAP eligibility may qualify for reduced cost school meals based on family income and other factors, but would still be required to pay for meals at school. Additionally, SNAP resources spent on food would no longer be flowing into the grocery supply chain, pulling additional dollars out of the food industry.

One component of food security that SNAP addresses is childhood hunger. SNAP eligibility allows children in families receiving SNAP benefits to obtain free lunches at school. While USDA did not comment on the impact to children, testimony given to the U.S. House of Representatives revealed that about 265,000 children across the nation could lose eligibility under the proposed rule. Those families may still be eligible for reduced pricing under federally subsidized school meal programs. Practically, however, the loss of SNAP eligibility would require previously eligible families to expend more on groceries and also more on school meals, even if the school



meals are provided at a reduced cost.

Pennsylvania is no stranger to controversies surrounding the cost of school lunches. The School Code was recently amended to permit the provision of alternative meals to students who owe more than \$50 for school meals until the balance is paid off. If the USDA rule is adopted, the number of students who have outstanding balances will likely increase. This means that students who experience food insecurity at home may not be able to rely on school meals in the same way.

<u>The proposal</u> is open for public comment until Sept. 21. If you have any questions about how the proposed rule could impact your business or school district, please contact anyone in Barley Snyder's <u>Education</u> <u>Practice Group</u> or its <u>Food & Agribusiness Industry Group</u>.

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