



Julie Kelly is a cooking teacher and food writer from Orland Park, Ill. She writes extensively about food issues including the organic industry, the anti-genetically modified organisms movement and government food policies such as the National School Lunch Program. She is a contributing author for the Genetic Literacy Project and has been published in *The Wall Street Journal*, *Chicago Tribune*, *National Review*, *Forbes*, *Roll Call* and *The Hill*.

FREE LUNCH

AT A PRICE



Thousands of middle-class Wisconsin students get taxpayer-funded meals under a new federal program

By Julie Kelly

Under a new federal program that greatly expands access to free school meals, an estimated 21,600 students in Wisconsin public schools who previously didn't qualify for federally funded breakfast and lunch were eligible last year, a WPRI analysis has found. The meals came at a potential cost to taxpayers of \$17.9 million or more. The program — called the Community Eligibility Provision — represents a massive expansion of a costly federal entitlement program that now provides subsidized meals to thousands of middle-class children whose families can well afford to buy or pack a lunch.

The CEP, implemented nationwide last year after a pilot program, is part of the Healthy, Hunger-Free Kids Act of 2010, first lady Michelle Obama's signature initiative intended to stop childhood hunger and obesity by overhauling child nutrition programs. The law also set the stage to drastically increase the number of free school meals by allowing entire school districts — rather than individual households — to apply for subsidized meals. This is a stark departure from how the free lunch program had been administered over the past several decades, when families were required to submit applications to prove financial need.

Since 1946, the National School Lunch Program has provided free or reduced-price meals to children from low-income households. The program has grown in scope and cost and now serves subsidized meals to about 20 million kids nationwide, including more than 500,000 in Wisconsin. In the 2013-'14 school year, Wisconsin schools served more than 50 million free or reduced-price lunches and another 23 million breakfasts, costing federal taxpayers more than \$172 million. Those figures are likely to soar due to the CEP.

Here's how it works: In Wisconsin, a district can earn CEP status, which is good for four years, if at least 40% of its students automatically qualify because their families receive other benefits such as FoodShare or Wisconsin Works (W-2).

Homeless, runaway and migrant children are also eligible.

This is called direct certification. The 40% threshold can be reached by an individual school, by grouping several schools together or by district.

The U.S. Department of Agriculture, which administers school meal programs, then applies a multiplier — called a claiming factor — that boosts the figure by 60%, under the assumption that many more students qualify but don't apply.

According to USDA spokesman Johnathan Monroe, "The multiplier is based on an analysis that indicated that for every 10 students who qualify for free or reduced-price meal

benefits based on their participation in programs like SNAP (the Supplemental Nutrition Assistance Program) or TANF (Temporary Assistance for Needy Families), an additional six come from families who would only qualify for meal benefits by submitting a household income application. The multiplier accounts for the students who are eligible for free and reduced-price school meals but do not receive types of federal assistance that would allow them to be identified without a household application. We are reaching students who would be eligible for free and reduced-price meals but do not have someone at home turning in their paperwork."

For example, if 50% of students in a district are directly certified, the claiming factor adds another 30%, so the total number of eligible students jumps to 80%. Then every student is eligible for a taxpayer-funded breakfast and lunch whether or not the student needs it. The district receives reimbursement from the federal government at the "free" rate, which currently maxes out at \$5.29 per student per day. So 80% of the students would be reimbursed at that "free" rate, and the remaining 20% would be reimbursed at a lower "paid" rate, currently about 30 cents. Any shortage in the program must be paid out of local funds.

This is when the program captures students who don't need the benefits. First, the claiming factor is uniformly applied to every district with no distinction between rural, inner city and suburban areas. Second, the remaining number

WHAT IS THE CEP?

The **Community Eligibility Provision** is a four-year meal reimbursement program that allows entire school districts or groups of schools — rather than individual households — to apply for taxpayer-subsidized lunch and breakfast.

Part of the Healthy, Hunger-Free Kids Act of 2010, the CEP was implemented nationwide in 2014 following a three-year pilot program.



of students (in this example, the 20%) are eligible for both free breakfast and lunch even though they don't need them. Monroe acknowledged that "while some children from higher-income families will receive free lunches through the CEP, eligible schools will only choose to participate if it is financially viable for them."

In 2014-'15, at least 256 Wisconsin

public schools participated in the CEP, resulting in free breakfast and lunch for more than 111,000 students, a nearly 20% increase over the number of eligible students the previous school year. So more than 21,000 public school students who hadn't qualified before (likely due to higher family income) became eligible for free meals under the CEP. Last year's minimum "free" rate was \$4.60, and the "paid" rate was 28 cents. About 80 private schools in Wisconsin also participated last year.

This school year, 382 schools have signed up, 43 more than last year, including public schools in West Allis and Sheboygan.

The USDA claims many advantages of the CEP, such as saving money by reducing paperwork and eliminating the

stigma associated with free meals. According to the Wisconsin Department of Public Instruction, the benefits of the CEP are:

- *Free lunch and breakfast for all students in participating schools.*
- *No household applications for free and reduced-price meals.*
- *No verification of applications.*
- *Potential for increased meal participation rates, especially breakfast.*
- *Simplified counting and claiming process by not having to track free, reduced-price and paying students.*

WISCONSIN'S NUMBERS

2014-'15

At least 256 Wisconsin public schools participated, resulting in free breakfast and lunch for more than 111,000 students, a nearly 20% increase over the number of eligible students the previous year. About 80 private schools also participated.

2015-'16

382 Wisconsin schools are participating.

While reducing paperwork is a plus, other consequences should be considered. The program will be responsible for big budget increases over the next several years. "The main driver for the expected participation increase in school meals is the Community Eligibility Provision," according to the USDA.

During congressional testimony this summer, U.S. Agriculture Secretary Tom Vilsack said only "about half the schools that are eligible for this have adopted it." That means the current budget for both the National School Lunch Program and School Breakfast Program — about

“Teenagers have creative ways of expressing their displeasure at having to take food they don’t want.” – Diane Pratt-Heavner
School Nutrition Association spokeswoman

\$16 billion in 2016 — could skyrocket if every eligible school applies.

The issue is a special crusade for Vilsack, who has recounted painful childhood experiences that led him to promote the expansion of free school meals. As the adopted son of an alcoholic mother, Vilsack told a House subcommittee in June, “During the times she was drinking, she was not there. A lot of families deal with those issues, and somebody’s gotta be there. You would hope the school district is taking care of them, protecting them, feeding them well and teaching them well.”

In a speech in September at the Center for American Progress, Vilsack reiterated: “I know what can happen in a schoolyard when you’re a little overweight and a little slow because of it (hunger). I don’t want that for any child.”

Making sure hungry kids are fed and addressing alarming obesity rates among the nation’s youth are laudable goals. But the CEP is another example of government overreach, a well-intentioned program that quickly and irreversibly spins out of control.

In fact, tangible deliverables so far from expanded school meal programs are nebulous at best. Little data is available on childhood obesity rates since the Healthy, Hunger-Free Kids Act took effect in the 2012-’13 school year. Critics of the law — including school nutritionists across the country — have complained about inedible food and a big increase in food waste. The School Nutrition Association estimates that about 1.5 million paying students have stopped buying school lunches, causing financial strain on districts. The complaints prompted congressional hearings last spring and summer.

U.S. Rep. Glenn Grothman (R-Wis.) pretty much summed up the law’s central failure at a June 24 meeting of a House Education and Workforce subcommittee about child nutrition programs. Grothman told one state nutrition director, “To force you to serve food that hungry kids throw out tops the list as evidence of what the federal government shouldn’t be doing.”

Of course, kids throwing away unappetizing school lunches is nothing new. But students are mostly discarding perfectly edible produce they are forced to take — and that’s paid for by taxpayers — under new rules that micromanage every plate served at school. The School Nutrition Association

estimates that food waste has doubled since the law took effect. A Government Accountability Office survey indicates food waste was the top concern of school nutritionists. (The USDA doesn’t currently track food waste in the school lunch program.)

Here’s what happens: A Wisconsin high school student must take at least three items from a lunch selection of five — a meat/meat substitute, milk, whole grain, fruit and vegetable. One of the three must be a fruit or vegetable, even if the student doesn’t want it. So the student takes the item and then tosses it in the trash. “Teenagers have creative ways of expressing their displeasure at having to take food they don’t want,” jokes Diane Pratt-Heavner, SNA spokeswoman.

Her group urged Congress to simplify child nutrition programs and ease administrative burdens. “The standards have gone too far to the point of driving kids away from healthier meals,” Pratt-Heavner says. She cites challenges in making whole grain tortillas in the Southwest, cornbread in the South and bagels in the Northeast since white flour is a no-no under the policy.

Sodium levels are so restrictive that cheese had to be removed from deli sandwiches; one lawmaker recounted how a teacher had to monitor the pickle jar to make sure “kids only took three pickles instead of four” because the extra pickle would violate federal salt restrictions. Some schools report kids bringing in — and even selling — salt, pepper and sugar packets in an attempt to make lunches more palatable.

The expanded meal program and its mandates also teach millions of students that there is such a thing as a free lunch. Forcing kids to take food that ends up in the trash at taxpayer expense and that does little to make kids healthier is more than bad policy; it replaces individual and parental accountability with government decree. And it creates one more costly federal entitlement program that will be difficult — if not impossible — to repeal in the future.

Forty years ago, Milton Friedman’s book “There’s No Such Thing as a Free Lunch” was published. The adage has long been associated with the Nobel Prize-winning economist, who popularized the phrase to contradict the belief that “government can provide goods and services, can spend money, at nobody’s expense.”

Friedman would be alarmed, but probably not surprised, that “free” school lunch is poised to be the next big American entitlement program. And rather than simply making sure that needy, hungry students are fed at school, the program is rapidly becoming a catch-all to promote the idea that the government — not parents — is primarily responsible for feeding the nation’s children.



Vilsack