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## FISCAL IMPACT REPORT

SPONSOR:	Campos	DATE TYPED:	2/23/03	HB	
SHORT TITLE	SHORT TITLE: Regulate Sale of Certain Foods in School		ol	SB	468
			ANAL	YST:	Wilson

#### **APPROPRIATION**

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			See Narrative		

Relates to HJM 18, Availability of Nutritious Food in School

## **SOURCES OF INFORMATION**

Responses Received From

State Department of Education (SDE) Department of Health (DOH)

# **SUMMARY**

# Synopsis of Bill

Senate Bill 468 directs the State Board of Education (SBE) to establish rules to control the sale of competitive foods in public schools. The rules shall prohibit the sale of foods of minimal nutritional value in the food service areas during the lunch period. The sale of other competitive foods may be allowed in the food service area during the lunch period only if all income from the sale accrues to the benefit of a nonprofit school food service, school or school-approved student organization.

SB 468 requires beverages other than water and one hundred percent fruit or vegetable juices not to be accessible to elementary school students during the school day. Availability of other beverages will be limited to after-school functions as determined appropriate by the local school board of a school district. All vending machines located on school grounds shall feature graphics featuring only one hundred percent fruit or vegetable juices, water or educational programs.

Current vendor contracts will not be effected until the expiration of the contract or July 1, 2004, which ever is sooner.

#### Senate Bill 468 Page 2

## Significant Issues

The SDE provided the following:

The SBE currently does not have any regulations in place that control the sale of competitive foods in public schools

Federal regulations indicate that state agencies and school districts shall establish such rules or regulations as are necessary to control the sale of foods in competition with lunches served under the National School Lunch Program.

When children are taught in the classroom about good nutrition and the value of healthy food choices but are surrounded by vending machines, snack bars, school stores and a la carte sales offering low nutrient density options, they receive the message that good nutrition is merely an academic exercise that is not supported by the school administration and is therefore not important to their health or education.

Nutrition clearly has a major impact on children – on their health, their ability to learn and on their potential for becoming healthy and productive adults. Research indicates that good nutrition and physical activity for students can lead to better academic performance, higher test scores and fewer behavioral problems as well as establishing lifelong healthy habits

By establishing healthy habits early in life, children can dramatically reduce their health risks and increase their chances for longer, more productive lives4.

Food offered in public schools via vending machines and other venues outside of the school food service control are relatively low in nutrient density and relatively high in fat, added sugars and calories. Eating foods and beverages with little or no nutritional value may relate to children's inability to focus and concentrate on their schoolwork. When children replace school meals with these foods, there is the risk that their daily dietary intake will be inadequate.

Healthy eating patterns in childhood and adolescence promote childhood health, growth and intellectual development especially if combined with adequate physical activity.

Obesity in children is a growing national problem and is related to chronic diseases such as diabetes, hypertension and heart disease. Some of the foods and beverages (items not controlled by school food services) currently being offered in public schools may be contributing to obesity

All vending machines should feature graphics featuring only 100 percent fruit or vegetable juices, water as well as other appropriate food items, i.e. milk, to send the correct nutrition message to students.

## FISCAL IMPLICATIONS

An increase in the sale of competitive foods may have an adverse effect in student participation in the school lunch program. This can cause a reduction in cash and commodity support from the United States Department of Agriculture (USDA) for school meals.

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## **ADMINISTRATIVE IMPLICATIONS**

The SBE will have to promulgate the rules to control the sale of competitive foods in public schools.

## RELATIONSHIP

SB 468 relates to HJM 18, Availability of Nutritious Food in School requesting a study to identify the health and educational benefits of selective nutrition choices in food and beverages in public schools.

## **TECHNICAL ISSUES**

Restrictions in SB 468 will eliminate milk as an option at the elementary level.

The SDE notes Section 5 may be contradictory to USDE National School Lunch Regulations because it will allow contracts between a school and a food or beverage vendor to remain lawful until the expiration of the contact or July 1, 2004.

# DW/yr