A BILL TO BE ENTITLED
AN ACT TO PROVIDE BREAKFAST TO PUBLIC SCHOOL STUDENTS AT NO COST TO
THE STUDENTS.

The General Assembly of North Carolina enacts:

SECTION 1.(a) G.S. 115C-263 reads as rewritten:
"§ 115C-263. Required provision of services.
As a part of the function of the public school system, local boards of education shall provide
to the extent practicable school food nutrition services in the schools under their
jurisdiction, including breakfast at no cost to students. All school food nutrition
services made available under this authority shall be provided in accordance with standards and
regulations recommended by the Superintendent of Public Instruction and approved by the State
Board of Education."

SECTION 1.(b) G.S. 115C-264 reads as rewritten:
"§ 115C-264. Operation.
(a) In the operation of their public school nutrition programs pursuant to
G.S. 115C-263, the public schools shall participate in the School Breakfast Program and National
School Lunch Program established by the federal government, government and administered by
the Department of Public Instruction. The program shall be under the jurisdiction of the Division
of School Support, Child Nutrition Services of the School Nutrition Division of the Department
of Public Instruction and in accordance with federal guidelines as established by the Food and
Nutrition Service of the United States Department of Agriculture.

(a1) The Department of Public Instruction shall allocate sufficient funds to public schools
to provide breakfast at no cost to the students who elect to receive breakfast. These funds shall
supplement and not supplant any federal funds provided for the same purposes. No later than
March 15, 2023, and every year thereafter that funds are made available pursuant to this section,
the Department of Public Instruction shall report to the Joint Legislative Education Oversight
Committee, at a minimum, the number of students electing to receive breakfast at no cost, the
number of no-cost breakfasts served, and the cost of implementing the no-cost breakfast program.

(b) For nutritional purposes, the public schools shall not (i) use cooking oils in their
school food nutrition programs that contain trans-fatty acids or (ii) sell processed foods
containing trans-fatty acids that were formed during the commercial processing of the foods.

(c) All school food nutrition services shall be operated on a nonprofit basis, and any
earnings therefrom over and above the cost of operation as defined herein shall be used to reduce
the cost of food, to serve better healthier food, or to provide free or reduced-price lunches to
indigent children, or to provide breakfast to students at no cost to the students, and for
no other purpose. The term "cost of operation" means the actual cost incurred in the purchase
and preparation of food, the salaries of all personnel directly engaged in providing food-school nutrition services, and the cost of nonfood supplies as outlined under standards adopted by the State Board of Education. "Personnel" means child nutrition supervisors or directors, bookkeepers directly engaged in food service record keeping and those persons directly involved in preparing and serving food. Child persons directly employed in the operation of the school nutrition program. School nutrition personnel shall be paid from the funds of school nutrition services only for services rendered in on behalf of the child school nutrition program. Any cost incurred in the provisions and maintenance of school food services over and beyond the cost of operation shall be included in the budget request filed annually by local boards of education with boards of county commissioners. Public schools are not required to comply with G.S. 115C-522(a) in the purchase of supplies and food for such school food nutrition services."

SECTION 2. There is appropriated from the General Fund to the Department of Public Instruction the sum of fourteen million seven hundred thousand dollars ($14,700,000) in recurring funds for the 2022-2023 fiscal year to provide breakfast to public school students at no cost to the students in accordance with this act.

SECTION 3. This act becomes effective July 1, 2022.