

117TH CONGRESS  
1ST SESSION

# S. 876

To amend the Richard B. Russell National School Lunch Act to require the Secretary of Agriculture to make loan guarantees and grants to finance certain improvements to school lunch facilities, to train school food service personnel, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

MARCH 18, 2021

Ms. COLLINS (for herself and Ms. SMITH) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

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## A BILL

To amend the Richard B. Russell National School Lunch Act to require the Secretary of Agriculture to make loan guarantees and grants to finance certain improvements to school lunch facilities, to train school food service personnel, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “School Food Mod-  
5 ernization Act of 2021”.

1 **SEC. 2. LOAN GUARANTEES AND GRANTS TO FINANCE CER-**  
 2 **TAIN IMPROVEMENTS TO SCHOOL LUNCH FA-**  
 3 **CILITIES.**

4 The Richard B. Russell National School Lunch Act  
 5 is amended by inserting after section 26 (42 U.S.C.  
 6 1769g) the following:

7 **“SEC. 27. LOAN GUARANTEES AND GRANTS TO FINANCE**  
 8 **CERTAIN IMPROVEMENTS TO SCHOOL**  
 9 **LUNCH FACILITIES.**

10 “(a) DEFINITIONS.—In this section:

11 “(1) DURABLE EQUIPMENT.—The term ‘dura-  
 12 ble equipment’ means durable food preparation, han-  
 13 dling, cooking, serving, and storage equipment great-  
 14 er than \$500 in value.

15 “(2) ELIGIBLE ENTITY.—The term ‘eligible en-  
 16 tity’ means—

17 “(A) a local educational agency or a school  
 18 food authority administering or operating a  
 19 school meal program;

20 “(B) a tribal organization; or

21 “(C) a consortium that includes a local  
 22 educational agency or school food authority de-  
 23 scribed in subparagraph (A), a tribal organiza-  
 24 tion, or both.

25 “(3) INFRASTRUCTURE.—The term ‘infrastruc-  
 26 ture’ means a food storage facility, kitchen, food

1 service facility, cafeteria, dining room, or food prepara-  
2 tion facility.

3 “(4) LOCAL EDUCATIONAL AGENCY.—The term  
4 ‘local educational agency’ has the meaning given the  
5 term in section 8101 of the Elementary and Sec-  
6 ondary Education Act of 1965 (20 U.S.C. 7801).

7 “(5) SCHOOL FOOD AUTHORITY.—The term  
8 ‘school food authority’ has the meaning given the  
9 term in section 210.2 of title 7, Code of Federal  
10 Regulations (or a successor regulation).

11 “(6) TRIBAL ORGANIZATION.—The term ‘tribal  
12 organization’ has the meaning given the term in sec-  
13 tion 4 of the Indian Self-Determination and Edu-  
14 cation Assistance Act (25 U.S.C. 5304).

15 “(b) LOAN GUARANTEES FOR ASSISTANCE TO  
16 SCHOOLS FOR INFRASTRUCTURE IMPROVEMENTS AND  
17 DURABLE EQUIPMENT NECESSARY TO PROVIDE  
18 HEALTHY MEALS THROUGH SCHOOL MEAL PRO-  
19 GRAMS.—

20 “(1) IN GENERAL.—Subject to the availability  
21 of appropriations provided in advance in an appro-  
22 priations Act specifically for the purpose of carrying  
23 out this subsection, the Secretary shall issue a loan  
24 guarantee to an eligible entity for purposes of fi-  
25 nancing the construction, remodeling, or expansion

1 of infrastructure or the purchase of durable equip-  
2 ment that will assist the eligible entity in providing  
3 healthy meals through the school meal program  
4 under this Act.

5 “(2) PREFERENCES.—In issuing a loan guar-  
6 antee under this subsection, the Secretary shall give  
7 a preference to an eligible entity that, as compared  
8 with other eligible entities seeking a loan guarantee  
9 under this subsection, the Secretary determines  
10 demonstrates substantial or disproportionate—

11 “(A) need for infrastructure improvement;

12 or

13 “(B) durable equipment need or impair-  
14 ment.

15 “(3) OVERSIGHT.—The Secretary, acting  
16 through the Under Secretary for Rural Develop-  
17 ment, shall establish procedures to oversee any  
18 project or purchase for which a loan guarantee is  
19 issued under this subsection.

20 “(4) GUARANTEE AMOUNT.—A loan guarantee  
21 issued under this subsection may not guarantee  
22 more than 80 percent of the principal amount of the  
23 loan.

24 “(5) FEES AND COSTS.—

1           “(A) IN GENERAL.—The Secretary shall  
2 establish fees for loan guarantees under this  
3 subsection that, to the maximum extent prac-  
4 ticable, are equal to the total cost of the loan  
5 guarantees (as defined in section 502(5) of the  
6 Federal Credit Reform Act of 1990 (2 U.S.C.  
7 661a(5))), as determined by the Secretary.

8           “(B) FEE SHORTFALL.—If the fees estab-  
9 lished under subparagraph (A) are not equal to  
10 the total cost of the loan guarantees described  
11 in that subparagraph, the Secretary may use  
12 the funds made available under paragraph  
13 (6)(A) to pay for the costs of loan guarantees  
14 not covered by the fees.

15           “(6) AUTHORIZATION OF APPROPRIATIONS.—

16           “(A) IN GENERAL.—There is authorized to  
17 be appropriated to carry out this subsection  
18 \$5,000,000 for each of fiscal years 2022  
19 through 2026.

20           “(B) TECHNICAL ASSISTANCE.—The Sec-  
21 retary may use not more than 5 percent of the  
22 amount made available to carry out this sub-  
23 section for each fiscal year to provide technical  
24 assistance to applicants and prospective appli-  
25 cants in preparing applications and creating fi-

1           nancing packages that leverage a mix of public  
2           and private funding sources.

3           “(c) EQUIPMENT GRANTS.—

4           “(1) IN GENERAL.—Subject to the availability  
5           of appropriations provided in advance in an appro-  
6           priations Act specifically for the purpose of carrying  
7           out this subsection, the Secretary shall award com-  
8           petitive grants to State agencies to award subgrants  
9           to eligible entities to purchase the durable equipment  
10          needed to serve healthy meals, improve food safety,  
11          and help support the establishment, maintenance, or  
12          expansion of school meal programs.

13          “(2) PREFERENCES.—In awarding a subgrant  
14          under this subsection, the State agency shall give  
15          preference to an eligible entity that, as compared  
16          with other eligible entities seeking a subgrant under  
17          this subsection, the State agency determines dem-  
18          onstrates substantial or disproportionate—

19                  “(A) need for infrastructure improvement;

20                  or

21                  “(B) durable equipment need or impair-  
22          ment.

23          “(3) AUTHORIZATION OF APPROPRIATIONS.—

24                  “(A) IN GENERAL.—There are authorized  
25          to be appropriated such sums as may be nec-

1           essary to carry out this subsection for each of  
2           fiscal years 2022 through 2026.

3                   “(B) TECHNICAL ASSISTANCE.—The Sec-  
4           retary may use not more than 5 percent of the  
5           amount made available to carry out this sub-  
6           section for each fiscal year to provide technical  
7           assistance to applicants and prospective appli-  
8           cants in preparing applications and creating fi-  
9           nancing packages that leverage a mix of public  
10          and private funding sources.”.

11 **SEC. 3. TRAINING AND TECHNICAL ASSISTANCE FOR**  
12                   **SCHOOL FOOD SERVICE PERSONNEL.**

13          The Richard B. Russell National School Lunch Act  
14 is amended by inserting after section 21 (42 U.S.C.  
15 1769b–1) the following:

16 **“SEC. 21A. TRAINING AND TECHNICAL ASSISTANCE FOR**  
17                   **SCHOOL FOOD SERVICE PERSONNEL.**

18          “(a) IN GENERAL.—The Secretary shall carry out a  
19 grant program under which the Secretary shall award  
20 grants, on a competitive basis, to provide support to eligi-  
21 ble third-party training institutions described in sub-  
22 section (b) to develop and administer training and tech-  
23 nical assistance for school food service personnel to meet  
24 or exceed nutrition standards under section 4(b)(3) and  
25 improve efficacy and efficiency of the school meal program

1 under this Act and the school breakfast program estab-  
2 lished by section 4 of the Child Nutrition Act of 1966 (42  
3 U.S.C. 1773).

4 “(b) CRITERIA FOR ELIGIBLE THIRD-PARTY INSTI-  
5 TUTIONS.—The Secretary shall establish specific criteria  
6 that eligible third-party training institutions shall meet to  
7 qualify to receive grants under this section, which shall  
8 include—

9 “(1) a demonstrated capacity to administer ef-  
10 fective training and technical assistance program-  
11 ming to school food service personnel;

12 “(2) prior, successful experience in providing or  
13 engaging in training and technical assistance pro-  
14 gramming or applied research activities involving eli-  
15 gible entities, school food service administrators, or  
16 directors;

17 “(3) prior, successful experience in developing  
18 relevant educational training tools or course mate-  
19 rials or curricula on topics addressing child and  
20 school nutrition or the updated nutrition standards  
21 under section 4(b)(3); and

22 “(4) the ability to deliver effective and cost-effi-  
23 cient training and technical assistance programming  
24 to school food service personnel—



1           “(A) at training sites that are located  
2           within a proximate geographic distance to  
3           schools, central kitchens, or other worksites; or

4           “(B) through an online training and assist-  
5           ance program on topics that do not require in-  
6           person attendance.

7           “(c) PROGRAM ASSISTANCE.—The Secretary shall as-  
8           sist the institutions receiving grants under this section in  
9           publicizing and disseminating training and other project  
10          materials and online tools to the maximum extent prac-  
11          ticable.

12          “(d) FEDERAL SHARE.—

13           “(1) IN GENERAL.—The Federal share of costs  
14           for training and technical assistance funded through  
15           a grant awarded under this section shall not exceed  
16           80 percent of the total cost of the training and tech-  
17           nical assistance.

18           “(2) MATCHING.—As a condition of receiving a  
19           grant under this section, the eligible third-party  
20           training institution shall provide matching support  
21           in the form of cash or in-kind contributions.

22          “(e) OVERSIGHT.—The Secretary shall establish pro-  
23          cedures to enable the Secretary—

1           “(1) to oversee the administration and oper-  
2           ation of training and technical assistance funded  
3           through grants awarded under this section; and

4           “(2) to ensure that the training and assistance  
5           is operated consistent with the goals and require-  
6           ments of this Act.

7           “(f) AUTHORIZATION OF APPROPRIATIONS.—

8           “(1) IN GENERAL.—There are authorized to be  
9           appropriated such sums as may be necessary to  
10          carry out this section for each of fiscal years 2022  
11          through 2026.

12          “(2) TECHNICAL ASSISTANCE.—The Secretary  
13          may use not more than 5 percent of the amount  
14          made available to carry out this section for each fis-  
15          cal year to provide technical assistance to applicants  
16          and prospective applicants in preparing applications  
17          and creating financing packages that leverage a mix  
18          of public and private funding sources.”.

19   **SEC. 4. REPORT TO CONGRESS.**

20          Not later than 1 year after funds are made available  
21          to carry out the amendments made by this Act, and annu-  
22          ally thereafter, the Secretary of Agriculture shall submit  
23          to Congress a report on the progress of the Secretary in  
24          implementing the amendments made by this Act.

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