AN ACT TO PROVIDE SCHOOL BREAKFASTS AT NO COST FOR SCHOOL CHILDREN WHO QUALIFY FOR REDUCED-PRICE MEALS AT SCHOOLS PARTICIPATING IN THE NATIONAL SCHOOL BREAKFAST PROGRAM; AND TO REQUIRE THE STATE BOARD OF EDUCATION TO REPORT ON THE PUBLIC SCHOOL NUTRITION PROGRAMS OPERATED BY THE LOCAL SCHOOL ADMINISTRATIVE UNITS UNDER THE JURISDICTION OF CHILD NUTRITION SERVICES OF THE DEPARTMENT OF PUBLIC INSTRUCTION; AND TO DIRECT THE STATE AUDITOR TO AUDIT CHILD NUTRITION SERVICES OF THE DEPARTMENT OF PUBLIC INSTRUCTION.

The General Assembly of North Carolina enacts:

SECTION 1. Notwithstanding Section 8.26 of S.L. 1999-237, funds appropriated for the school breakfast program shall be used to provide school breakfasts at no cost to students of all grade levels qualifying for reduced-price meals in all schools participating in the National School Breakfast Program. If appropriated funds are insufficient to provide school breakfasts at no cost to students qualifying for reduced-price meals, local child nutrition programs shall charge the students qualifying for reduced-price meals the allowable amount for a reduced-price breakfast under the guidelines of the National School Breakfast Program.

SECTION 2. The State Board of Education shall report by November 15, 2011, to the Joint Legislative Education Oversight Committee and the Joint Legislative Commission on Governmental Operations on an overview of the federally supported food service programs. The report shall include the procedure for participation in the programs, including the numbers of students who apply, are accepted, and are rejected for free and reduced-price meals as a part of the programs or automatically qualify for the programs as required by the United States Department of Agriculture.

SECTION 3. The State Auditor shall audit the Division of School Support, Child Nutrition Services of the Department of Public Instruction by December 15, 2011, and report to the Joint Legislative Education Oversight Committee and the Joint Legislative Commission on Governmental Operations. In its report, the State Auditor shall determine whether the local school administrative units' participation in the federally supported food service programs effectively serve the intent of the General Assembly and comply with federal and State law and regulations.
SECTION 4. This act becomes effective July 1, 2011.
In the General Assembly read three times and ratified this the 18th day of June, 2011.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ Thom Tillis
Speaker of the House of Representatives

s/ Beverly E. Perdue
Governor

Approved 11:51 a.m. this 27th day of June, 2011