

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY, No. 5882
STATE OF NEW JERSEY
219th LEGISLATURE

DATED: JUNE 16, 2021

SUMMARY

Synopsis: Establishes State supplement for federal summer food service program meals.

Type of Impact: Annual State expenditure increase from the General Fund; annual revenue increase to certain school districts.

Agencies Affected: Department of Agriculture, Department of Education, certain school districts.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Expenditure Increase	Approximately \$300,000		
Local Revenue Increase	Indeterminate		

- The Office of Legislative Services (OLS) determines that this bill would result in an annual expenditure increase by the Department of Agriculture from the General Fund of approximately \$300,000. According to a press release from the Department of Agriculture, approximately three million meals were served in New Jersey under the Summer Food Service Program in 2017. Multiplying the number of meals by the \$0.10 supplement per meal, as required under the bill, yields a \$300,000 annual expenditure increase.
- The OLS notes that some of the additional sums expended by the State would be transferred to school districts that participate in the Summer Food Service Program, thus the bill would also result in an annual local revenue increase. The OLS cannot quantify this increase, however, because it is unclear what percentage of the funds will go to school districts, as opposed to nonprofit organizations that participate in the program.
- The OLS also notes that the bill may result in marginal annual expenditure increases by the Department of Agriculture and the Department of Education to provide guidance and support to operators of the program, and to prepare an annual report required by the bill, but these additional duties can likely be subsumed by existing staff.

BILL DESCRIPTION

This bill requires the Department of Agriculture, in consultation with the Department of

Education, to develop and administer a summer food service program State supplement to provide an additional reimbursement to certain school districts and nonprofit organizations that participate in the federal summer food service program.

Under the bill, the State would provide a \$0.10 per meal supplement to the existing federal reimbursement to operators of the federal summer food service program.

The bill directs the departments to provide guidance and support to operators of the federal summer food service program, and to prepare and issue an annual report detailing the annual cost of the State supplement per month and the number and percentage of additional students participating in the federal summer food service program.

The bill specifies that the Legislature is to annually appropriate funds necessary to implement the bill. The bill would take effect on June 1, 2023.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

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Section: Environment, Agriculture, Energy, and Natural Resources

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).