

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 5883

STATE OF NEW JERSEY 219th LEGISLATURE

DATED: JUNE 28, 2021

SUMMARY

- Synopsis:** Establishes State supplement for “breakfast after the bell” 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 \$4.5 million	
Local Revenue Increase		Approximately \$4.5 million	

- 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 \$4.5 million. According to a press release from the Department of Agriculture, more than 250,000 students received breakfast under a "breakfast after the bell" program during the 2018-19 school year. Assuming these students attend school 180 days per year, this translates to 45 million breakfasts served per year. Multiplying that number of meals by \$0.10 per meal, as required under the bill, yields a \$4.5 million annual expenditure increase.
- The OLS notes that the additional sums expended by the State would be transferred to school districts that participate in the federal school breakfast program, thus the bill would also result in an annual local revenue increase of approximately \$4.5 million.
- 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 school districts, 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 “breakfast after the bell” State supplement to provide an additional reimbursement to certain school districts that participate in the federal school breakfast program.

Under the bill, the State will provide a 10-cent per breakfast supplement to the existing federal reimbursement to a school district with schools that participate in the federal school breakfast program by providing “breakfast after the bell.”

The bill directs the Department of Agriculture, in consultation with the Department of Education, to provide guidance and support to school districts, and to prepare and issue an annual report detailing the annual cost of the State supplement and the number and percentage of additional students participating in the “breakfast after the bell” program for each school district.

The bill specifies that the Legislature is to annually appropriate funds necessary to implement the bill and that the effective date of bill is the first day of the 2022-2023 school year.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS determines that this bill would result in an annual expenditure increase by the Department of Agriculture from the General Fund of approximately \$4.5 million, beginning in FY 2023. According to a press release from the Department of Agriculture, more than 250,000 students received breakfast under a “breakfast after the bell” program during the 2018-19 school year. Assuming these students attend school 180 days per year, this translates to 45 million breakfasts served per year. Multiplying that number of meals by \$0.10 per meal, as required under the bill, yields a \$4.5 million annual expenditure increase. The OLS notes that the number of children participating in the program may have increased since 2019, in which case this estimate is low. In any case, the annual expenditure increase would fluctuate from year to year based on the number of children participating in the program.

The OLS notes that the additional sums expended by the State would be transferred to school districts that participate in the federal school breakfast program, thus the bill would also result in an annual local revenue increase of approximately \$4.5 million.

The OLS also notes that the bill may result in marginal annual expenditure increases by the Department of Agriculture and the Department of Education from the General Fund to provide guidance and support to school districts, and to prepare an annual report required by the bill, but these additional duties can likely be subsumed by existing staff.

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.).