

SB 399 19

State Senator
James R. Baumgart

State Capitol: P. O. Box 7882, Madison, WI 53707-7882 • Telephone (608) 266-2056
Toll-free: 1-888-295-8750 • E-Mail: sen.baumgart@legis.state.wi.us

FAX COVER SHEET

DATE: February 29, 2000

TO: Darlene Wellner

FAX #: (920) 686-8700

FROM: Pat Henderson
Senator Jim Baumgart's Office

TELEPHONE #: 1-888-295-8750

NO. OF PAGES
INCLUDING COVER: 4

Darlene,

Enclosed is a copy of the bill, Senate Bill 399 along with the hearing notice. Please review the bill and if you have any questions, please feel free to contact me. Hopefully, we will see you on March 8th.

The members of the Senate Education Committee are as follows: Richard Grobschmidt (D) (Chair), Robert Jauch (D), Kevin Shibilski (D), Jim Baumgart (D), Judy Robson (D), Jon Erpenbach (D), Alberta Darling (R), Carol Roessler (R), Joanne Huelsman (R), Mary Lazich (R) and Margaret Farrow (R).

If you have any questions about coming down to Madison let me know.

Henderson, Patrick

From: Janel Dietrich [jdietch@lsol.net]
Sent: Tuesday, March 07, 2000 3:16 PM
To: sen.baumgart@legis.state.wi.us

Senator Baumgart,

I'm responding to voice my support for Senate Bill 399. I strongly support increasing a school district's revenue limit for the initiation of a school breakfast/hot lunch program. I have seen the benefits in my own children receiving hot lunch in another school district and can only hope that something is done soon in the Manitowoc School District. If you have any questions, please feel free to contact me at (920)732-3125. Thank you for your support.

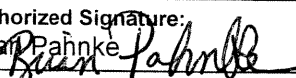
Janel Dietrich

Henderson, Patrick

From: Theresa Zuege-Halvorsen [teri.halvorsen@ces.uwex.edu]
Sent: Tuesday, March 07, 2000 10:55 AM
To: sen.baumgart@legis.state.wi.us

This email is to notify my support of Senate Bill 399. I am a parent in the Manitowoc school district and as a parent I feel school lunch is very important. It is my hope that this bill is passed so that every child has adequate nourishment before and during school hours.

Theresa Zuege-Halvorsen

1999 Session		LRB Number 4471/1
FISCAL ESTIMATE DOA-2048 N(R06/99)		Bill Number Senate Bill 399
<input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> UPDATED <input type="checkbox"/> CORRECTED <input type="checkbox"/> SUPPLEMENTAL		Amendment No. if Applicable
Subject Increasing a school district's revenue limit by the amount spent to initiate a school breakfast or school lunch program and requiring a report on pupil nourishment.		Administrative Rule Number
Fiscal Effect		
State: <input type="checkbox"/> No State Fiscal Effect		
Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.		
<input checked="" type="checkbox"/> Increase Existing Appropriation <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Appropriation <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Create New Appropriation		<input type="checkbox"/> Increase Costs - May be possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
Local: <input type="checkbox"/> No local government costs		
1. <input checked="" type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Governmental Units Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others _____ <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
Fund Sources Affected <input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S		Affected Chapter 20 Appropriations 20.255 (ac)
Assumptions Used in Arriving at Fiscal Estimate		
<p>This bill provides that a school district's revenue limit is increased by an amount equal to the costs incurred by the school district to establish a school breakfast program, a school lunch program or both programs. The bill also directs each school district that has neither a school breakfast program nor a school lunch program to include in its annual report to the department of public instruction an evaluation of how well nourished the pupils are who are enrolled in the school district.</p> <p><i>School Breakfast Program</i> Currently, 229 school districts in the state do not participate in the school breakfast program. In order to estimate the potential revenue limit exemption provided by this bill, a three year average (1997, 1998, and 1999) of the grants awarded to school districts, under the current law provision s. 115.341, Wis stats. is used. This provision grants funds to district in order "to assist in establishing a school breakfast program." The average amount awarded to each school district in this period for establishing school breakfast programs was approximately \$9,180.</p> <p>If this provision were in effect in the 1999-2000 school year, it would have increased school districts statewide revenue limit authority by a maximum of approximately \$2.1 million (229 school districts x \$9,180 start-up costs). This statewide revenue exemption may be less, as all eligible school districts may still not establish a program.</p> <p><i>School Lunch Program</i> Currently, 20 school districts do not participate in the school lunch program. In order to estimate the potential revenue limit exemption provided by this bill, a cost of about \$510 per pupil associated with establishing a school lunch program was used. The per pupil amount was arrived at by dividing the estimated cost of establishing a food service facility in the Manitowoc Public School District by the number of students enrolled. Therefore, this per pupil cost estimate does not completely reflect the fixed costs associated with establishing a school lunch program.</p>		
Long-Range Fiscal Implications		
Prepared by: Keith Pollock	Telephone No. (608)266-1344	Agency Department of Public Instruction
Authorized Signature: Brian Pahnke 	Telephone No. (608)266-2804	Date 3/3/00

Trisha - LFB

If this provision were in effect in the 1999-2000 school year, it would have increased school districts revenue limit authority by a maximum of approximately \$10.3 million ($\$510 \times 20,232$ pupils). The statewide revenue exemption may be less, as all school districts may still not establish a program.

Annual Report Requirement Regarding Pupil Nourishment

In the 1999-2000 school year, the same 20 school districts that do not participate in school lunch programs also do not participate in school breakfast programs. These school districts would be required to include an evaluation of how well enrolled pupils are nourished in their annual report.

State Fiscal Effects:

School Breakfast Program

In order to maintain two-thirds funding of partial school revenues, the state would be required to increase general school aids by a maximum of approximately \$1.4 million ($\$2.1 \text{ million} \times 2/3$).

School Lunch Program

In order to maintain two-thirds funding of partial school revenues, the state would be required to increase general school aids by maximum of approximately \$6.9 million ($\$10.3 \text{ million} \times 2/3$).

Annual Report Requirement Regarding Pupil Nourishment

No effects.

Total Effects

Overall, in order to maintain two-thirds funding of partial school revenues, the state would be required to increase general school aids by \$8.3 million.

Local Fiscal Effects:

School Breakfast Program

School districts statewide would be given the revenue limit authority to increase their school property tax levies by a maximum of approximately \$700,000 ($\$2.1 \text{ million} \times 1/3$).

School Lunch Program

School districts statewide would be given the revenue limit authority to increase their school property tax levies by a maximum of approximately \$3.4 million ($\$10.3 \text{ million} \times 1/3$).

Annual Report Requirement Regarding Pupil Nourishment

The administrative workload of the affected districts would increase, but it is unlikely that any significant new funding would be necessary.

Total effects

School districts statewide would be given the revenue limit authority to increase their school property tax levies by a maximum of approximately \$4.1 million.

SENATE HEARING –COMMITTEE ON EDUCATION
MARCH 7, 2000

SENATE BILL S 399

My name is JoAnn Vogel I am speaking on behalf of Vogel Family Farms and Bay –Lakes Chapter of Wisconsin Women for Agriculture in support of AB 399 relating to increasing a school district's revenue limit by the amount spent to initiate a school breakfast or school lunch program and requiring a report on pupil nourishment.

I would like to begin with a quote from the former State Superintendent of Schools , Mr. Herbert Grover. " When America's leaders gathered in 1989 to set national goals , number one was to guarantee that all children show up for school ready to learn. Hungry children can't learn, and too many of them start every day with empty stomachs. Meeting children's basic need for food and good nutrition enhances our educational mission. We all know that a hungry child cannot learn. School lunch is just as critical as providing pencils, papers and textbooks. A school lunch program is also an ideal setting for nutritional education and establishment of lifelong healthy eating habits."

Experts have established the relationship between nutritious breakfast and lunch and the ability to perform in school. I believe all school districts should back up the knowledge with resources. Our school district , Manitowoc Public Schools , is a district that does not have a Breakfast or Lunch program. We must recognize that we all are responsible for the success of children, not just the parents. Many times those that have considerable resources , tend to forget that there are families that need some assistance and serving lunch or breakfast or both would help the families . Many of the children are able to pay for their lunches , but not the high cost food from vending machines. Another aspect of the lunch program is that the children would be served 1 or 2 nutritious meals a day. If we do not take care of our children now , some one will pay for it later through increased health care costs. When providing information for the Manitowoc School Board concerning the Lunch program , I was met in the hall by a student of Lincoln Highschool, the student told me of fellow classmates that did not eat breakfast or lunch and then proceeded to drink Mountain Dew until they would get the shakes. Do you suppose those students could perform their educational tasks properly or at their very best. I think not. I feel the passage of Senate Bill 399 would allow school districts the ability to start up programs without a public referendum. The lunch program is a self supporting entity after it has begun. There are many different methods of start up, some of them with a very low

financial cost to the taxpayer. In areas where the School Board and Superintendent of Schools are not supportive of the Lunch Program , I believe S399 would enable citizens to enact the Program. Wisconsin is an agricultural state and we certainly want all children to benefit from the good and nutritional products that we produce. Nutritional School Lunch Programs benefit everyone.

I would like to conclude my testimony with a final quote from Mr. Herbert Grover former Superintendent of Schools for the state of Wisconsin. " The educational goals America has set for itself are lofty and well intentioned. Unless they are backed up by resources and effort, however, they are little more than an exercise in futility."

Thank You for your kind attention.

Please call or write for additional information:

Jo Ann B. Vogel
6121 Rockwood Rd.
Manitowoc, Wi. 54220
1-920-682-6615

LETTER TO THE EDITOR:

ISSUE/ CONCERN of WISCONSIN WOMEN FOR AGRICULTURE

WILD LIFE MANAGEMENT

- ◆ Wild Life Management at the present time is controlled by the Department of Natural Resources and individuals that are not adversely affected by their decisions.
- ◆ Production agriculturist's , farmers, ranchers, and nursery owners bare the major cost of the decisions made by the DNR and others.

- ◆ Deer damage in 1984 was appraised at \$36.7 million by the WDATCP. In 1999 Deer damage is estimated to be as high as \$211 million. Wisconsin produces about \$2.5 billion worth of commodities, so the deer eat 8.4 per cent of the total crop. . Deer Management 2000 has been established by the DNR with 2 Committees being formed – They are the Oversight Committee—10 members and the Design Committee 20 members. These Committee members are: Design Committee : (Wisconsin Conservation Congress members from around the state) Members are hunters, etc. and the Design Committee – (Members are various outdoor enthusiasts.) The forage and grain crop farmers, orchard, cranberry , vegetable , forestry and nursery owners that are affected financially by the decisions of these 2 committees and are not duly represented. Another facet of this problem are the car/deer collisions. It is estimated that property damage alone accounts of costs of \$95,247, 000. These costs are directly passed on to the motorist through insurance costs.

- ◆ Turkey damage –Turkeys are planted on private property without the owners consent or knowledge.If they are not directly planted on your property they may migrate to your property because of the food supply. When planted in an area—that area can not be hunted for a period of 2 years. During that period of time one pair can produce a clutch of 12 – so within 2 years , one pair can multiply to 50-72 turkeys.. DNR has acknowledged that the birds have surpassed their expectations for winter survival and have expanded into areas thought to be marginal. One foraging maneuver new to the DNR is that the turkeys will forage on buds and new trees. We have found that they forage on new corn plants also. When foraging on corn plants they are reducing our crop and when foraging on tree buds or new trees they are reducing our ability to replenish our forests. How do you claim damage for

Lost trees or the growth to existing trees? . When turkeys have habitated urban areas action is taken, but when the damage occurs in rural areas nothing is done.

- ◆ Goose damage is estimated in the hundreds of thousands. On our farm alone—I nesting of 1 pair resulted in 5 acres of corn totally destroyed and another 5 acres reduced to 35 to 50 % of production. It costs us \$200. An acre to plant the crop . \$200. Multiplied by 5 is --\$1,000. Plus loss from the additional 5 acres. This is 1 farm field of 5 farms and additional rented acreage. When DNR was contacted we were informed that our farm family would need to bare the first \$250. of damage and we would need to report the crop losses prior to harvest. That would entail someone walking over all 900 acres of crop land prior to harvest . The problem is that a friend called DNR to appraise damage by geese and she is waiting on the 16th of February for the appraisal . A landowner will not be paid on damages of wildlife , if it is not seen prior to harvest and then the landowner needs to wait 1 year for the payment of damages. I feel that the DNR should ask every family in Wisconsin to give them a check for \$250. And in turn give the monies in total to the farmers that have incurred the damage.
- ◆ In 1998 the DNR spent \$660,000. on administration and \$1,217,836. on damage attributed to deer , geese, bear ,and turkey . Absolutely no mention of Sand Hill Cranes . The Sand Hill Cranes have began to multiply on 2 of our farms. If they are on our property causing damage they are also on others throughout the state. Wildlife damage payments have dropped 48% in 1998 from 1997. With the wildlife numbers increasing at tremendous rates according to the DNR , **Where do they think they are eating?**
- ◆ Consideration is being given to introducing the Moose, and the rattlesnake in Wisconsin. The DNR introduced 25 elk 4 years ago in the Chequamegon National Forest at Clam Lake,they have also identified 14 possible sites in northern Wisconsin and 2 in west central Wisconsin other sites are being considered. I wonder how long it will take the elk to find out greener and better pastures are in the farmers fields? I ask you what will be next ? Remember that the decisions made by the DNR and other parties will not affect their income or business detrimentally . Have we become a society of self interest with disregard for the impact on others. Wildlife in general, places a financial burden on farmers, particularly at a

time when the agricultural prices for the products on the farm are at a all time low. Additional wildlife will place another burden on the farmers.

- ◆ May I just relate the manner in which we as farmers see the Management of wildlife by the DNR ? It is not any different than if I would bring to the DNR 1000 day old chicks and tell them to feed them

- ◆ until they matured -- at which time I would come and take 500 of them and pay them nothing for the care and feeding and receive financial compensation as I sold them. The balance of the 1000 would be allowed to mature and multiply -- each year I would come and take 250-500 of mature chickens and give no compensation . Lets say I do this for 42 years, I would like to ask, " How would you like it?" Another example -- would be a herd of cattle same scenerio. This is exactly what the DNR is doing. The farmers are feeding the wildlife and the DNR is selling licenses to the hunters and taking the profit from our land.

Submitted by---Jo Ann B. Vogel 1-920-682-6615
6121 Rockwood Rd.
Manitowoc, Wi. 54220

Talking Points: SB 399

- Those that opted out → NOW have incentive to get it up.
- they would allow them to ~~get~~ exceed.
- Estimate of nutrition needs is annual report. → Track Nutrition. → Not overburden prob track the needs
- They may want it but cost & there may be need amounts of reimbursements per meal/starting ^{costs}.

DPI: Fed. Reimburse

- Reg. Price (Breakfast) = 621 cents
- reduced = 79 cents
- free = \$1.09

% of students eligible for free/reduced.
40% of total enrollment & need.

- ← Severe need (Break) = 21 cents
- reduced = \$1.00
- free = \$1.30

* Most reduced can be charged = \$1.30

- Income eligibility guidelines. - submit app. to ~~DPI~~ each school district.

Linda Krieger or Carol Phillips.

↳ 6-2416

TALKING POINTS - - SB 399, School Lunch/Breakfast Program

General/Background:

- Current law limits the increase in the total amount of revenue that a school district receives. Based on the amount of revenue increase allowed per pupil in the previous school year.
- Several exceptions are provided:
 - If a school district increases the services that it provides by adding responsibility for providing a service transferred to it from another governmental unit, its revenue limit is increased by the cost of that service.
- The start-up costs of lunch and breakfast programs have been prohibitive for some school districts and the nutrition of the students in those districts may suffer.
- Currently 20 school districts have neither a breakfast nor a lunch program.

Federal Funding - Reimbursement:

Breakfast Program Reimbursement Rates:

- Regular Need School District
 - Regular Price = \$.21
 - Reduced Price = \$.79
 - Free = \$1.09
- Special Need School District (40% of total enrollment eligible for free or reduced meals).
 - Regular Price = \$.21
 - Reduced Price = \$1.00
 - Free = \$1.30

Explanation of the Bill:

- *Goal* – Provide an incentive for school districts to establish school lunch and/or breakfast programs.
- The bill provides that a school district's revenue limit is increased by the amount equal to the costs incurred by the school district to establish:
 - A school lunch program.
 - A school breakfast program.
 - Both a school lunch and breakfast program.
- The bill also directs each school district that has neither a school breakfast nor a school lunch program to include in its annual report to DPI and evaluation of how well nourished the pupils are in the district.

History of Senate Bill 399

SENATE BILL 399

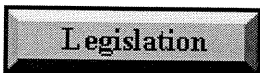
An Act to amend 119.44 (2) (c); and to create 120.18 (1) (j) 121.91 (4) (i) of the statutes; relating to: increasing a district's revenue limit by the amount spent to initiate a breakfast or school lunch program and requiring a report on nourishment. (FE)

2000

- 02-23. S. Introduced by Senators Baumgart, Erpenbach, P George; cosponsored by Representatives Hebl J. Lehman, Reynolds, Young, Boyle, Berceau, Gronemus.
- 02-23. S. Read first time and referred to committee on Education
- 03-08. S. Public hearing held.
- 03-09. S. Fiscal estimate received.
- 03-23. S. Executive action taken.
- 03-24. S. Report passage recommended by committee on Education, Ayes 6, Noes 5
- 03-24. S. Available for scheduling.
- 03-28. S. Fiscal estimate received.
- 03-28. S. Senator Clausing added as a coauthor
- 03-28. S. Senator Moore added as a coauthor
- 03-28. S. Read a second time
- 03-28. S. Referred to joint committee on Finance
- 04-06. S. Failed to pass pursuant to Senate Joint Resol

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Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

March 27, 2000

TO: Senator James Baumgart
Room 306 South, State Capitol

FROM: Tricia Collins and Ruth Hardy

SUBJECT: Cost Estimate for SB 399

At your request, we have prepared the following cost estimate information on Senate Bill 399, which relates to increasing a school district's revenue limit by the amount incurred by a school district to initiate a school breakfast or school lunch program.

Background

Federal School Lunch and Breakfast Program. The national school lunch and breakfast program provides federal reimbursement for meal costs to participating public and nonprofit private schools and residential child care institutions. While all pupils enrolled in a participating school are eligible to receive breakfast and/or lunch, a pupil is eligible to receive the meals free or at a reduced price depending on the pupil's family income. Children from families with incomes at or below 130 percent of the federal poverty level (FPL) are eligible for free meals. Children from families with incomes between 130 percent and 185 percent of FPL are eligible for reduced price meals, and children from families with income over 185 percent of the FPL pay full price, although their meals are still partially subsidized.

In 1998-99, the most recent year for which complete data is available, a total of approximately 8.4 million breakfasts were served in Wisconsin under the national school breakfast program. Of the total, approximately 7.0 million were served by 665 public schools in 187 school districts, 510,400 were served by 61 private schools and 869,600 were served by 95 residential childcare centers. Based on October 1999 participation data from DPI, 181 school districts were offering school breakfasts in the 1999-00 school year.

A total of approximately 86.9 million lunches were served in Wisconsin under the national school lunch program in 1998-99. Of the total, approximately 77.2 million lunches were served by 1,878 schools in 406 school districts, 8.9 million were served in 469 private schools and 850,100

were served at 88 residential childcare institutions. Based on October 1999 participation data, 406 school districts were participating in the federal school lunch program.

State Funding for the School Lunch Program. Under federal regulations for the national lunch program, a state must match up to 30% of the federal reimbursement provided under the program in 1980-81 program year (\$14.4 million). The match requirement may be reduced if the per capita income of Wisconsin is less than the per capita income of the United States. In 1998-99, the state match requirement was 28.8% or \$4,144,000 GPR. For 1999-00, it is estimated that the state will have to provide approximately \$4,142,700 GPR in matching funds.

State Funding for the School Breakfast Program. Under current law, the state provides \$150,000 GPR in 1999-00 in a continuing appropriation for school breakfast start-up grants to public school boards and private school governing bodies. Grants may not exceed \$10,000 per grantee per year. In order to receive a grant, a school board or private school governing body is required to: (a) operate a school breakfast program for at least three school years; (b) use the funds for programs in schools in which at least 20% of the pupils enrolled are eligible for free or reduced price lunches under the federal school lunch program; and (c) adopt a plan to maximize the participation of pupils in the program who are eligible for a free or reduced price lunch. The Department of Public Instruction (DPI) administers the grants. The Department awarded approximately \$93,000 GPR in 1999-00 to ten school districts for school breakfast start-up grants.

Under 1999 Act 9, the state school breakfast program is modified starting in 2000-01. The start-up grant program is deleted and instead all of the funding for the program is to be used to provide a per meal reimbursement of \$0.10 for each breakfast served under the federal school breakfast program. If there is insufficient funding to pay the full amount, payments are to be prorated. In 2000-01, \$742,100 GPR is provided for this program.

Summary of Senate Bill 399

Senate Bill 399 would allow, starting in the 2000-01 school year, a school district to increase its revenue limits by an amount equal to the cost incurred by the district in initiating the federal school breakfast and/or lunch program. In addition, the bill would require school districts that do not participate in the federal school breakfast or lunch program to evaluate and report annually to DPI on how well nourished the pupils are who are enrolled in the school district.

Estimated Cost of Senate Bill 399

SB 399 would permit a school district to increase its revenue limit by the cost incurred by the district to initiate either a school breakfast or lunch program, or both programs. DPI's fiscal note to SB 399 indicates that 229 school districts could apply for a revenue limit exception for initiating a school breakfast program and 20 school districts could apply for the exception for starting a school

lunch program. DPI estimates in its fiscal note, based on all of these school districts immediately participating in both programs, that \$8.3 million GPR would be needed in 2000-01 in order to maintain two-thirds funding of partial school revenues. In addition, DPI fiscal note indicates that school districts statewide could increase school property tax levies by \$4.1 million in 2000-01, if all of these school districts participated in both programs.

Staff from DPI indicate they intend to submit a corrected fiscal note to the bill. The corrected note would reflect changes in the data used for pupil enrollment and result in a lower cost for the expansion of the school lunch program. According to DPI staff, under the corrected fiscal note, DPI would estimate, again based on all the above indicated school districts immediately participating in both programs, that \$6.3 million GPR would be needed in 2000-01 in order to maintain two-thirds funding of partial school revenues. In addition, DPI has indicated it would estimate in its corrected note that school districts statewide could increase school property tax levies by \$3.2 million in 2000-01, if all of these school districts participated in both programs.

It is difficult to estimate the costs of the provisions under SB 399 for two main reasons. First, the actual number of school districts that would participate in the programs under SB 399 is unknown. Second, costs for starting either a breakfast or lunch program are not available.

Based on October 1999 participation data, currently there are 20 schools districts that do not participate in the school lunch program and 245 school districts that do not participate in the school breakfast program. Table 1 below shows the participation of school districts in both programs since 1995-96. Except for 1999-00, the data presented in the table is taken from DPI annual reports on school nutrition programs.

TABLE 1
Number of School Districts Participating
in the Federal School Breakfast and Lunch Programs from
1995-96 through 1999-00

	<u>School Breakfast</u>	<u>School Lunch</u>
1995-96	144	407
1996-97	153	406
1997-98	171	405
1998-99	187	406
1999-00*	181	406

* Based on October 1999 participation data from DPI.

As shown in Table 1, participation in the school lunch program has remained constant over the last five years, while participation in the school breakfast program has increased from 33.8% of

school districts participating in the program in 1995-96 to 42.5% in 1999-00. A portion of this increase could be attributable to the school breakfast start-up grant program that was first implemented in 1994-95. Table 2 below shows the number of grants awarded to school districts under the state school breakfast program and the total amount of funding awarded to school districts in year each since the program's inception.

TABLE 2

School Breakfast Start-up Grants 1994-95 through 1999-00

	<u>Number of School Districts</u>	<u>Total Amount</u>
1994-95	15	\$112,164
1995-96	10	87,670
1996-97	11	80,403
1997-98	21	198,554
1998-99	21	190,341
1999-00	<u>10</u>	<u>93,048</u>
Totals	88	\$762,180

While a total of 88 breakfast start-up grants have been awarded since the program's inception, at least 23 of those grants were awarded to school districts already participating in the program for expansion of the program to additional schools in the district. Therefore, of the 88 grants awarded 64 grants went to districts initiating a program in the district for the first time.

Based on past participation of school districts in the national lunch and breakfast program, it is unlikely that all districts currently not participating in either federal program would immediately start programs in 2000-01. Given the small increase in school district participation in the school breakfast program and the lack of increase in the school lunch program over the last five years, one could estimate that only a small number of school districts would initiate programs starting in 2000-01. Districts may face concerns, other than start-up costs, that could affect their decision to participate in these programs. For instance, districts may have pupil and food transportation issues, staffing concerns and may not want to be required to comply with additional federal and state reporting and program requirements.

The actual cost that these school districts would incur in starting a lunch or breakfast program is difficult to estimate because there is currently no information available on the actual costs of starting either program. DPI used the average start-up breakfast grant amount from the last three years for the estimated cost of starting a breakfast program. The grant amounts; however, may not equal the actual start-up costs. Further, a number of districts applied for more than one grant under the state breakfast program. For the school lunch program, DPI used referendum

information from the Manitowoc school district to estimate a per pupil cost to start the program. However, costs for each district will vary depending on district membership and the number of school buildings. Because DPI's start-up cost estimates appear reasonable given the lack of other available data, it is assumed for purposes of the below estimates that 2000-01 start-up costs for the school breakfast program would be a total of \$9,180 for each program and \$510 per pupil for the school lunch program.

Assuming that only a limited number of school districts would initiate a school lunch program in 2000-01, it is estimated that funding for general school aids would need to increase by approximately \$2,000,000 GPR in 2000-01 in order to maintain two-thirds funding, and school property tax levies could increase by approximately \$1,000,000 in 2000-01. This estimate is based on a per pupil cost of \$510, as identified by DPI, and approximately 5,800 pupils enrolled in the districts. Assuming 25 school districts initiate a school breakfast program in 2000-01 at an average cost of \$9,180 per district, it is estimated that funding for general school aids would need to increase by approximately \$153,000 GPR in 2000-01 and local school property tax levies could increase by approximately \$77,000. For both programs, in order to maintain two-thirds funding of partial school revenues, general aids would increase by a total of \$2,153,000 GPR in 2000-01 and local school property tax levies could increase by \$1,077,000 in 2000-01. Such funding increases could be included in the funding amount determined by the Joint Committee on Finance by June 30, 2000 for two-thirds funding during the 2000-01 school year.

Because of the uncertainties regarding participation and actual costs, it is possible that costs could vary from the above estimates. The Department's higher projected cost for the proposal could materialize, if school districts aggressively pursue these programs due to the revenue limit exceptions proposed in the bill. Further, Senate Bill 399 does not appear to exclude school districts that currently have a breakfast or lunch program in some buildings from receiving a revenue limit exception to initiate a program at other school buildings in the district. Therefore, it is possible that any school district that currently has a site in which it is not providing meals would be eligible to receive the revenue limit exemption under SB 399. As a result, costs under the bill could be substantially higher than the \$2,153,000 GPR amount presented in this memorandum. However, if school districts would need longer than five or six months to implement these programs, or have inadequate facilities to support a school breakfast or school lunch program, it is possible the cost of the proposal could be less than \$2,153,000 GPR in 2000-01.

We hope this information is helpful. Please call if you have any additional questions.

TC/RH/sas

CALLS:

1. BLAIR ✓
~~WILLIAM~~ KENOPOL (SP) 467-1686
STARTING AN ~~AWA~~ AWARENESS
PROGRAM CALLED "ACTION
AGAINST DOMESTIC VIOLENCE"
BEST TIME TO CALL 10:30 A.M. TO
1:30 P.M. WOULD LIKE TO TALK

2. DALLIE WELLS
WOULD LIKE JB TO TALK WITH
A COUPLE OF PEOPLE IN
MAN. DIV. SUBJECT: SCHOOL
LUNCH AND + SCHOOL BREAKFAST
PROGRAM.

POSSIBLE LEGISLATOR
682-3733

#11-3-99 JB LEFT MESSAGE TO UCCAW