

## Fiscal Estimate - 2023 Session

Original     
  Updated     
  Corrected     
  Supplemental

LRB Number **23-3878/1**      Introduction Number **AB-0754**

**Description**  
 providing state aid to reimburse public and private schools that provide free meals to all pupils for the costs of those meals and making an appropriation

**Fiscal Effect**

**State:**

- No State Fiscal Effect
- Indeterminate
  - Increase Existing Appropriations
  - Decrease Existing Appropriations
  - Create New Appropriations
- Increase Existing Revenues
- Decrease Existing Revenues
- Increase Costs - May be possible to absorb within agency's budget
  - Yes       No
- Decrease Costs

**Local:**

- No Local Government Costs
- Indeterminate
  - 1.  Increase Costs       Permissive       Mandatory
  - 2.  Decrease Costs       Permissive       Mandatory
  - 3.  Increase Revenue       Permissive       Mandatory
  - 4.  Decrease Revenue       Permissive       Mandatory
- 5. Types of Local Government Units Affected
  - Towns       Village       Cities
  - Counties       Others
  - School Districts       WTCS Districts

**Fund Sources Affected**

- GPR   
  FED   
  PRO   
  PRS   
  SEG   
  SEGS

**Affected Ch. 20 Appropriations**

20.255(1)(jg); (2)(cL), (2)(cm) and (2)(cn)

Agency/Prepared By	Authorized Signature	Date
DPI/ Morgan Hau (608) 264-9559	Erin Fath (608) 266-2804	12/12/2023

## Fiscal Estimate Narratives

DPI 12/12/2023

LRB Number	23-3878/1	Introduction Number	AB-0754	Estimate Type	Original
<b>Description</b> providing state aid to reimburse public and private schools that provide free meals to all pupils for the costs of those meals and making an appropriation					

### Assumptions Used in Arriving at Fiscal Estimate

Under current law, DPI makes payments to partially match the federal contribution under the National School Lunch Program, under which schools provide free or reduced-price lunches to low-income children.

Currently, the state share for school lunches for school lunches is a variable percentage of the amount of the federal basic reimbursement, which is then allocated among eligible schools according to the number of lunches served during the prior school year. The state also provides a per meal reimbursement of \$0.15 for each breakfast served under the program, but, if there is insufficient funding to pay the full amount, DPI prorates the payments.

This bill provides additional state aid to public and private schools in this state that provide free meals to all pupils. For qualified schools, additional state aid reimbursements will be made in 2024-25 for school lunch and breakfasts served in the 2023-24 school year. Schools include public schools, private schools, tribal schools, residential care centers for children and youth, the Wisconsin Educational Services Program for the Deaf and Hard of Hearing, or the Wisconsin Center for the Blind and Visually Impaired. Schools are qualified if they participate in both the national school lunch program and the federal school breakfast program for the duration of the school year. The reimbursement amount would be equal to the difference between what a school would receive in federal aid for meals served to students who meets the eligibility criteria for a free meal and the actual amount received in federal aid for said meals.

This bill eliminates the \$0.15 per breakfast meal reimbursement aid that is provided under current law for schools that qualify for the supplemental aid program created in the bill. Schools that are not eligible for supplemental aid would continue to receive \$0.15 for each breakfast served that meets the free or reduced lunch requirements.

State Impact: Increase costs.

The provisions of this bill are substantively similar to the proposal that DPI included in its 2023-25 biennial budget request and that was included in the Governor's 2023-25 budget proposal, under 2023 Senate Bill 70 [for the "Supplemental Nutrition" program proposal]. The estimated cost for the Governor's proposal was \$120,168,500 GPR in FY25. DPI estimates that this bill could require a similar level of funding.

Local Impact: Indeterminate

This would increase revenues to school districts dependent on qualifications.

### Long-Range Fiscal Implications

This would require a continued level of state resources to sustain the proposed program.

## Fiscal Estimate Worksheet - 2023 Session

Detailed Estimate of Annual Fiscal Effect

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  Updated     
  Corrected     
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<b>Description</b> providing state aid to reimburse public and private schools that provide free meals to all pupils for the costs of those meals and making an appropriation		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>		
<b>II. Annualized Costs:</b>		
	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs      Decreased Costs	
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$	\$
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance	120,168,500	
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$120,168,500</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR	120,168,500	
FED		
PRO/PRS		
SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$120,168,500	\$
NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b>		
<b>Authorized Signature</b>		<b>Date</b>
DPI/ Morgan Hau (608) 264-9559		12/12/2023
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