

BILL ANALYSIS

C.S.H.B. 2578
By: Rodriguez
Public Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Provision 2 is an option in the federal School Breakfast Program and National School Lunch Program for schools to serve meals to all students at no charge. This provision was passed as part of the 1946 National School Lunch Act. Schools who opt to participate in Provision 2 pay the difference between the cost of serving free meals and the federal reimbursement. In schools with a high percentage of students who receive free meals, the administrative savings can offset the cost differential. House Bill 2578 directs the Texas Department of Agriculture to encourage schools to consider providing free meals to all students and set goals to progressively increase the number of schools in Texas providing universal free meals.

House Bill 2578 also addresses one of the components of the National School Lunch Program, the Free Lunch Program. Students are eligible for the Free Lunch Program by living in a household that meets the incomes requirement, below 130 percent of the poverty level, or if they are categorically eligible by living in a household that receives Food Stamps or TANF. Currently, the Texas Education Agency, the Department of Agriculture, and the Health and Human Services Commission collaborate to identify children who are enrolled in school and enrolled in Food Stamps and direct certify them for free lunch. This is done once a year, and therefore does not reflect the frequent changes in a family's Food Stamp eligibility status. House Bill 2578 directs these agencies to directly certify on a quarterly basis to expedite students' enrollment in the Free Lunch Program. House Bill 2578 also directs the Department of Agriculture to conduct a feasibility study of direct verification for Free Lunch Program eligibility, where the department can obtain household income data directly from another government program.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

CSHB 2578 amends the Agriculture Code in that the department shall support, assist and encourage school districts in determining whether it is economically feasible for a district to provide a free breakfast and lunch program to all students enrolled. The department, Texas Education Agency, and the Health and Human Services Commission shall ensure that applicable information maintained by each entity is used on at least quarterly basis to identify children who are eligible for the program. The department shall determine the feasibility of establishing a process in which school districts verify student eligibility for the program through a direct verification process using information maintained under the food stamp and Medicaid programs. Directs the department, the Texas Education Agency, and the Health and Human Services Commission to submit a joint report of the study required by Subsection (c) no later than September 1, 2006.

Section 12.039(c) of the Agriculture Code applies beginning with the 2005-2006 school year.

EFFECTIVE DATE

This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2005.

C.S.H.B. 2578 79(R)

COMPARISON OF ORIGINAL TO SUBSTITUTE

Substitute removes all references to developing a formula for use in determining the percentage of a school district students that would be required to be eligible for the national free or reduced-priced breakfast and lunch program. The substitute removes the requirement to identify which schools could provide free meals to students and removes the requirement of encouraging schools to do so.

The substitute requires that the Department of Agriculture, the Texas Education Agency and the Health and Human Services Commission shall ensure information maintained is used at least quarterly.

The substitute requires the department to determine the feasibility of establishing a process under which school districts will verify eligibility through a direct verification process using information maintained under the food stamp and Medicaid programs.

The substitute requires the department, the Texas Education Agency and the Health and Human Services Commission to conduct a joint study to be submitted to the legislature no later than September 1, 2006 regarding the results.