

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 26, 2005

TO: Honorable Kent Grusendorf, Chair, House Committee on Public Education

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB2578 by Rodriguez (Relating to providing the national free or reduced-price breakfast and lunch program to a greater number of public school students.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require the Texas Department of Agriculture (TDA) to develop a formula to use to determine the percentage of eligible students needed for a district to provide free breakfast and lunch to all students regardless of family income under the federal school breakfast and lunch program. The bill would also require TDA, the Texas Education Agency (TEA), and the Health and Human Services Commission (HHSC) to perform a large-scale data match at least once each month to identify children who are categorically eligible for free meals.

Due to federal education privacy requirements, the large-scale data match required under this bill would have to be performed by TEA. TEA estimates the costs to perform this large-scale data match to be \$40,000 in fiscal year 2006 and \$7,500 in all subsequent years. There would be minimal administrative costs associated with TDA and HHSC's roles in performing this match.

TDA also anticipates being able to absorb all costs associated the development of the eligibility formula.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission, 537 Department of State Health Services, 551 Department of Agriculture, 701 Central Education Agency

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