

SENATE AMENDMENTS

2nd Printing

By: Bonnen of Galveston, Paul

H.B. No. 1305

A BILL TO BE ENTITLED

1 AN ACT

2 relating to a program to provide a free or reduced-price breakfast
3 to eligible students attending a public school, the method of
4 determining the number of educationally disadvantaged students for
5 the compensatory education allotment, and the use of compensatory
6 education allotment funds.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

8 SECTION 1. Section 33.901, Education Code, is amended by
9 amending Subsections (a) and (b) and adding Subsection (a-1) to
10 read as follows:

11 (a) If at least 10 percent of the students enrolled in one or
12 more schools in a school district or enrolled in an open-enrollment
13 charter school are eligible for free or reduced-price breakfasts
14 under the national school breakfast program provided for by the
15 Child Nutrition Act of 1966 (42 U.S.C. Section 1773), the board of
16 trustees of the school district or the governing body of the
17 open-enrollment charter school shall either:

18 (1) participate in the national program and make the
19 benefits of the national program available to all eligible students
20 in the schools or school; or

21 (2) develop and implement a locally funded program to
22 provide a free or reduced-price breakfast to all students in the
23 school or schools eligible under the national program, provided
24 that the reduced price may not exceed the maximum allowable rate

1 under the national program.

2 (a-1) A school district is permitted under Subsection (a) to
3 participate in the national program at one or more campuses in the
4 district and provide a locally funded program at one or more other
5 campuses in the district.

6 (b) A school district campus or an open-enrollment charter
7 school participating in the national school breakfast program
8 provided by the Child Nutrition Act of 1966 (42 U.S.C. Section 1773)
9 or providing a locally funded program in which 80 percent or more of
10 the students qualify under the national program for a free or
11 reduced-price breakfast shall offer a free breakfast to each
12 student.

13 SECTION 2. Section 42.152, Education Code, is amended by
14 amending Subsection (b) and adding Subsections (b-1) and (c-3) to
15 read as follows:

16 (b) Except as provided by Subsection (b-1), for [~~For~~]
17 purposes of this section, the number of educationally disadvantaged
18 students is determined:

19 (1) by averaging the best six months' numbers of
20 students eligible for enrollment in the national school lunch
21 program of free or reduced-price lunches for the preceding school
22 year; or

23 (2) in the manner provided by commissioner rule[~~, if~~
24 ~~no campus in the district participated in the national school lunch~~
25 ~~program of free or reduced-price lunches during the preceding~~
26 ~~school year~~].

27 (b-1) A student receiving a full-time virtual education

1 through the state virtual school network is not included in
2 determining the number of educationally disadvantaged students
3 under Subsection (b).

4 (c-3) Notwithstanding Subsection (c), funds allocated under
5 this section may be used to:

6 (1) provide child-care services or assistance with
7 child-care expenses for students at risk of dropping out of school,
8 as defined by Section 29.081(d)(5); or

9 (2) pay the costs associated with services provided
10 through a life skills program in accordance with Sections
11 29.085(b)(1) and (3)-(7).

12 SECTION 3. This Act applies beginning with the 2015-2016
13 school year.

14 SECTION 4. This Act takes effect immediately if it receives
15 a vote of two-thirds of all the members elected to each house, as
16 provided by Section 39, Article III, Texas Constitution. If this
17 Act does not receive the vote necessary for immediate effect, this
18 Act takes effect September 1, 2015.

ADOPTED

MAY 22 2015

Larry Taylor
Secretary of the Senate

By: *Larry Taylor*

H.B. No. 1305

Substitute the following for H.B. No. 1305:

By: *Larry Taylor*

C.S.H.B. No. 1305

A BILL TO BE ENTITLED

AN ACT

1
2 relating to a program to provide a free or reduced-price breakfast
3 to eligible students attending a public school and the method of
4 determining the number of educationally disadvantaged students.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 33.901, Education Code, is amended by
7 amending Subsections (a) and (b) and adding Subsection (a-1) to
8 read as follows:

9 (a) If at least 10 percent of the students enrolled in one or
10 more schools in a school district or enrolled in an open-enrollment
11 charter school are eligible for free or reduced-price breakfasts
12 under the national school breakfast program provided for by the
13 Child Nutrition Act of 1966 (42 U.S.C. Section 1773), the board of
14 trustees of the school district or the governing body of the
15 open-enrollment charter school shall either:

16 (1) participate in the national program and make the
17 benefits of the national program available to all eligible students
18 in the schools or school; or

19 (2) develop and implement a locally funded program to
20 provide free meals, including breakfast and lunch, to each student
21 eligible for free meals under federal law and reduced-price meals,
22 including breakfast and lunch, to each student eligible for
23 reduced-price meals under federal law, provided that the reduced
24 price may not exceed the maximum allowable rate under federal law.

1 (a-1) A school district is permitted under Subsection (a) to
2 participate in the national program at one or more campuses in the
3 district and provide a locally funded program at one or more other
4 campuses in the district.

5 (b) A school district campus or an open-enrollment charter
6 school participating in the national school breakfast program
7 provided by the Child Nutrition Act of 1966 (42 U.S.C. Section 1773)
8 or providing a locally funded program in which 80 percent or more of
9 the students qualify under the national program for a free or
10 reduced-price breakfast shall offer a free breakfast to each
11 student.

12 SECTION 2. Section 42.152(b), Education Code, is amended to
13 read as follows:

14 (b) For purposes of this section, the number of
15 educationally disadvantaged students is determined:

16 (1) by averaging the best six months' numbers of
17 students eligible for enrollment in the national school lunch
18 program of free or reduced-price lunches for the preceding school
19 year; or

20 (2) in the manner provided by commissioner rule~~[, if~~
21 ~~no campus in the district participated in the national school lunch~~
22 ~~program of free or reduced-price lunches during the preceding~~
23 ~~school year]~~.

24 SECTION 3. This Act applies beginning with the 2015-2016
25 school year.

26 SECTION 4. This Act takes effect immediately if it receives
27 a vote of two-thirds of all the members elected to each house, as

1 provided by Section 39, Article III, Texas Constitution. If this
2 Act does not receive the vote necessary for immediate effect, this
3 Act takes effect September 1, 2015.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 23, 2015

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1305** by Bonnen, Greg (Relating to a program to provide a free or reduced-price breakfast to eligible students attending a public school and the method of determining the number of educationally disadvantaged students.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1305, As Passed 2nd House: a negative impact of (\$30,477,778) through the biennium ending August 31, 2017.

Due to the fiscal implications of this bill beginning in the second year of the 2016-17 biennium, the estimated net impact to General Revenue Related funds would increase to a negative (\$62,753,501) through the biennium ending August 31, 2019.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

| Fiscal Year | Probable Net Positive/(Negative) Impact to General Revenue Related Funds |
|--------------------|---|
| 2016 | \$0 |
| 2017 | (\$30,477,778) |
| 2018 | (\$31,001,545) |
| 2019 | (\$31,751,956) |
| 2020 | (\$32,183,771) |

All Funds, Five-Year Impact:

| Fiscal Year | Probable Savings/(Cost) from Foundation School Fund 193 |
|--------------------|--|
| 2016 | \$0 |
| 2017 | (\$30,477,778) |
| 2018 | (\$31,001,545) |
| 2019 | (\$31,751,956) |
| 2020 | (\$32,183,771) |

Fiscal Analysis

The bill would authorize a school district which would otherwise be required to participate in the National School Breakfast Program to instead develop and implement a locally funded program to provide a free or reduced-price breakfast and lunch to all students in the school or schools eligible for the national program.

The bill would amend the Education Code to change the calculation of the number of educationally disadvantaged students for purposes of calculating the compensatory education allotment within the Foundation School Program from averaging the best six months' enrollment in the National School Lunch Program for the preceding school year to averaging the best six months' number of students eligible for enrollment in the National School Lunch Program.

The bill would authorize the Commissioner of Education to determine the number of educationally disadvantaged students eligible for the compensatory education allotment, regardless of whether the campus is participating in the National School Lunch Program.

The bill would apply beginning in the 2015-16 school year.

Methodology

The bill authorizes the Commissioner to allow students participating in a locally funded program to be eligible for compensatory education funding. The agency estimated that 24,246 students would qualify for the compensatory education allotment in fiscal year 2016 by participation in a locally funded program. The agency based this estimate on a snapshot indicator of economically disadvantaged status reported for each student each school year through the Public Education Information Management System (PEIMS), combined with the aggregate counts of students provided by the Department of Agriculture, to determine the count of students for calculation of the district's compensatory education data. TEA estimated that 75 percent of 32,327 students, or 24,246 students, meeting certain criteria would then participate in a locally funded program.

Since compensatory education allotment is based on prior year student counts, there would be no cost to the state in fiscal year 2016. In fiscal year 2017, the cost of providing the compensatory allotment to this student group would result in a cost to the state of \$30.5 million and because student enrollment is anticipated to grow 1.7 percent annually, would increase to \$32.2 million in fiscal year 2020.

The bill's provision changing the determination of educationally disadvantaged students from enrolled to eligible NSLP participants is anticipated to have a cost. However, TEA does not maintain the monthly status of students' eligibility for the NSLP, and therefore, the total cost to the state of providing the compensatory allotment to all eligible non-participants cannot be determined. However, this analysis assumes that this cost would likely have a significant fiscal impact to the state due to the potentially large number of eligible non-participants.

To the extent that districts choose not to offer the National School Breakfast Program, and instead chose to develop and implement a locally funded program, there would be a reduction in federal funds.

Local Government Impact

School districts who chose not to offer the National School Breakfast Program, and instead choose to develop and implement a locally funded program, could incur some administrative costs and experience a loss of federal revenue, but such action would be voluntary and amounts would vary by district. Some districts would receive additional funding under the modified calculation of the compensatory education allotment under the provisions of this bill.

Source Agencies: 701 Central Education Agency, 551 Department of Agriculture

LBB Staff: UP, SD, JBi, AM, AH, JSp

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 17, 2015

TO: Honorable Larry Taylor, Chair, Senate Committee on Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1305 by Bonnen, Greg (relating to a program to provide a free or reduced-price breakfast to eligible students attending a public school and the method of determining the number of educationally disadvantaged students.), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1305, Committee Report 2nd House, Substituted: a negative impact of (\$30,477,778) through the biennium ending August 31, 2017.

Due to the fiscal implications of this bill beginning in the second year of the 2016-17 biennium, the estimated net impact to General Revenue Related funds would increase to a negative (\$62,753,501) through the biennium ending August 31, 2019.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

| Fiscal Year | Probable Net Positive/(Negative) Impact to General Revenue Related Funds |
|-------------|---|
| 2016 | \$0 |
| 2017 | (\$30,477,778) |
| 2018 | (\$31,001,545) |
| 2019 | (\$31,751,956) |
| 2020 | (\$32,183,771) |

All Funds, Five-Year Impact:

| Fiscal Year | Probable Savings/(Cost) from <i>Foundation School Fund</i> 193 |
|-------------|--|
| 2016 | \$0 |
| 2017 | (\$30,477,778) |
| 2018 | (\$31,001,545) |
| 2019 | (\$31,751,956) |
| 2020 | (\$32,183,771) |

Fiscal Analysis

The bill would authorize a school district which would otherwise be required to participate in the National School Breakfast Program to instead develop and implement a locally funded program to provide a free or reduced-price breakfast and lunch to all students in the school or schools eligible for the national program.

The bill would amend the Education Code to change the calculation of the number of educationally disadvantaged students for purposes of calculating the compensatory education allotment within the Foundation School Program from averaging the best six months' enrollment in the National School Lunch Program for the preceding school year to averaging the best six months' number of students eligible for enrollment in the National School Lunch Program.

The bill would authorize the Commissioner of Education to determine the number of educationally disadvantaged students eligible for the compensatory education allotment, regardless of whether the campus is participating in the National School Lunch Program.

The bill would apply beginning in the 2015-16 school year.

Methodology

The bill authorizes the Commissioner to allow students participating in a locally funded program to be eligible for compensatory education funding. The agency estimated that 24,246 students would qualify for the compensatory education allotment in fiscal year 2016 by participation in a locally funded program. The agency based this estimate on a snapshot indicator of economically disadvantaged status reported for each student each school year through the Public Education Information Management System (PEIMS), combined with the aggregate counts of students provided by the Department of Agriculture, to determine the count of students for calculation of the district's compensatory education data. TEA estimated that 75 percent of 32,327 students, or 24,246 students, meeting certain criteria would then participate in a locally funded program.

Since compensatory education allotment is based on prior year student counts, there would be no cost to the state in fiscal year 2016. In fiscal year 2017, the cost of providing the compensatory allotment to this student group would result in a cost to the state of \$30.5 million and because student enrollment is anticipated to grow 1.7 percent annually, would increase to \$32.2 million in fiscal year 2020.

The bill's provision changing the determination of educationally disadvantaged students from enrolled to eligible NSLP participants is anticipated to have a cost. However, TEA does not maintain the monthly status of students' eligibility for the NSLP, and therefore, the total cost to the state of providing the compensatory allotment to all eligible non-participants cannot be determined. However, this analysis assumes that this cost would likely have a significant fiscal impact to the state due to the potentially large number of eligible non-participants.

To the extent that districts choose not to offer the National School Breakfast Program, and instead chose to develop and implement a locally funded program, there would be a reduction in federal funds.

Local Government Impact

School districts who chose not to offer the National School Breakfast Program, and instead choose to develop and implement a locally funded program, could incur some administrative costs and experience a loss of federal revenue, but such action would be voluntary and amounts would vary by district. Some districts would receive additional funding under the modified calculation of the compensatory education allotment under the provisions of this bill.

Source Agencies: 701 Central Education Agency, 551 Department of Agriculture

LBB Staff: UP, JBi, AM, AH, JSp

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 14, 2015

TO: Honorable Larry Taylor, Chair, Senate Committee on Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1305 by Bonnen, Greg (Relating to a program to provide a free or reduced-price breakfast to eligible students attending a public school, the method of determining the number of educationally disadvantaged students for the compensatory education allotment, and the use of compensatory education allotment funds.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1305, As Engrossed: a negative impact of (\$27,731,653) through the biennium ending August 31, 2017.

Due to the fiscal implications of the bill beginning in the second year of the 2016-17 biennium, the estimated net impact to General Revenue Related funds will increase to a negative (\$56,015,995) through the biennium ending August 31, 2019.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

| Fiscal Year | Probable Net Positive/(Negative) Impact to General Revenue Related Funds |
|--------------------|---|
| 2016 | \$0 |
| 2017 | (\$27,731,653) |
| 2018 | (\$27,768,907) |
| 2019 | (\$28,247,088) |
| 2020 | (\$28,940,782) |

All Funds, Five-Year Impact:

| Fiscal Year | Probable Savings/(Cost) from Foundation School Fund 193 |
|--------------------|--|
| 2016 | \$0 |
| 2017 | (\$27,731,653) |
| 2018 | (\$27,768,907) |
| 2019 | (\$28,247,088) |
| 2020 | (\$28,940,782) |

Fiscal Analysis

The bill would authorize a school district which would otherwise be required to participate in the National School Breakfast Program to instead develop and implement a locally funded program to provide a free or reduced-price breakfast to all students in the school or schools eligible for the national program.

The bill would amend the Education Code to change the calculation of the number of educationally disadvantaged students for purposes of calculating the compensatory education allotment within the Foundation School Program from averaging the best six months' enrollment in the National School Lunch Program for the preceding school year to averaging the best six months' number of students eligible for enrollment in the National School Lunch Program.

The bill would authorize the Commissioner of Education to determine the number of educationally disadvantaged students eligible for the compensatory education allotment, regardless of whether the campus is participating in the National School Lunch Program.

The bill would prohibit a student receiving a full-time virtual education through the state virtual school network from being included in the calculation of a school's compensatory education allotment.

The bill would allow the use of compensatory education allotment funding to provide assistance with child care costs and other costs to students who are participating in a life skills program or who are at risk of dropping out of school.

The bill would apply beginning in the 2015-16 school year.

Methodology

The bill authorizes the Commissioner to allow students participating in a locally funded program to be eligible for compensatory education funding. The agency estimated that 24,246 students would qualify for the compensatory education allotment in fiscal year 2016 by participation in a locally funded program. The agency based this estimate on a snapshot indicator of economically disadvantaged status reported for each student each school year through the Public Education Information Management System (PEIMS), combined with the aggregate counts of students provided by the Department of Agriculture, to determine the count of students for calculation of the district's compensatory education data. TEA estimated that 75 percent of 29,454 students, or 22,091 students, meeting certain criteria would then participate in a locally funded program.

Since compensatory education allotment is based on prior year student counts, there would be no cost to the state in fiscal year 2016. In fiscal year 2017, the cost of providing the compensatory allotment to this student group would result in a cost to the state of \$27.8 million and because student enrollment is anticipated to grow 1.7 percent annually, would increase to \$28.9 million in fiscal year 2020.

The bill's provision changing the determination of educationally disadvantaged students from enrolled to eligible NSLP participants is anticipated to have a cost. However, TEA does not maintain the monthly status of students' eligibility for the NSLP, and therefore, the total cost to the state of providing the compensatory allotment to all eligible non-participants cannot be determined. However, this analysis assumes that this cost would likely have a significant fiscal impact to the state due to the potentially large number of eligible non-participants.

To the extent that districts choose not to offer the National School Breakfast Program, and instead chose to develop and implement a locally funded program, there would be a reduction in federal funds.

Local Government Impact

School districts who chose not to offer the National School Breakfast Program, and instead choose to develop and implement a locally funded program, could incur some administrative costs and experience a loss of federal revenue, but such action would be voluntary and amounts would vary by district. Some districts would receive additional funding under the modified calculation of the compensatory education allotment under the provisions of this bill.

Source Agencies: 701 Central Education Agency, 551 Department of Agriculture

LBB Staff: UP, JBi, AM, AH, JSp

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 8, 2015

TO: Honorable Jimmie Don Aycock, Chair, House Committee on Public Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1305 by Bonnen, Greg (relating to a program to provide a free or reduced-price breakfast to eligible students attending a public school and the method of determining the number of educationally disadvantaged students.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1305, Committee Report 1st House, Substituted: a negative impact of (\$30,477,778) through the biennium ending August 31, 2017.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

| Fiscal Year | Probable Net Positive/(Negative) Impact to General Revenue Related Funds |
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| 2016 | \$0 |
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Fiscal Analysis

The bill would authorize a school district which would otherwise be required to participate in the

National School Breakfast Program to instead develop and implement a locally funded program to provide a free or reduced-price breakfast to all students in the school or schools eligible for the national program.

The bill would amend the Education Code to change the calculation of the number of educationally disadvantaged students for purposes of calculating the compensatory education allotment within the Foundation School Program from averaging the best six months' enrollment in the National School Lunch Program for the preceding school year to averaging the best six months' number of students eligible for enrollment in the National School Lunch Program.

The bill would authorize the Commissioner of Education to determine the number of educationally disadvantaged students eligible for the compensatory education allotment, regardless of whether the campus is participating in the National School Lunch Program.

The bill would prohibit a student receiving a full-time virtual education through the state virtual school network from being included in the calculation of a school's compensatory education allotment.

The bill would apply beginning in the 2015-16 school year.

Methodology

The bill authorizes the Commissioner to allow students participating in a locally funded program to be eligible for compensatory education funding. The agency estimated that 24,246 students would qualify for the compensatory education allotment in fiscal year 2016 by participation in a locally funded program. The agency based this estimate on a snapshot indicator of economically disadvantaged status reported for each student each school year through the Public Education Information Management System (PEIMS), combined with the aggregate counts of students provided by the Department of Agriculture, to determine the count of students for calculation of the district's compensatory education data. TEA estimated that 75 percent of 32,327 students, or 24,246 students, meeting certain criteria would then participate in a locally funded program.

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Local Government Impact

School districts who chose not to offer the National School Breakfast Program, and instead choose to develop and implement a locally funded program, could incur some administrative costs and experience a loss of federal revenue, but such action would be voluntary and amounts would vary by district. Some districts would receive additional funding under the modified calculation of the compensatory education allotment under the provisions of this bill.

Source Agencies: 701 Central Education Agency, 551 Department of Agriculture

LBB Staff: UP, JBi, AM, AH, JSp

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

March 24, 2015

TO: Honorable Jimmie Don Aycock, Chair, House Committee on Public Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1305 by Bonnen, Greg (Relating to a program to provide a free or reduced-price breakfast to eligible students attending a public school and the method of determining the number of educationally disadvantaged students.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1305, As Introduced: a negative impact of (\$30,477,778) through the biennium ending August 31, 2017.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

| Fiscal Year | Probable Net Positive/(Negative) Impact to General Revenue Related Funds |
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| 2016 | \$0 |
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Fiscal Analysis

The bill would authorize a school district which would otherwise be required to participate in the National School Breakfast Program to instead develop and implement a locally funded program to provide a free or reduced-price breakfast to all students in the school or schools eligible for the

national program.

The bill would amend the Education Code to change the calculation of the number of educationally disadvantaged students for purposes of calculating the compensatory education allotment within the Foundation School Program from averaging the best six months' enrollment in the National School Lunch Program for the preceding school year to averaging the best six months' number of students eligible for enrollment in the National School Lunch Program.

The bill would authorize the Commissioner of Education to determine the number of educationally disadvantaged students eligible for the compensatory education allotment, regardless of whether the campus is participating in the National School Lunch Program.

The bill would apply beginning in the 2015-16 school year.

Methodology

The bill authorizes the Commissioner to allow students participating in a locally funded program to be eligible for compensatory education funding. The agency estimated that 24,246 students would qualify for the compensatory education allotment in fiscal year 2016 by participation in a locally funded program. The agency based this estimate on a snapshot indicator of economically disadvantaged status reported for each student each school year through the Public Education Information Management System (PEIMS), combined with the aggregate counts of students provided by the Department of Agriculture, to determine the count of students for calculation of the district's compensatory education data. TEA estimated that 75 percent of 32,327 students, or 24,246 students, meeting certain criteria would then participate in a locally funded program.

Since compensatory education allotment is based on prior year student counts, there would be no cost to the state in fiscal year 2016. In fiscal year 2017, the cost of providing the compensatory allotment to this student group would result in a cost to the state of \$30.5 million and because student enrollment is anticipated to grow 1.7 percent annually, would increase to \$32.2 million in fiscal year 2020.

The bill's provision changing the determination of educationally disadvantaged students from enrolled to eligible NSLP participants is anticipated to have a cost. However, TEA does not maintain the monthly status of students' eligibility for the NSLP, and therefore, the total cost to the state of providing the compensatory allotment to all eligible non-participants cannot be determined. However, this analysis assumes that this cost would likely have a significant fiscal impact to the state due to the potentially large number of eligible non-participants.

To the extent that districts choose not to offer the National School Breakfast Program, and instead chose to develop and implement a locally funded program, there would be a reduction in federal funds.

Local Government Impact

School districts who chose not to offer the National School Breakfast Program, and instead choose to develop and implement a locally funded program, could incur some administrative costs and experience a loss of federal revenue, but such action would be voluntary and amounts would vary by district. Some districts would receive additional funding under the modified calculation of the compensatory education allotment under the provisions of this bill.

Source Agencies: 551 Department of Agriculture, 701 Central Education Agency

LBB Staff: UP, JBi, AM, AH, JSp