

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2545

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Prepared by: Krista McDowell
Reviewed by: Doug Wilson
Date: 6/18/2015

Measure Description:

Requires school district to provide lunch free of charge to students who are eligible for reduced price lunches.

Government Unit(s) Affected:

Department of Education, School Districts

Summary of Expenditure Impact:

	2015-17 Biennium	2017-19 Biennium
General Fund	\$2,395,593	\$2,395,593
Total Funds	\$2,395,593	\$2,395,593

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

House Bill 2545 directs school districts to provide lunches free of charge to students who are eligible for reduced price lunches. The bill directs the Oregon Department of Education (ODE) to reimburse school districts for what students would have paid for the reduced price lunches.

Revisions resulting from this bill to databases, reporting procedures, payment protocol and staffing workflows are assumed to be minimal and absorbable within the existing parameters of the ODE budget. Total reduced price lunches affect by the bill are assumed to be 5,988,982 per biennium at reimbursement cost of \$0.40 per lunch, resulting in an additional cost of \$2,395,593 General Fund.

HB 2017, the State School Fund bill, provides the funding for the bill from a distribution or carve-out from the State School Fund. The budget bill for the Department of Education will provide the necessary Other Funds expenditure authority.