

FISCAL IMPACT OF PROPOSED LEGISLATION

79th Oregon Legislative Assembly – 2017 Regular Session
Legislative Fiscal Office

Measure: HB 3454

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

Prepared by: Krista Dauenhauer
Reviewed by: Doug Wilson
Date: 5/30/2017

Measure Description:

Describes actions school districts are required to take or are prohibited from taking regarding students who are unable to pay for meals.

Government Unit(s) Affected:

Department of Education, School Districts

Analysis:

The bill requires school districts, that provide meals under the US Department of Agriculture's School Lunch or School Breakfast Programs, to provide a meal to a student who requests a meal regardless of whether the student has money to pay for the meal. Students who cannot pay for a meal, or owe money for meals, cannot be publicly identified by a school district; nor be required to do chores or work to pay for the meals, unless this is a requirement of all students regardless of money owed for meals.

If a student owes money for five or more meals, a school district must doublecheck to see if the student's household has been identified as a direct certification household in the National School Lunch Program. If the student does not come from a direct certification household, then the school district must make at least two attempts to request that the student's parent or guardian fill out an application for free or reduced price meals (FRPM). If the student is not eligible for free or reduced price meals, or if the parent or guardian does not fill out an application, an administrator or counselor from the school district must contact the student's household and help fill out the application, or investigate other potential issues in the household that may cause the student to have insufficient funds to purchase a meal. Parents or guardians are no longer permitted to be charged for collection agency fees which are hired by school districts to collect moneys owed for school meals.

At this time, the Legislative Fiscal Office (LFO) believes that the programmatic and budgetary scope of this measure cannot be fully determined for school districts. School districts will likely incur an increase in workload associated with reverifying direct certification households, tracking and contacting households to request a FRPM application, providing assistance with filing out the FRPM applications, and conducting investigations into other issues within a household which may cause a student to have insufficient funds. These workload costs, and whether or not a school district must hire additional staff, will vary by district depending on the number of students with unpaid meal accounts. Workload costs will also differ according to the complexity of work required; for example, investigations by administrators or counselors into household financial matters will likely require more labor hours at a higher salary rate than making requests for a household to fill out a FRPM application. Furthermore, school districts that currently permit collection agencies to charge fees to parents or guardians for school meal collection services will experience increased costs to pay these collection fees or choose to forgo collection services all together and incur the costs associated with unpaid meal accounts.

The fiscal impact to the Oregon Department of Education, associated with providing guidance and support to school districts regarding this legislation, is anticipated to be minimal and absorbable within existing budgetary parameters.