

SB 1581 STAFF MEASURE SUMMARY

Senate Committee On Education

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Meeting Dates: 2/3

WHAT THE MEASURE DOES:

The measure requires all school districts to offer free breakfast and lunch to all students with certain exceptions. These provisions of the measure first apply to the 2026-2027 school year. The measure takes effect on July 1, 2026.

Detailed Summary

- Requires a school or district to apply for special provisions of U.S. Department of Agriculture's National School Lunch Program (NSLP) or School Breakfast Program if it meets eligibility requirements.
- Allows schools to only offer free breakfast and lunch to students below 300 percent of federal poverty guidelines if the Oregon Department of Education (ODE) determines there are insufficient funds to reimburse school district for universal school meals.
- Requires a school district to make breakfast accessible at every school site and after the beginning of the school day.
- Exempts a school from providing breakfast or lunch if it does not operate during traditional breakfast or lunch times.
- Allows ODE to waive the requirement to provide breakfast for school districts that demonstrate financial hardship or any other reason established in rule.
- Requires ODE to provide technical assistance to school districts to maximize federal reimbursements.
- Requires school districts to meet updated federal nutrition standards in order to receive state reimbursement.

Fiscal impact: May have fiscal impact, but no statement yet issued

Revenue impact: May have revenue impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Student Success Act, House Bill 3427 (2019), created the Hunger Free Schools Account in the State Treasury. The ODE can use the account to reimburse eligible school districts for the costs of offering breakfast and lunch free of charge; eligible districts include both those that are eligible to provide meals to all students under federal law, and those that are not federally eligible but provide meals to students from households up to 300 percent of the poverty line. That second group of districts is reimbursed by the Oregon Expanded Income Eligibility Group (EIG) Reimbursement Program, which is entirely state funded.

House Bill 2536 (2021) allowed eligible school districts in Oregon to participate in the special provisions of the NSLP, which encompass both the Community Eligibility Provision (CEP) and Provision 2. CEP allows schools and districts with high percentages of eligible children to offer meals at no charge to all children in the school without collecting applications from individual families. Provision 2 reduces the required applications to once every four

years and simplifies meal counting and claiming procedures for school districts. According to a presentation from ODE to the House Interim Committee on Education in September 2024, 94 percent of Oregon schools provided universal school meals under the CEP in the 2024-25 school year.

Under OAR 581-051-0615, ODE continuously tracks the balance of funds available for reimbursement and must give schools and districts a 12-week notice before reverting to federal reimbursement rates.

In April 2024, the US Department of Agriculture's Food and Nutrition Service published a [final rule](#) on nutrition requirements for school meals that addressed standards for added sugars, milk, whole grains, and sodium. School meals must begin meeting certain standards in the 2025-2026 school year; others must be implemented by the 2026-2027 or 2027-2028 school year.

PRELIMINARY