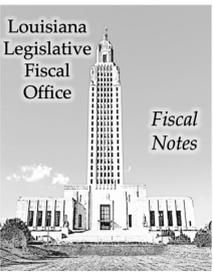


LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 269** HLS 26RS 1027
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 18, 2026 4:21 PM	Author: GREEN
Dept./Agy.: Education	
Subject: Free School Breakfast Program	Analyst: Julie Silva

SCHOOLS/FOOD PROGRAMS OR INCREASE SG EX See Note Page 1 of 2
 Creates and provides for the Free School Breakfast Program to be administered by the state Department of Education

Proposed legislation requires the Louisiana Department of Education (LDOE) to provide funding to governing authorities of school nutrition programs that participate in the Free School Breakfast Program for each reimbursable school breakfast served, up to one breakfast per student per school day. Effective upon appropriation of funds for this purpose.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	SEE BELOW					
Local Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Annual Total						
REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	SEE BELOW					
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

EXPENDITURE EXPLANATION

Proposed legislation is expected to significantly impact state, local, and federal fund expenditures beginning in FY 27 and increasing annually thereafter. The table below is for illustrative purposes only and is based on actual student meal participation data and actual reimbursement rates from the 2024-25 school year. Participation increases in FY 27 are based on studies that show CEP (Community Eligibility Provision) and Breakfast After the Bell programs in schools increased student breakfast participation by 14% and lunch participation by 6.8%. A 4.1% Consumer Price Index (CPI) increase is applied annually thereafter.

Actual increases will depend on the number of meals provided in a given year, the total cost of those meals, and the extent to which those meals are partially or fully reimbursed by the federal government. Detailed information on how the proposed program would operate is included below and on page two of this note.

FY	SGF	FEDERAL	LOCAL
26-27	\$8,307,936	\$454,091,416	\$25,674,822
27-28	\$8,648,561	\$472,709,164	\$26,727,490
28-29	\$9,003,152	\$492,090,240	\$27,823,317
29-30	\$9,372,281	\$512,265,940	\$28,964,073
30-31	\$9,756,544	\$533,268,843	\$30,151,600

Program Overview

The bill directs the Louisiana Department of Education (LDOE) to create a Free School Breakfast Program for public school students. Each public or charter school governing authority that participates in the National School Lunch Program (NSLP) is required to participate in the Community Eligibility Provision (CEP) and continue participation for the entire four-year CEP cycle, if they meet program eligibility requirements. For the 2026-27 school year, CEP eligibility requires an Identified Student Percentage (ISP) of at least 25%. The ISP is the percentage of enrolled students certified for free school meals without submitting a household income application, including students directly certified through federal benefits programs such as TANF, SNAP, and Medicaid. LDOE reports that all public and charter school governing authorities, except one charter in Belle Chasse, currently meet the minimum threshold to enroll in CEP. Enrollment requires participation in both the NSLP and School Breakfast Program (SBP), and participating schools must provide both breakfast and lunch at zero cost to all students.

Continued on page two

REVENUE EXPLANATION

To the extent proposed legislation leads to an increase in program participation, particularly the requirement mandating CEP participation for all eligible schools, federal funds received from the U.S. Department of Agriculture (USDA) would increase.

Senate
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
Deputy Fiscal Officer



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CONTINUED EXPLANATION from page one:

CEP Funding Methodology and State/Local Responsibilities

CEP is a federal reimbursable entitlement program, which makes precise impact estimates difficult. Federal reimbursement is based on each school governing authority's ISP. Authorities with ISPs greater than 62.5% receive full federal reimbursement, while lower ISPs receive proportionally less. A USDA multiplier of 1.6 is applied to determine the percentage of meals eligible for federal reimbursement.

Under proposed legislation, the state is responsible for the difference between the federal reimbursement and the actual cost of providing breakfasts, while local governing authorities cover the remaining cost for lunches. Of the 131 CEP-eligible authorities, 96 participate at the district level and would not expect an increase in local expenditures; proposed legislation could even reduce local expenditures for breakfast as the state assumes the nonfederal share. 22 authorities participate partially, and 13 do not participate at all; for these schools, local expenditures would be expected to increase to fully fund student lunches.

For example, a school with 100 students, an ISP of 50%, and full daily participation could expect reimbursement for 80 students (50% × 1.6 × 100). Federal reimbursement would total \$100,536 (80 × [Breakfast \$2.94 + Lunch \$4.16] × 177 days). The state would be responsible for \$10,408 of breakfast costs (20 × \$2.94 × 177), and the local district would be responsible for \$14,726 of lunch costs (20 × \$4.16 × 177). This example assumes all students will eat each meal for each day of school (177 required days) in a given year; however, actual participation data indicates this is not the case.

Notes and Assumptions

While total meals served statewide have increased in recent years, the number of "paid" meals has declined, increasing the proportion of federally reimbursed free and reduced-price meals and reducing relative state and local obligations.

Act 305 of the 2023 Regular Session requires eligible students in grades K-12 to receive breakfast and lunch at no cost, for reduced-price eligible students who would otherwise pay \$0.30 for breakfast and \$0.40 for lunch. LDOE reimburses these costs upon appropriation by the legislature; HB 1 of the 2026 Regular Session includes \$359,454 for this purpose, which could offset anticipated FY 27 SGF costs.

Senate Dual Referral Rules

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}


Patrice Thomas
Deputy Fiscal Officer