

Department of Legislative Services

Maryland General Assembly

2002 Session

FISCAL NOTE

Revised

House Bill 1409

(Chairman, Ways and Means Committee)

(Departmental - Education)

Ways & Means

Education, Health, & Environmental Affairs and Budget & Taxation

Maryland Meals for Achievement In-Classroom Breakfast Program

This departmental bill repeals the sunset date for the Maryland Meals for Achievement Pilot In-Classroom Breakfast Program and establishes the program on a non-pilot basis. The bill repeals the provision requiring a higher education institution or a unit of State government independent of the Maryland State Department of Education (MSDE) to conduct an evaluation of the program. Pursuant to the bill, MSDE is required to conduct an annual evaluation of the program.

The bill takes effect July 1, 2002.

Fiscal Summary

State Effect: General fund expenditures for the Maryland Meals for Achievement Pilot In-Classroom Breakfast Program would continue. The FY 2003 State budget includes \$1.9 million for this program. Federal funding in FY 2003 is expected to total \$5.8 million.

Local Effect: Eligible local school systems would continue to receive funding for in-classroom breakfasts.

Small Business Effect: MSDE has determined that this bill will have minimal or no impact on small business (attached). Legislative Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

Analysis

Current Law: The Maryland Meals for Achievement Pilot In-Classroom Breakfast Program provides a free breakfast to all students enrolled in schools with high concentrations of poverty. The pilot program terminates on June 30, 2002.

Background: Chapters 384/385 of 1999 established the Maryland Meals for Achievement Pilot In-Classroom Breakfast Program. The program compliments the federal School Breakfast Program. The federal government provides full funding for breakfasts served to low income children and heavily subsidizes meals served to students in the reduced price category while minimally subsidizing meals served to students in the paid category. State funding for the pilot program offsets the costs for students in the reduced price and paid categories, so that there is a universal program for all children.

Fifty-two schools participated in the pilot program during the 2000-2001 school year, and 93 schools are participating in the pilot program in the 2001-2002 school year. Approximately 500 schools are eligible to participate based on eligibility criteria established in the legislation.

MSDE indicates that the pilot program has resulted in increased school attendance, decreased tardiness, reduced disruptive behavior, and improved test scores.

State Fiscal Effect: The fiscal 2003 State budget includes \$1,928,000 in funding for the program. In addition, the State receives \$3 in federal funds for each \$1 in State general funds spent on school breakfast programs. In fiscal 2003 the State is expected to receive \$5,784,000 in federal funding for the in-classroom breakfast program. If this pilot program sunsets, federal funding for fiscal 2003 would not be realized.

Local Fiscal Effect: Eligible local school systems would continue to receive funding for in-classroom breakfasts.

Additional Comments: During the 2000-2001 school year, 36% of elementary school students, 31.4% of middle school students, and 18.4% high school students in Maryland received free and reduced priced meals (FRPM). FRPM count is based on the actual number of students participating in the federal school breakfast and lunch program. Program eligibility is determined by household income with children being eligible for free meals if their household income is below 130% of the federal income poverty level. Children are eligible for reduced price meals if their household income does not exceed 185% of the federal income poverty level.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland State Department of Education, Department of Legislative Services

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