



**State Fiscal Note for Bill  
Number: 2019-H-5100**

**Date of State Budget Office Approval:**

**Date Requested:**

**Date Due:**

<i>Impact on Expenditures</i>		<i>Impact on Revenues</i>	
FY 2019	\$0	FY 2019	N/A
FY 2020	\$24.9 - \$33.6 million	FY 2020	N/A
FY 2021	\$25.5 - \$34.4 million	FY 2021	N/A

**Explanation by State  
Budget Office:**

This act amends RIGL Section 16-8-10, entitled "Mandatory School Lunch Programs," requiring lunches be provided free of charge to all elementary and secondary students attending public schools.

**Comments on  
Sources of Funds:**

As written, this bill places the financial responsibility of providing free lunches based on the LEA (Local Education Authority) of attendance. Local districts and charter schools are therefore responsible for providing lunch subsidies for attending students. The state is responsible for providing free lunches at each state school (Davies and the Met Center), as well as the Northern, West Bay, East Bay, and Urban Collaboratives.

General revenues will be appropriated to each individual state school program, as well as the Education Aid program for each collaborative, all housed within the RI Department of Elementary and Secondary Education (RIDE).

**Summary of Facts  
and Assumptions:**

**Bill Intention:**

This bill states, "to the extent that federal, state, and other funds are available ... free and reduced price lunches shall be provided to all students." Due to the ambiguity of this language, it is the assumption of the Budget Office that the LEA of attendance be the determining factor of financial responsibility, and that providing free lunches will be required. For example, it is assumed the Woonsocket School District will be financially responsible and required to provide free lunches for all attending students. However, the grand total provided in the "Summary of Fiscal Impact" can be used as the general revenue impact, if the intention of this bill is to have the state be 100 percent financially responsible. Note, if the "to the extent that ... other funds are available" provision is applied to local districts/charters and it is determined financing is not available, there would be no financial impact assessed and therefore no creation of a universal free lunch program.

**Calculation:**

The total cost calculation for all sources of funds (state, local, and charter) is an aggregation of all qualifying schools within each local district, state school/collaboratives, or individual public charter school. For example, the total cost for all local districts, is the summation of each individual public district. Below is the calculation done for each individual district, charter school, and state school/collaborative:

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$$\text{Unit Cost} = ((\text{FPLE} * \text{FPLC} * \text{Comp}\% * \text{Attend}\%) + (\text{RPLE} * \text{RPLC} * \text{Comp}\% * \text{Attend}\%)) * 180$$

**Variable Description:**

Unit Cost - This represents each individual school district, charter school/network, and/or state school/collaborative.

FPLE (Full Priced Lunch Enrollment) - The total enrollment of students that don't qualify for free or reduced-price lunch (71,869 students statewide). Derived from the Annual Eligibility Report produced by RIDE (October 2018).

FPLC (Full Price Lunch Cost) - \$2.86 is the estimated cost of a lunch, the current USDA target lunch price.

Comp% (Compliance Percentage) - This variable represents the percentage of eligible students who will participate and receive a free lunch, instead of bringing a lunch from home. This variable is solely responsible for the ranges in the estimates provided. The low-end estimate uses a full-priced compliance percentage of 70.0 percent, while the high-end estimate uses a full-priced compliance percentage of 95.0 percent. The compliance percentage of reduced-priced lunch is 95.0 percent, held constant for all calculations. All percentages were provided by the RIDE.

Attend% (Attendance Percentage) - This variable represents school attendance. This factor is held constant at 94.0 percent.

RPLE (Reduced Price Lunch Enrollment) - The total enrollment of students that qualify for reduced-price lunch (8,036 students statewide). Derived from the Annual Eligibility Report produced by RIDE (October 2018).

RPLC (Reduced Price Lunch Cost) - \$0.40 is the estimated per lunch cost, which represents the non-federally reimbursed portion of school lunches for qualified students. This estimate is the amount a qualified student is expected to pay when purchasing a lunch.

180 - Annualizes the estimate accounting for a 180-day school year.

**Other Assumptions:**

There is no estimated cost for FY 2019, because the passage of this bill will likely be at the end of the current fiscal/school year.

In FY 2021, estimates are increased by an inflationary factor of 2.6 percent. This is consistent with the Budget Office's Five-Year Financial Projection for Education Aid and CPI-U.

*Summary of Fiscal Impact:*

As discussed above, this bill presents the following impact for state (general revenue), local, and charter school funds:

**General Revenue:**

FY 2019	\$0
FY 2020	\$233,601 - \$312,115
FY 2021	\$239,674 - \$320,230

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Local Districts:

FY 2019 \$0  
FY 2020 \$23.7 million - \$32.0 million  
FY 2021 \$24.3 million - \$32.9 million

Public Charter Schools:

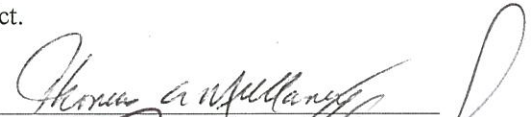
FY 2019 \$0  
FY 2020 \$917,225 - \$1.2 million  
FY 2021 \$941,073 - \$1.3 million

Total:

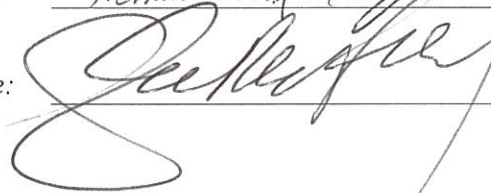
FY 2019 \$0  
FY 2020 \$24.9 million - \$33.6 million  
FY 2021 \$25.5 million - \$34.4 million

Attached is a breakdown by individual district.

Budget Office Signature:



Fiscal Advisor Signature:





USDA Target Lunch Price: \$2.86  
 Non-Federal Share of Reduced Lunch \$0.40  
 Attendance Factor 94%

District LEAs	Enrollment	Full Priced	Reduced-Price Only	FY 2020		FY 2021	
				Low-End	High-End	Low-End	High-End
Barrington	3,319	3,172	28	\$ 1,076,278	\$ 1,460,021	\$ 1,104,262	\$ 1,497,981
Burrillville	2,254	1,583	129	\$ 544,517	\$ 736,025	\$ 558,675	\$ 755,162
Central Falls	2,677	243	8	\$ 82,828	\$ 112,225	\$ 84,981	\$ 115,143
Coventry	4,702	3,248	249	\$ 1,116,232	\$ 1,509,169	\$ 1,145,254	\$ 1,548,407
Cranston	10,320	5,898	730	\$ 2,044,815	\$ 2,758,343	\$ 2,097,980	\$ 2,830,060
Cumberland	4,611	3,760	144	\$ 1,282,915	\$ 1,737,792	\$ 1,316,271	\$ 1,782,975
East Greenwich	2,523	2,398	2	\$ 812,423	\$ 1,102,529	\$ 833,546	\$ 1,131,194
East Providence	5,035	2,613	324	\$ 905,955	\$ 1,222,071	\$ 929,510	\$ 1,253,845
Foster	272	207	9	\$ 70,698	\$ 95,740	\$ 72,536	\$ 98,229
Glocester	523	461	7	\$ 156,608	\$ 212,379	\$ 160,680	\$ 217,901
Jamestown	502	462	-	\$ 156,497	\$ 212,389	\$ 160,566	\$ 217,911
Johnston	3,198	1,761	296	\$ 615,550	\$ 828,592	\$ 631,554	\$ 850,136
Lincoln	26	12	1	\$ 4,129	\$ 5,581	\$ 4,237	\$ 5,726
Little Compton	244	215	4	\$ 73,086	\$ 99,096	\$ 74,986	\$ 101,673
Middletown	2,116	1,495	138	\$ 515,287	\$ 696,149	\$ 528,684	\$ 714,249
Narragansett	1,275	1,004	52	\$ 343,437	\$ 464,899	\$ 352,366	\$ 476,986
Newport	2,080	707	106	\$ 246,303	\$ 331,835	\$ 252,707	\$ 340,463
New Shoreham	133	112	7	\$ 38,389	\$ 51,938	\$ 39,387	\$ 53,289
North Kingstown	3,965	3,110	97	\$ 1,059,713	\$ 1,435,955	\$ 1,087,266	\$ 1,473,290
North Providence	3,517	2,150	191	\$ 740,568	\$ 1,000,671	\$ 759,823	\$ 1,026,688
North Smithfield	1,652	1,394	63	\$ 476,252	\$ 644,895	\$ 488,635	\$ 661,663
Pawtucket	8,626	2,046	786	\$ 743,595	\$ 991,116	\$ 762,929	\$ 1,016,885
Portsmouth	2,413	2,086	68	\$ 710,980	\$ 963,341	\$ 729,466	\$ 988,387
Providence	23,688	3,562	1,665	\$ 1,313,639	\$ 1,744,563	\$ 1,347,794	\$ 1,789,921
Scituate	1,230	1,011	32	\$ 344,522	\$ 466,831	\$ 353,480	\$ 478,968
Smithfield	2,413	2,078	91	\$ 709,749	\$ 961,142	\$ 728,203	\$ 986,131
South Kingstown	2,960	2,494	37	\$ 847,193	\$ 1,148,912	\$ 869,220	\$ 1,178,783
Tiverton	1,738	1,327	74	\$ 454,264	\$ 614,802	\$ 466,075	\$ 630,786
Warwick	8,643	6,129	396	\$ 2,101,589	\$ 2,843,063	\$ 2,156,230	\$ 2,916,983
Westerly	2,676	1,724	166	\$ 594,658	\$ 803,224	\$ 610,119	\$ 824,108
West Warwick	3,536	1,783	302	\$ 623,388	\$ 839,092	\$ 639,596	\$ 860,908
Woonsocket	5,215	1,151	395	\$ 415,285	\$ 554,530	\$ 426,082	\$ 568,948
Bristol Warren	3,194	2,233	194	\$ 768,876	\$ 1,039,020	\$ 788,867	\$ 1,066,035
Exeter-West Greenwich	1,628	1,374	55	\$ 468,963	\$ 635,187	\$ 481,156	\$ 651,701
Charlho	3,214	2,557	99	\$ 872,519	\$ 1,181,860	\$ 895,205	\$ 1,212,589
Foster-Glocester	1,302	1,113	30	\$ 378,945	\$ 513,593	\$ 388,797	\$ 526,947
<b>Total</b>	<b>127,420</b>	<b>68,673</b>	<b>6,975</b>	<b>\$ 23,710,647</b>	<b>\$ 32,018,569</b>	<b>\$ 24,327,124</b>	<b>\$ 32,851,052</b>



**State Schools**

Davies Career & Tech	868	342	115	\$	123,243	\$	164,617	\$	126,447	\$	168,897
MET Career & Tech	781	238	86	\$	86,149	\$	114,942	\$	88,389	\$	117,930
Northern RI Collaborative	64	6	8	\$	2,547	\$	3,273	\$	2,613	\$	3,358
West Bay Collaborative	33	3	1	\$	1,081	\$	1,443	\$	1,109	\$	1,481
East Bay Collaborative	57	33	-	\$	11,178	\$	15,171	\$	11,469	\$	15,565
Urban Collaborative	135	27	4	\$	9,403	\$	12,670	\$	9,648	\$	12,999
<b>Total</b>	<b>1,938</b>	<b>649</b>	<b>214</b>	<b>\$</b>	<b>233,601</b>	<b>\$</b>	<b>312,115</b>	<b>\$</b>	<b>239,674</b>	<b>\$</b>	<b>320,230</b>

**Public Charter Schools**

<b>Total</b>	<b>8,082</b>	<b>2,547</b>	<b>847</b>	<b>\$</b>	<b>917,225</b>	<b>\$</b>	<b>1,225,356</b>	<b>\$</b>	<b>941,073</b>	<b>\$</b>	<b>1,257,216</b>
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**Statewide Totals**

<b>Total</b>	<b>137,440</b>	<b>71,869</b>	<b>8,036</b>	<b>\$</b>	<b>24,861,473</b>	<b>\$</b>	<b>33,556,041</b>	<b>\$</b>	<b>25,507,871</b>	<b>\$</b>	<b>34,428,498</b>
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**House Fiscal Advisor Comments H 5100:**

As indicated in the fiscal note prepared by the Budget Office, multiple assumptions were required in order to estimate the fiscal impact of H 5100. These assumptions include student participation and daily attendance. Any variance to these assumptions will impact the estimates provided. As noted, the state's obligation to provide free lunches to state schools in FY 2020 could range between \$233,601 and \$312,115, depending on student participation and attendance. However, the calculation excludes students at the Rhode Island School for the Deaf and understates the cost of the program by up to \$11,732. Adjusting for this, the total cost for state schools in FY 2020 could range between \$245,333 and \$323,850, depending on the compliance percentage

The cost of providing free lunch to all public school students, including charter and state schools, could range between \$23.7 million and \$32.0 million in FY 2020.

