153rd GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**HOUSE BILL NO. 91**
SPONSOR:	**Representative K. Williams**
DESCRIPTION:	**AN ACT TO AMEND TITLE 14 OF THE DELAWARE CODE RELATING TO SCHOOL MEALS.**

Assumptions:

1. This Act becomes effective upon signature by the Governor and is to be implemented beginning July 1, 2026.

2. This Act expands eligibility for free school meals to include students who attend eligible schools and whose household incomes are between 185% and 225% of the federal poverty level. Ineligible schools include Community Eligibility Provision (CEP), Provision 1, Provision 2, or Provision 3 schools.

3. This Act requires that the Department of Education reimburse schools for the difference between the federal reimbursement rate for paid meals and free meals. According to the National School Lunch Program and the School Breakfast Program:
    a. One breakfast for one student is estimated to cost the State $1.98.
    b. One severe need breakfast for one student is estimated to cost the State $2.45.
    c. One lunch for one student is estimated to cost the State $4.01.

4. According to the Department of Education, there are approximately 83 eligible public schools in Delaware. The annual school meal count is conducted in October each year. In October 2024, the following meals were served in eligible schools:
    a. 86,503 paid breakfasts.
    b. 59,863 paid severe need breakfasts.
    c. 410,666 paid lunches.

5. The Department of Education conducted a brief survey with several local School Food Authorities to review meal benefit forms and determine the number of students who currently qualify for federal paid school meals but would qualify for state free school meals under this Act. According to this survey, approximately 50% of those students who qualify for federal paid meals based on a denied meal benefit form at non-CEP and non-Provision schools come from households with income between 185% and 225% of the federal poverty level. Based on this analysis, it is assumed that 50% of students statewide who currently qualify for federal paid meals at non-CEP and non-Provision schools would qualify for state free meals.

6. Upon enactment, approximately 432,515 breakfasts and 299,315 severe need breakfasts which would be free under this Act are expected to be served in Delaware schools during the 2024-2025 school year. Upon enactment, approximately 2,053,330 lunches which would be free under this Act are expected to be served in Delaware schools during the 2024-2025 school year.

7. Overall meals served are assumed to increase at an annual rate of 2.0%. The difference between the federal reimbursement rate for paid meals and free meals is assumed to increase at an annual rate of 2.0%.

8. This analysis assumes no change in federal reimbursement rates.

Cost:

	Breakfast Cost	**Lunch Cost**	**Total Costs**
Fiscal Year 2026:	$1,638,966	$8,566,501	$10,205,467
Fiscal Year 2027:	$1,689,921	$8,912,588	$10,602,508
Fiscal Year 2028:	$1,742,630	$9,272,656	$11,015,286

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Office of the Controller General