153rd GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**HOUSE SUBSTITUTE NO. 1 for 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 requires all schools to offer free breakfast to all students. This Act requires that the Department of Education reimburse schools for the difference between the federal reimbursement rate for paid breakfast meals and free breakfast meals.

3. Ineligible schools include Community Eligibility Provision (CEP), Provision 1, Provision 2, or Provision 3 schools.

4. This Act requires that the Department of Education reimburse schools for the difference between the federal reimbursement rate for paid breakfast meals and free breakfast meals. According to 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.

5. 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.

6. Upon enactment, it is estimated that approximately 882,331 breakfasts and 610,603 severe need breakfasts which would be free under this Act are expected to be served in Delaware schools during the 2025-2026 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:

	Cost
Fiscal Year 2026:	$3,277,931
Fiscal Year 2027:	$3,379,842
Fiscal Year 2028:	$3,485,259

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Office of the Controller General