

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 1222

STATE OF NEW JERSEY
220th LEGISLATURE

DATED: MARCH 7, 2023

SUMMARY

- Synopsis:** Directs Department of Agriculture in consultation with DOE to establish online applications for National School Lunch Program and school breakfast programs.
- Type of Impact:** Annual State expenditure increase from the General Fund.
- Agencies Affected:** Department of Agriculture, Department of Education, and certain school districts.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2 and Thereafter</u>
State Expenditure Increase	\$12.8 million	\$1 million

- The Office of Legislative Services (OLS) estimates that this bill would result in State expenditure increase of \$12.8 million in the first year of implementation, and \$1.0 million each year thereafter. This is based on an Executive Branch estimate provided in a previous fiscal year, adjusted for inflation.
- The OLS generally agrees with the Executive Branch estimate that was provided, but notes the Executive estimate was not able to determine the precise level of software integration current schools would need to connect with a Statewide Internet-based online school meal application system. The OLS considers that with the various software systems currently in place in the State’s schools and varying levels of software needs, the Executive estimate provided may have been conservative.

BILL DESCRIPTION

The bill would require the Department of Agriculture, in consultation with the Department of Education, to develop and make available to each school district and nonpublic school participating in the National School Lunch Program or in a school breakfast program, an Internet-

based online school meal application for eligible students to participate in these programs. Schools participating in the National School Lunch Program or in a school breakfast program would be encouraged to make the online school meal application available. A participating school district or nonpublic school that implements the online school meal application would also be required to continue to make available paper applications.

FISCAL ANALYSIS

EXECUTIVE BRANCH

The Executive Branch provided a formal fiscal note for a previous version of this bill, Assembly Bill No. 3501 of the 2018-2019 Session. Using the information provided in 2018 and adjusting for inflation, the total cost for implementation would be \$12.8 million for the first year, and \$1 million for each year thereafter. These expenses would include software costs, as well as staffing and maintenance costs. The primary driver of the estimate is the software costs. Administrative costs associated with the bill would include staffing expenses for one project manager, one business analyst, one quality assurance person, one developer, two help desk support staff, and three trainers.

OFFICE OF LEGISLATIVE SERVICES

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In order to satisfy the bill's provisions, each school would need to be connected to several systems such as a student enrollment database, direct certification database, verification sampling software, and a meal counting and claiming system in order to provide the full benefits of an integrated online environment. In addition, the Statewide online system would need to be connected to a secure school database that would save the information that households submit through individual applications. Each school would therefore have to have several systems in place in order to connect with the Statewide online system. The various types of software systems currently in place in each school varies, and, therefore, the level of software integration needed for each school to connect to a Statewide online system would also vary, thereby affecting cost estimates for system integration. A higher level of software integration needed in any given school would result in additional expenditures. The OLS also notes that each school varies in its access to information technology resources equipped to establish these new systems and therefore some schools may need additional resources to support the new systems.

Section: Environment, Agriculture, Energy, and Natural Resources

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).