

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 3260

STATE OF NEW JERSEY

DATED: SEPTEMBER 23, 2024

The Assembly Appropriations Committee reports favorably Assembly Bill No. 3260 (1R).

This bill requires the Department of Agriculture, in consultation with the Department of Education, to develop and make available to each school district and nonpublic school implementing a school lunch program or a school breakfast program, an Internet-based school meals application. The Internet-based school meals application required under the amended bill is designed to facilitate the subsidized school meals determinations required by current law. A school district or nonpublic school has the option to implement and use the Internetbased school meals application. In the event that the school district or nonpublic school does implement and use the Internet-based school meals application, the district or school is still required to continue to make available hard copies of the subsidized school meals application required by current law. Under the amended bill, a school district or nonpublic school, which currently provides an Internet-based school meals application, has one year from the date of the bill's enactment to switch to the application developed pursuant to the bill.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that this bill would result in a State expenditure increase of \$14 million in the first year of implementation, and \$1 million each year thereafter. This is based on an Executive Branch estimate provided in a previous fiscal year, adjusted for inflation, new program qualifications, and increasing program costs. The primary cost driver would be the cost of developing the online application platform, incurred by the Department of Agriculture and the Department of Education, as well as the cost of implementing the program in school districts. The expenditure increase also includes administrative costs, employee benefits, training costs, and equipment services.

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 that 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 may have underestimated costs.