

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

Revised to reflect the adoption of AM3120 and AM3143

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)					
EXPENDITURES	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	55,638	1,151,180	0	0	1,206,818
FY2027-2028	55,638	1,151,180	0	0	1,206,818
FY2028-2029	55,638	1,151,180	0	0	1,206,818
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	0	0	0	0	0
FY2028-2029	0	0	0	0	0

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

AM3143 allows any school to participate in the Hunger-Free Schools Pilot Program & states the intent of the Legislature to appropriate funds to NDE to administer the Hunger-Free Schools Act for any school that does not receive funds from the Hunger-Free Schools Cash Fund.

AM3120 creates the Hunger-Free Schools Pilot Program & the Hunger-Free Schools Cash Fund.

The pilot program will include school years 2026-27 through 2031-32. NDE will annually reimburse each participating school a portion of the cost of each eligible meal served by that school during the second preceding school fiscal year in an amount equal to the difference between the federal reimbursement rate for a free meal & the federal reimbursement rate for a reduced-price meal for each eligible meal. The calculation of the reimbursement for each eligible meal will be based on the federal reimbursement rates for a school breakfast or a school lunch as applicable to the eligible meal.

On or before December 1, 2032, NDE will electronically report the results to the Clerk of the Legislature & to the Education Committee of the Legislature.

The Cash Fund will consist of money transferred to the fund by the Legislature, & money donated as gifts, bequests, or other contributions from public or private entities. NDE will use the proceeds of the fund to carry out the Hunger-Free Schools Act.

FISCAL IMPACT:

Based off of the 2024-25 school year meal count information, NDE is estimating an annual cost of \$1,206,818: \$55,638 of General Funds & \$1,151,180 from the Hunger-Free Schools Cash Fund.

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2026

LB⁽¹⁾ 966 AM3143 AM3120

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Nebraska Department of Education

Prepared by: ⁽³⁾ Bryce Wilson

Date Prepared: 4/8/26
⁽⁴⁾

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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	55,638		55,638	
CASH FUNDS	1,151,179		1,151,179	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	1,206,817		1,206,817	

Explanation of Estimate:

LB 966 with AM 3143 and AM 3120 provides reimbursement for qualified schools who provide free meals to students that are eligible for reduced price school meals. The reimbursement to each qualified school would be the difference of the Federal reimbursement rate for a free meal compared to the Federal rate for a reduced-price meal for qualifying students.

The NDE estimates the cost for the reimbursement of lunch to be \$972,851 and breakfast to be \$233,966 using the meal count information from last year. The General fund expenditure is for the non-public participating schools.

NDE is assuming this bill would go into effect for the 2026/27 school year if passed and would require reimbursement beginning in 2027/28.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27 EXPENDITURES	2027-28 EXPENDITURES
	26-27	27-28		
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				1,206,817
Capital improvements.....				

TOTAL.....

1,206,817
