Ohio Legislative Service Commission

Alexandra Vitale

Fiscal Note & Local Impact Statement

Bill: S.B. 247 of the 131st G.A.   **Date**:   May 25, 2016

Status: As Passed by the Senate   **Sponsor**:   Sens. Brown and Lehner

Local Impact Statement Procedure Required: No

Contents: Requires school districts to allow approved summer food service program sponsors to use district facilities to provide food service for summer intervention programs under certain conditions

State Fiscal Highlights

- The bill may increase the administrative burden of the Ohio Department of Education (ODE) if the number of food service programs increases. ODE receives federal administrative funding for its duties related to food service programs.

Local Fiscal Highlights

- The bill requires that certain school districts permit outside sponsors to use district facilities to operate summer food service programs. Although a district may incur costs through the use of its facilities, the bill allows districts to offset these costs by charging the sponsor a reasonable fee.

Detailed Fiscal Analysis

School districts

Continuing law requires school districts to establish an extension of their school lunch or school breakfast programs or a summer food service program (SFSP) to provide meals to students participating in summer intervention programs mandated by law. However, continuing law also allows a district to opt out of this food service requirement, if the district determines it cannot comply for financial reasons. The bill requires a district that opts out to permit an approved SFSP sponsor to use its facilities to provide meals if the facilities are located in an attendance area where at least one-half of students are eligible for free lunches.[1] Although districts will likely incur costs for the

---

[1] According to FY 2016 income eligibility guidelines provided by the USDA, students qualify for free lunches with a family income of less than 130% of the federal poverty level ($26,117 annually for a family of three).

use of their facilities, the bill permits the district to offset these costs by charging the SFSP sponsor a reasonable fee. The fee may include the cost of custodial services, charges for the use of school equipment, and a prorated share of utility costs. Under the bill, the SFSP sponsor is also required to indemnify and hold harmless the district from any liability resulting from the operation of a summer food service program.

Ohio Department of Education

The Ohio Department of Education (ODE) administers the SFSP, a nationwide child nutrition program funded by the United States Department of Agriculture (USDA). Under the SFSP, ODE approves sponsor applications, conducts trainings for sponsors, monitors SFSP operations throughout the state, and processes reimbursement payments to sponsors based on a set rate per meal served. According to ODE, training for sponsors includes how to plan, operate, budget for, and monitor a food service program. Sponsors can be public or private nonprofit groups and can include organizations such as government entities, churches, universities, and camps. Under the bill, ODE must post on its website in a prominent location a list of approved SFSP sponsors from which school districts can choose.

The administrative burden for ODE may increase to carry out the responsibilities described above if the bill results in an increase in the number of SFSP sponsors or sites. ODE receives federal funds for administrative expenses related to the program. In 2015, the SFSP was offered at 1,550 sites throughout Ohio, which were operated by a total of 135 sponsors. A listing of the state's SFSP sponsors and sites is available online at ODE's website.[2] In FY 2015, federal reimbursement payments passed through to sponsors amounted to about $11.2 million.

---

[2] http://education.ohio.gov/Topics/Other-Resources/Food-and-Nutrition/Summer-Food-Service-Program/2015-Summer-Food-Service-Program.