

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 305 – HB415

March 3, 2019

SUMMARY OF BILL: Authorizes whole milk to be offered as a choice for students in local education agencies and schools pursuant to the Tennessee School Nutrition Standards Act.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – Federal funding, or portions thereof, received for school meal programs could be jeopardized.

Assumptions:

- In FY18-19, the state received a total \$396,363,180 in federal funding for the National School Lunch, School Breakfast, Afterschool Snack, Special Milk and Seamless Summer Option programs.
- According to the Department of Education (DOE), the state expects to receive federal funding for these purposes totaling approximately \$401,000,000 in FY19-20.
- Pursuant to 7 CFR §210.10(c)(g), the requirements of the United States Department of Agriculture (USDA), regarding programs through which the state receives federal funding, explicitly states “Offer plain or flavored fat-free milk and unflavored low-fat milk (1 percent milk fat or less)”.
- Based on information provided by DOE, it is assumed that eligibility for receiving the respective federal funding for these intended programs is contingent upon states meeting the aforementioned federal requirements. Given that whole milk does not meet the requirements for fluid milk standards as set forth by the USDA, the state may jeopardize some portion of federal funding up to \$401,000,000.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

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