



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number:	H. 3006	Introduced on January 12, 2021
Author:	Brawley	
Subject:	School Lunch Debt	
Requestor:	House Education and Public Works	
RFA Analyst(s):	Wren	
Impact Date:	April 2, 2021	

Fiscal Impact Summary

This bill prohibits a public school or public school district from using a debt collection service to collect debts on student school lunch or breakfast accounts.

This bill is not expected to have an expenditure impact on the state agency schools since most of the agencies indicate that they either do not use debt collection services for outstanding debts on student meal accounts or do not charge for student meals.

This bill will have an undetermined expenditure impact on local school districts since some districts currently use a debt collection agency to collect on student meal accounts. The impact will vary annually by district and will depend upon the amount of delinquent student meal debt.

Explanation of Fiscal Impact

Introduced on January 12, 2021

State Expenditure

This bill prohibits a public school or public school district from using a debt collection service to collect debts on student school lunch or breakfast accounts. Additionally, a public school or public school district may not assess or collect any interest, fees, or other monetary penalties for outstanding debts on student school lunch and breakfast accounts. The provisions of the bill apply to debts on student lunch and breakfast accounts outstanding on the effective date of the bill and incurred after the effective date of the bill.

The Governor's School for the Arts and Humanities, the Governor's School for Science and Mathematics, and the Wil Lou Gray Opportunity School indicate that they do not use debt collection services or assess any interest, fees, or other monetary penalties for outstanding debts on school lunch and breakfast accounts. The School for the Deaf and Blind indicates that the agency does not charge students for meals. We anticipate a similar response from the Governor's School for Agriculture at John da la Howe. Therefore, we do not expect that this bill will have an expenditure impact on the state agency schools.

State Revenue

N/A

Local Expenditure

This bill prohibits a public school or public school district from using a debt collection service to collect debts on student school lunch or breakfast accounts. Additionally, a public school or public school district may not assess or collect any interest, fees, or other monetary penalties for outstanding debts on student school lunch and breakfast accounts. The provisions of the bill apply to debts on student lunch and breakfast accounts outstanding on the effective date of the bill and incurred after the effective date of the bill.

SDE indicates that this bill will have an undetermined expenditure impact on local school districts since some districts do use a debt collection agency to collect on student meal accounts. The impact will vary annually by district and will depend upon the amount of delinquent student meal debt.

Local Revenue

N/A



Frank A. Rainwater, Executive Director