

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS  
FISCAL IMPACT STATEMENT**

**LS 6622**

**BILL NUMBER:** HB 1137

**NOTE PREPARED:** Jan 15, 2026

**BILL AMENDED:** Jan 15, 2026

**SUBJECT:** Foods and Beverages on School Property.

**FIRST AUTHOR:** Rep. McGuire

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill provides that a public school that participates in a federally funded or assisted meal program:

(1) May not serve, sell, or allow a third party vendor to serve or sell a food or beverage that contains certain ingredients on school property on a school day; and

(2) Shall post any breakfast or lunch menu and ingredients on the school's website.

It also establishes exceptions.

**Effective Date:** July 1, 2026.

**Explanation of State Expenditures:** The Department of Education may experience a minor workload increase to establish a certification process and to track school compliance with the bill's provisions. The bill's requirements are within the agency's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised) Beginning in FY 2028, public schools participating in the National School Lunch Program (NSLP) would be prohibited from selling or serving foods and beverages containing certain ingredients. The impact to public schools who do not currently meet the bill's provisions would depend on future contract terms reached between the schools and their food service vendors.

**Additional Information** - In FY 2025, roughly 90% of public schools participated in NSLP.

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Education.

**Local Agencies Affected:** Public schools.

**Information Sources:** Department of Education.

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