Report of the

NORTH DAKOTA LEGISLATIVE COUNCIL

Submitted to the

North Dakota Secretary of State

Under North Dakota Century Code Section 16.1-01-17

BACKGROUND

In 2004, the electorate of this state approved a constitutional amendment to Section 2 of Article III of the Constitution of North Dakota which authorized the Legislative Assembly to provide by law for a procedure through which the Legislative Council may establish an appropriate method for determining the fiscal impact of an initiated measure and for making the information regarding the fiscal impact of the measure available to the public.

In 2005, the Legislative Assembly enacted North Dakota Century Code Section 16.1-01-17, which requires the Legislative Management to hold hearings, receive public testimony, and gather information from agencies, institutions, or departments on the estimated fiscal impact of an initiated measure. At least 30 days before the public vote on the measure, the Legislative Council is to submit a statement of the estimated fiscal impact of the measure to the Secretary of State. Within 30 days of the close of the 1st complete fiscal year after the effective date of an initiated measure approved by the voters, the agencies, institutions, or departments that provided the estimates of the fiscal impact of the measure to the Legislative Council are to submit a report to the Legislative Council on the actual fiscal impact for the 1st complete fiscal year resulting from the provisions of the initiated measure and a comparison to the estimates provided to the Legislative Council, and the Legislative Council is to issue a report of the actual fiscal impact of the initiated measure.

One initiated constitutional measure relating to school meals qualified for the ballot for the general election on Tuesday, November 3, 2026.

The Legislative Council followed the procedure required by statute, which is similar to the procedure for obtaining fiscal impact information which the Legislative Assembly follows during legislative sessions. The state agency determined to have either the best information on the impact of a measure or the primary responsibility for compiling and maintaining the information needed was asked to prepare a fiscal note and present its findings at a meeting held by the Legislative Management on June 11, 2026.

INITIATED CONSTITUTIONAL MEASURE RELATING TO SCHOOL MEALS

The initiated constitutional measure relating to school meals would add a new section to Article VIII of the Constitution of North Dakota. All public school districts, public schools, and public charter schools would be required to provide breakfast and lunch to students at no cost to the students or their parents or guardians, while the requirement would be optional for nonpublic schools, Bureau of Indian Education schools, and other tribal schools. The measure would not apply to schools of higher education.

A school would be eligible for reimbursement from the state for the cost of each breakfast and lunch served if the school participated in federal school meal funding programs to the fullest extent possible and encouraged parents and guardians of students to apply for those programs. The state would be required to reimburse each eligible school at the reimbursement rate published by the United States Department of Agriculture (USDA), annually adjusted for inflation, less any federal reimbursement. If USDA rates were no longer available, the Superintendent of Public Instruction would select an equivalent alternative inflationary measure. The Legislative Assembly would be required to fund the reimbursements, appropriating funding from the Legacy Earnings Fund if another funding source could not be identified.

The measure would be implemented beginning with the 2027-28 school year, and the Superintendent of Public Instruction would be authorized to adopt rules and policies to ensure timely implementation. The measure would permit laws to be enacted to facilitate, safeguard, expand, or implement the section, but not to hamper, restrict, or impair it. The measure would be required to be liberally construed. The provisions of the measure would be severable, and any provision of the measure held invalid would not affect the remaining provisions. If this section conflicted with North Dakota law, this section would control.

STATEMENT OF ESTIMATED FISCAL IMPACT OF THE MEASURE

The Department of Public Instruction reported the following fiscal impact of the measure for the 2027-29 biennium:

- $124 million to $134 million for the cost of free meals; and
- $300,000 in administrative costs to the department.