

Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 24-1081.02 Alana Rosen x2606

HOUSE BILL 24-1390

HOUSE SPONSORSHIP

Bird and Sirota, Taggart

SENATE SPONSORSHIP

Kirkmeyer and Bridges, Zenzinger

House Committees
Appropriations

Senate Committees

A BILL FOR AN ACT

101 CONCERNING MEASURES TO SUPPORT CERTAIN SCHOOL FOOD
102 PROGRAMS IN THE DEPARTMENT OF EDUCATION.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Joint Budget Committee. The bill requires the department of education (department) to apply to the United States department of agriculture for a statewide community eligibility provision if the department determines participation in a statewide community eligibility provision will maximize federal funding.

The bill requires the department to annually establish options for,

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

and communicate the options to, school food authorities to maximize federal funding. A school food authority that chooses an option other than those established by the department will not receive healthy school meals for all program funding and must use other eligible funding sources to cover the costs of serving free meals to all students at the schools of the school food authority.

The bill delays the implementation of the local food purchasing grant, the wage increase or stipend program for school meals food preparation and service employees (wage increase or stipend program), and the local school food purchasing technical assistance and education grant program until the 2025-26 budget year.

The bill requires the department to create a policy for school food authorities to maximize the collection of household income application forms for the national school lunch program to increase federal funding for the program. School food authorities that choose to participate in the program shall apply the policy to maximize the collection of household income application forms.

The bill creates the healthy school meals for all program technical advisory group (advisory group). As soon as practicable, the department shall convene the advisory group. The advisory group shall collaborate with school districts, the office of state planning and budgeting, and other interested parties to:

- Identify ways to maximize federal reimbursements;
- Reduce costs of the program;
- Review cost-savings options, including minimizing food waste;
- Strengthen the long-term resiliency of the healthy school meals for all cash fund;
- Create model revenue scenarios;
- Provide options and recommendations to balance program revenues and expenditures; and
- Draft a report with legislative and administrative recommendations and submit it to the education committees of the house of representatives and the senate, or any successor committees; the joint budget committee; the state board of education; and the governor.

On January 1, 2024, the local school food purchasing program (purchasing program) and the local school food purchasing technical assistance and education grant program (grant program) repealed. The bill recreates the purchasing program and the grant program, and extends the programs through the 2024-25 budget year.

The bill eliminates the authorization for department expenditures in excess of the appropriated amount to participating school food authorities for the wage increase or stipend program.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 22-82.9-202, **add** (3)
3 as follows:

4 **22-82.9-202. Legislative declaration.** (3) THE GENERAL
5 ASSEMBLY FURTHER DECLARES THAT FOR PURPOSES OF SECTION 17 OF
6 ARTICLE IX OF THE STATE CONSTITUTION, HEALTHY SCHOOL MEALS ARE
7 AN ESSENTIAL COMPONENT TO STUDENT LEARNING. FREE HEALTHY
8 SCHOOL MEALS ARE AN IMPORTANT COMPONENT OF AN ACCOUNTABLE
9 EDUCATION PROGRAM TO MEET STATE ACADEMIC STANDARDS AND MAY
10 THEREFORE RECEIVE FUNDING FROM THE STATE EDUCATION FUND
11 CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

12 **SECTION 2.** In Colorado Revised Statutes, 22-82.9-203, **add**
13 (11.5) as follows:

14 **22-82.9-203. Definitions.** As used in this part 2, unless the
15 context otherwise requires:

16 (11.5) "PROVISIONAL PROGRAMS" MEANS ALTERNATIVE OPTIONS
17 THROUGH THE NATIONAL SCHOOL LUNCH PROGRAM AND NATIONAL
18 SCHOOL BREAKFAST PROGRAM TO IMPROVE ACCESS TO FREE MEALS AND
19 TO SIMPLIFY MEAL COUNTING AND CLAIMS PROCEDURES.

20 **SECTION 3.** In Colorado Revised Statutes, 22-82.9-204, **amend**
21 (2), (3), and (4)(b); and **add** (6) and (7) as follows:

22 **22-82.9-204. Healthy school meals for all program - created -**
23 **advisory group - report - rules - definition - repeal.** (2) A school food
24 authority that chooses to participate in the program must annually give
25 notice of participation to the department as provided by rule of the state
26 board. At a minimum, the notice must include evidence that the school

1 food authority is participating in ~~the community eligibility provision as~~
2 ~~required in subsection (3) of this section~~ PROVISIONAL PROGRAMMING IF
3 DEEMED NECESSARY BY THE DEPARTMENT. THE DEPARTMENT MAY
4 REQUIRE SCHOOL FOOD AUTHORITY MODIFICATIONS TO THE PROGRAM
5 THROUGHOUT THE YEAR TO MAXIMIZE A SCHOOL FOOD AUTHORITY'S
6 FEDERAL REIMBURSEMENTS AS DEEMED NECESSARY BY THE DEPARTMENT.

7 (3) (a) If the United States department of agriculture creates the
8 option for the state, as a whole, to participate in the community eligibility
9 provision, the department shall participate in the option and shall work
10 with school food authorities and the necessary state and local departments
11 to collect data and implement the community eligibility provision
12 statewide, IF THE DEPARTMENT DETERMINES PARTICIPATION IN THE
13 STATEWIDE COMMUNITY ELIGIBILITY PROVISION MAXIMIZES FEDERAL
14 FUNDING. Until such time as Colorado participates in the community
15 eligibility provision as a state, each participating school food authority,
16 as a condition of participating in the program, must maximize the amount
17 of federal reimbursement ~~by~~ THE SCHOOL FOOD AUTHORITY RECEIVES,
18 INCLUDING, BUT NOT LIMITED TO, participating in PROVISIONAL
19 PROGRAMS, INCLUDING the community eligibility provision for all schools
20 that qualify, ~~for the community eligibility provision and that the~~
21 ~~participating school food authority serves~~ SUBJECT TO DETERMINATION BY
22 THE DEPARTMENT THAT THE SCHOOL FOOD AUTHORITY'S PARTICIPATION
23 MAXIMIZES FEDERAL REIMBURSEMENT.

24 (b) ANNUALLY, THE DEPARTMENT SHALL ESTABLISH OPTIONS FOR,
25 AND COMMUNICATE THE OPTIONS TO, EACH SCHOOL FOOD AUTHORITY TO
26 MAXIMIZE FEDERAL FUNDING. A SCHOOL FOOD AUTHORITY THAT CHOOSES
27 AN OPTION OTHER THAN THE OPTIONS ESTABLISHED BY THE DEPARTMENT

1 SHALL NOT RECEIVE HEALTHY SCHOOL MEALS FOR ALL PROGRAM FUNDING
2 AND MUST USE OTHER ELIGIBLE FUNDING SOURCES TO COVER THE COSTS
3 OF SERVING FREE MEALS TO ALL STUDENTS AT THE SCHOOLS OF THE
4 SCHOOL FOOD AUTHORITY.

5 (4) (b) SUBJECT TO AVAILABLE APPROPRIATIONS, implementation
6 of sections 22-82.9-205 to 22-82.9-207 is ~~conditional upon the state of~~
7 ~~Colorado being certified to participate in the demonstration project for~~
8 ~~direct certification for children receiving medicaid benefits that is~~
9 ~~operated pursuant to 42 U.S.C. sec. 1758 (b)(15)~~ EFFECTIVE BEGINNING
10 IN THE 2025-26 BUDGET YEAR.

11 (6) (a) ON OR BEFORE JULY 1, 2024, THE DEPARTMENT SHALL
12 CREATE A POLICY FOR SCHOOL FOOD AUTHORITIES TO MAXIMIZE THE
13 COLLECTION OF HOUSEHOLD INCOME APPLICATION FORMS FOR THE
14 NATIONAL SCHOOL LUNCH PROGRAM TO INCREASE FEDERAL FUNDING FOR
15 THE PROGRAM.

16 (b) SCHOOL FOOD AUTHORITIES THAT CHOOSE TO PARTICIPATE IN
17 THE PROGRAM SHALL COMPLY WITH THE POLICY DESCRIBED IN
18 SUBSECTION (6)(a) OF THIS SECTION TO MAXIMIZE THE COLLECTION OF
19 HOUSEHOLD INCOME APPLICATION FORMS FOR THE NATIONAL SCHOOL
20 LUNCH PROGRAM.

21 (7) (a) THE HEALTHY SCHOOL MEALS FOR ALL PROGRAM
22 TECHNICAL ADVISORY GROUP IS CREATED IN THE DEPARTMENT. AS SOON
23 AS PRACTICABLE, THE DEPARTMENT SHALL CONVENE THE ADVISORY
24 GROUP AND THE ADVISORY GROUP SHALL COLLABORATE WITH SCHOOL
25 DISTRICTS, THE OFFICE OF STATE PLANNING AND BUDGETING, AND OTHER
26 INTERESTED PARTIES TO:

27 (I) IDENTIFY WAYS TO MAXIMIZE FEDERAL REIMBURSEMENTS;

1 (II) REDUCE COSTS OF THE PROGRAM;

2 (III) REVIEW COST-SAVINGS OPTIONS, INCLUDING MINIMIZING

3 FOOD WASTE;

4 (IV) STRENGTHEN THE LONG-TERM RESILIENCY OF THE HEALTHY

5 SCHOOL MEALS FOR ALL CASH FUND;

6 (V) CREATE MODEL REVENUE SCENARIOS;

7 (VI) PROVIDE OPTIONS AND RECOMMENDATIONS FOR BALANCING

8 PROGRAM REVENUES AND EXPENDITURES IN THE MANNER MOST

9 EQUITABLE FOR STUDENTS AND SCHOOL FOOD AUTHORITIES; AND

10 (VII) DRAFT A REPORT PURSUANT TO SUBSECTION (7)(d) OF THIS

11 SECTION WITH LEGISLATIVE AND ADMINISTRATIVE RECOMMENDATIONS.

12 (b) (I) THE ADVISORY GROUP SHALL SOLICIT INPUT FROM

13 STAKEHOLDERS AND THE PUBLIC TO DIRECT THE ADVISORY GROUP'S WORK.

14 (II) LEGISLATIVE COUNCIL STAFF AND JOINT BUDGET COMMITTEE

15 STAFF SHALL PROVIDE TECHNICAL SUPPORT TO THE ADVISORY GROUP.

16 (III) THE DEPARTMENT SHALL COLLABORATE WITH THE ADVISORY

17 GROUP TO OBTAIN THE CONTRACTUAL SERVICES NECESSARY FOR THE

18 ADVISORY GROUP'S WORK.

19 (c) IN JUNE 2024 AND SEPTEMBER 2024, THE ADVISORY GROUP

20 SHALL SUBMIT A STATUS REPORT TO THE JOINT BUDGET COMMITTEE ON

21 THE PROGRESS OF THE ADVISORY GROUP'S WORK.

22 (d) (I) ON OR BEFORE DECEMBER 1, 2024, THE ADVISORY GROUP

23 SHALL SUBMIT A REPORT SUMMARIZING THE ADVISORY GROUP'S WORK

24 DESCRIBED IN SUBSECTION (7)(a) OF THIS SECTION TO THE EDUCATION

25 COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, OR

26 ANY SUCCESSOR COMMITTEES; THE JOINT BUDGET COMMITTEE; THE STATE

27 BOARD; AND THE GOVERNOR.

1 (II) IN DECEMBER 2024, THE DEPARTMENT SHALL PRESENT THE
2 ADVISORY GROUP'S REPORT DESCRIBED IN SUBSECTION (7)(d)(I) OF THIS
3 SECTION TO THE JOINT BUDGET COMMITTEE.

4 (III) IN JANUARY 2025, THE DEPARTMENT SHALL INCLUDE AS PART
5 OF ITS PRESENTATION DURING ITS "SMART ACT" HEARING REQUIRED BY
6 SECTION 2-7-203 INFORMATION CONCERNING THE PROGRAM AND THE
7 REPORT DESCRIBED IN SUBSECTION (7)(d)(I) OF THIS SECTION.

8 (e) AS USED IN THIS SUBSECTION, UNLESS THE CONTEXT
9 OTHERWISE REQUIRES, "HEALTHY SCHOOL MEALS FOR ALL PROGRAM
10 TECHNICAL ADVISORY GROUP" OR "ADVISORY GROUP" MEANS THE
11 HEALTHY SCHOOL MEALS FOR ALL PROGRAM TECHNICAL ADVISORY GROUP
12 CREATED IN THIS SUBSECTION (7).

13 (f) THIS SUBSECTION (7) IS REPEALED, EFFECTIVE JULY 1, 2025.

14 **SECTION 4.** In Colorado Revised Statutes, 22-82.9-205, **amend**
15 (5) as follows:

16 **22-82.9-205. Local food purchasing grant - amount - advisory**
17 **committee - verification of invoices.** (5) SUBJECT TO AVAILABLE
18 APPROPRIATIONS, this section is effective beginning in the ~~first full budget~~
19 ~~year after the state of Colorado is certified to participate in the federal~~
20 ~~demonstration project for direct certification for children receiving~~
21 ~~medicaid benefits as provided in section 22-82.9-204 (4) and begins~~
22 ~~including medicaid direct certification in determining school districts'~~
23 ~~identified student percentages 2025-26 BUDGET YEAR.~~

24 **SECTION 5.** In Colorado Revised Statutes, 22-82.9-206, **amend**
25 (2) as follows:

26 **22-82.9-206. School meals food preparation and service**
27 **employees - wage increase or stipend.** (2) SUBJECT TO AVAILABLE

1 APPROPRIATIONS, this section is effective beginning in the first full budget
2 year after the state of Colorado is certified to participate in the federal
3 demonstration project for direct certification for children receiving
4 medicaid benefits as provided in section 22-82.9-204 (4) and begins
5 including medicaid direct certification in determining school districts'
6 identified student percentages 2025-26 BUDGET YEAR.

7 **SECTION 6.** In Colorado Revised Statutes, 22-82.9-207, **amend**
8 (4) as follows:

9 **22-82.9-207. Local school food purchasing technical assistance**
10 **and education grant program - created - report.** (4) SUBJECT TO
11 AVAILABLE APPROPRIATIONS, this section is effective beginning in the
12 first full budget year after the state of Colorado is certified to participate
13 in the federal demonstration project for direct certification for children
14 receiving medicaid benefits as provided in section 22-82.9-204 (4) and
15 begins including medicaid direct certification in determining school
16 districts' identified student percentages 2025-26 BUDGET YEAR.

17 **SECTION 7.** In Colorado Revised Statutes, 22-82.9-208, **amend**
18 (2) as follows:

19 **22-82.9-208. Report - audit.** (2) (a) The department shall
20 contract with an independent auditor to conduct a biennial financial and
21 performance audit of the implementation of the program, including
22 implementation of section 22-82.9-204 and ~~including~~ implementation of
23 local food purchasing grants pursuant to section 22-82.9-205,
24 distributions for the increase in wages or provision of stipends pursuant
25 to section 22-82.9-206, and implementation of the local school food
26 purchasing technical assistance and education grant program pursuant to
27 section 22-82.9-207, to the extent said sections are in effect as provided

1 in section 22-82.9-204 (4)(b). BEGINNING DECEMBER 1, 2027, the audit
2 of the two budget years in each biennial cycle must be completed by
3 December 1 of the following budget year. The department shall make the
4 audit easily accessible by the public on the department website.

5 (b) ANY APPROPRIATION TO THE DEPARTMENT FOR PURPOSES OF
6 AN AUDIT THAT IS NOT EXPENDED IN A BUDGET YEAR IS FURTHER
7 APPROPRIATED TO THE DEPARTMENT THROUGH THE CLOSE OF THE
8 FOLLOWING BUDGET YEAR FOR THE SAME PURPOSES.

9 **SECTION 8.** In Colorado Revised Statutes, **amend** 22-82.9-209
10 as follows:

11 **22-82.9-209. Program - funding.** (1) For the 2023-24 budget
12 year and for each budget year thereafter, the general assembly shall
13 appropriate to the department, by separate line items in the annual general
14 appropriation bill, the amount necessary to implement the program,
15 including the amount required to reimburse participating school food
16 authorities for eligible meals provided to students pursuant to section
17 22-82.9-204, and including the amount distributed as local food
18 purchasing grants pursuant to section 22-82.9-205, SUBJECT TO
19 AVAILABLE APPROPRIATIONS, AND the amount distributed pursuant to
20 section 22-82.9-206 to increase the wages or provide stipends for staff
21 who prepare and serve school meals, ~~and at least five million dollars~~
22 ~~annually to implement the local school food purchasing technical~~
23 ~~assistance and education grant program pursuant to section 22-82.9-207,~~
24 ~~to the extent said sections are in effect as provided in section 22-82.9-204~~
25 ~~(4)(b)~~ SUBJECT TO AVAILABLE APPROPRIATIONS. The department may
26 expend not more than one and five-tenths percent of the total amount
27 annually appropriated pursuant to this section to offset the direct and

1 indirect costs incurred by the department in implementing this part 2.

2 (2) FOR THE 2023-24 BUDGET YEAR AND THE 2024-25 BUDGET
3 YEAR, THE GENERAL ASSEMBLY SHALL APPROPRIATE MONEY FROM THE
4 STATE EDUCATION FUND CREATED IN SECTION 17 (4) OF ARTICLE IX OF
5 THE STATE CONSTITUTION TO COVER PROGRAM COSTS FOR WHICH THERE
6 IS NOT SUFFICIENT MONEY IN THE HEALTHY SCHOOL MEALS FOR ALL CASH
7 FUND.

8 **SECTION 9.** In Colorado Revised Statutes, 22-82.9-210, **amend**
9 (1)(a), (2), (3)(a) introductory portion, (3)(b), (4)(a), (4)(b), (5), and
10 (6)(a); and **repeal** (7) as follows:

11 **22-82.9-210. Healthy school meals for all program cash fund**
12 **- creation - uses - reporting requirements - definitions.** (1) As used in
13 this section, unless the context otherwise requires:

14 (a) ~~"Account"~~ "CASH FUND" means the healthy school meals for
15 all program ~~general fund exempt account~~ CASH FUND created in this
16 section.

17 (2) The healthy school meals for all program ~~general fund exempt~~
18 ~~account is hereby created in the general fund.~~ ~~The account~~ CASH FUND IS
19 CREATED IN THE STATE TREASURY. THE CASH FUND consists of healthy
20 school meals for all program revenue deposited in the ~~account~~ CASH FUND
21 in accordance with subsection (4)(a) of this section. The state treasurer
22 shall credit all interest and income derived from the deposit and
23 investment of money in the healthy school meals for all program ~~general~~
24 ~~fund exempt account to the account~~ CASH FUND TO THE CASH FUND.

25 (3) (a) Subject to annual appropriation by the general assembly,
26 the department may expend money from the ~~account~~ CASH FUND for the
27 following purposes:

1 (b) Money in the ~~account shall~~ CASH FUND MUST only be used for
2 the purposes described in subsections (3)(a)(II) and (3)(a)(IV) of this
3 section if the sum of the annual tax year revenue recorded in the ~~account~~
4 CASH FUND and the balance in the ~~account~~ CASH FUND, as calculated
5 pursuant to subsection (4) of this section, is greater than, or is anticipated
6 to be greater than, the annual expenditure anticipated to be required for
7 the purposes described in subsections (3)(a)(I), (3)(a)(III), and (3)(a)(V)
8 of this section.

9 (4) (a) The department of revenue shall, on a monthly basis,
10 record revenues and deposit money to the ~~account~~ CASH FUND in a manner
11 that is aligned with exempt revenues determined pursuant to subsection
12 (4)(b) of this section.

13 (b) The department of revenue shall, on a monthly basis, report
14 the amount of program revenue identified from tax returns to the office
15 of state planning and budgeting and the legislative council staff. The
16 office of state planning and budgeting shall calculate the amount of
17 healthy school meals for all program revenue both projected to be
18 received and actually received by the department of revenue based on
19 income tax return data and other relevant factors. The office of state
20 planning and budgeting shall also identify, in collaboration with the
21 department of revenue, the revenue to be recorded and deposited on a
22 monthly basis by the department of revenue in the ~~account~~ CASH FUND
23 pursuant to subsection (4)(a) of this section, and the total revenue to be
24 recorded and deposited by the department of revenue in the ~~account~~ CASH
25 FUND for the fiscal year.

26 (5) If the department determines that there is an insufficient
27 amount of money in the ~~account~~ CASH FUND to provide for an expenditure

1 authorized by the annual appropriation from the ~~account~~ CASH FUND for
2 the purposes described in subsections (3)(a)(I) and (3)(a)(III) of this
3 section, the department may make the expenditure from the general fund.

4 (6) In its annual submission of the state department's budget
5 request to the joint budget committee, the office of state planning and
6 budgeting shall report:

7 (a) The total amount of expenditures from the ~~account~~ CASH FUND
8 made pursuant to subsection (3) of this section; and

9 ~~(7) (a) Pursuant to section 24-75-201 (2)(c), any unrestricted~~
10 ~~balance remaining in the account at the end of any fiscal year shall not be~~
11 ~~designated as a part of the general fund surplus.~~

12 ~~(b) Pursuant to section 24-75-201.1 (2)(c), appropriations for~~
13 ~~expenditures from the account shall be excluded from the basis for the~~
14 ~~calculation of the general fund reserve.~~

15 **SECTION 10.** In Colorado Revised Statutes, **add** part 3 to article
16 82.9 of title 22 as follows:

17 PART 3

18 LOCAL SCHOOL FOOD

19 PURCHASING PROGRAMS

20 **22-82.9-301. Definitions.** AS USED IN THIS PART 3, UNLESS THE
21 CONTEXT OTHERWISE REQUIRES:

22 (1) "COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS"
23 MEANS ALL FRUITS, VEGETABLES, GRAINS, MEATS, AND DAIRY PRODUCTS,
24 EXCEPT LIQUID MILK, GROWN OR RAISED IN COLORADO, AND MINIMALLY
25 PROCESSED PRODUCTS OR VALUE-ADDED PROCESSED PRODUCTS THAT
26 MEET THE STANDARDS FOR THE COLORADO PROUD DESIGNATION,
27 ESTABLISHED BY THE COLORADO DEPARTMENT OF AGRICULTURE, EVEN IF

1 THE PRODUCT DOES NOT HAVE THE COLORADO PROUD DESIGNATION.

2 (2) "DEPARTMENT" MEANS THE DEPARTMENT OF EDUCATION
3 CREATED PURSUANT TO SECTION 24-1-115.

4 (3) "LOCAL SCHOOL FOOD PURCHASING PROGRAM" OR
5 "PURCHASING PROGRAM" MEANS THE LOCAL SCHOOL FOOD PURCHASING
6 PROGRAM CREATED IN SECTION 22-82.9-302.

7 (4) "MINIMALLY PROCESSED PRODUCTS" MEANS RAW OR FROZEN
8 FABRICATED PRODUCTS; PRODUCTS THAT RETAIN THEIR INHERENT
9 CHARACTER, SUCH AS SHREDDED CARROTS OR DICED ONIONS; AND DRIED
10 PRODUCTS, SUCH AS BEANS, BUT DOES NOT INCLUDE ANY PRODUCTS THAT
11 ARE HEATED, COOKED, OR CANNED.

12 (5) "NATIONAL SCHOOL LUNCH PROGRAM" MEANS THE FEDERAL
13 SCHOOL LUNCH PROGRAM CREATED IN THE "RICHARD B. RUSSELL
14 NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ., AS
15 AMENDED.

16 (6) "PARTICIPATING PROVIDER" MEANS A SCHOOL DISTRICT;
17 DISTRICT CHARTER SCHOOL; INSTITUTE CHARTER SCHOOL; BOARD OF
18 COOPERATIVE SERVICES; COLORADO SCHOOL FOR THE DEAF AND THE
19 BLIND, ESTABLISHED IN SECTION 22-80-102; APPROVED FACILITY SCHOOL
20 OR FACILITY, AS DEFINED IN SECTION 22-2-402; OR RESIDENTIAL OR DAY
21 TREATMENT CHILD CARE FACILITY, AS DEFINED IN SECTION 26-6-903, THAT
22 PARTICIPATES IN THE FEDERAL NATIONAL SCHOOL LUNCH PROGRAM AND
23 THAT HAS BEEN SELECTED BY THE DEPARTMENT TO PARTICIPATE IN THE
24 LOCAL SCHOOL FOOD PURCHASING PROGRAM PURSUANT TO SECTION
25 22-82.9-302 (2)(b).

26 (7) "STATE BOARD" MEANS THE STATE BOARD OF EDUCATION
27 CREATED AND EXISTING PURSUANT TO SECTION 1 OF ARTICLE IX OF THE

1 STATE CONSTITUTION.

2 (8) "TECHNICAL ASSISTANCE AND EDUCATION PROGRAM" MEANS
3 THE LOCAL SCHOOL FOOD PURCHASING TECHNICAL ASSISTANCE AND
4 EDUCATION GRANT PROGRAM CREATED PURSUANT TO SECTION
5 22-82.9-303.

6 (9) "VALUE-ADDED PROCESSED PRODUCTS" MEANS PRODUCTS
7 THAT ARE ALTERED FROM THEIR UNPROCESSED OR MINIMALLY PROCESSED
8 STATE THROUGH PRESERVATION TECHNIQUES, INCLUDING COOKING,
9 BAKING, OR CANNING.

10 **22-82.9-302. Local school food purchasing program - creation**

11 **- rules.** (1) THE LOCAL SCHOOL FOOD PURCHASING PROGRAM IS CREATED
12 IN THE DEPARTMENT TO REIMBURSE PARTICIPATING PROVIDERS FOR THE
13 PURCHASE OF COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS
14 PURSUANT TO THIS SECTION.

15 (2)(a) A SCHOOL DISTRICT, DISTRICT CHARTER SCHOOL, INSTITUTE
16 CHARTER SCHOOL, BOARD OF COOPERATIVE SERVICES, THE COLORADO
17 SCHOOL FOR THE DEAF AND THE BLIND, AN APPROVED FACILITY SCHOOL
18 OR FACILITY, OR A RESIDENTIAL CHILD CARE FACILITY MAY APPLY TO THE
19 DEPARTMENT TO PARTICIPATE IN THE PURCHASING PROGRAM TO RECEIVE
20 REIMBURSEMENT FOR PURCHASE OF COLORADO GROWN, RAISED, OR
21 PROCESSED PRODUCTS PURSUANT TO THIS SECTION.

22 (b)(I) THE DEPARTMENT SHALL SELECT PARTICIPATING PROVIDERS
23 THAT SERVED FEWER THAN TWO MILLION ONE HUNDRED FIFTY THOUSAND
24 SCHOOL LUNCHES IN THE 2023-24 SCHOOL YEAR. THE DEPARTMENT SHALL
25 CREATE A FORM FOR PARTICIPATING PROVIDERS TO TRACK AND REPORT
26 THE COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS PURCHASED.

27 (II) THE DEPARTMENT SHALL GIVE PREFERENCE TO APPLICANTS

1 THAT:

2 (A) DEMONSTRATE A COMMITMENT TO LOCAL PURCHASING OR
3 FOOD AND AGRICULTURAL EDUCATION;

4 (B) HAVE A KITCHEN WITH THE ABILITY TO STORE, PREPARE, AND
5 SERVE LOCAL FOOD PRODUCTS;

6 (C) HAVE GREATER THAN TWENTY-FIVE PERCENT OF THEIR
7 STUDENTS ELIGIBLE FOR FREE OR REDUCED PRICE LUNCH PURSUANT TO
8 THE NATIONAL SCHOOL LUNCH PROGRAM;

9 (D) SERVED FEWER THAN ONE MILLION TWO HUNDRED FIFTY
10 THOUSAND SCHOOL LUNCHES IN THE 2023-24 SCHOOL YEAR COUNT; AND

11 (E) SATISFY ANY OTHER ELIGIBILITY REQUIREMENTS ESTABLISHED
12 BY THE DEPARTMENT.

13 (III) TO THE EXTENT POSSIBLE, IN SELECTING PARTICIPATING
14 PROVIDERS, THE DEPARTMENT SHALL ENSURE DIVERSITY IN GEOGRAPHIC
15 LOCATION AND DISTRICT PUPIL COUNT.

16 (c) ON OR BEFORE AUGUST 1 OF THE YEAR FOLLOWING THE
17 PARTICIPATING PROVIDER'S APPLICATION, THE PARTICIPATING PROVIDER
18 SHALL TRACK AND REPORT TO THE DEPARTMENT FOR THE SCHOOL YEAR
19 IN WHICH IT APPLIED, AND FOR THE 2023-24 SCHOOL YEAR, THE TOTAL
20 AMOUNT OF COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS IT
21 PURCHASED FOR STUDENT MEALS AND THE TOTAL NUMBER OF LUNCHES
22 THAT IT PROVIDED TO STUDENTS.

23 (3) (a) IN OCTOBER 2024, THE DEPARTMENT SHALL REIMBURSE
24 EACH PARTICIPATING PROVIDER PARTICIPATING IN THE PURCHASING
25 PROGRAM AT LEAST FIVE CENTS FOR EVERY SCHOOL LUNCH THAT THE
26 PARTICIPATING PROVIDER PREPARED IN THE 2023-24 SCHOOL YEAR OR A
27 MINIMUM OF ONE THOUSAND DOLLARS, WHICHEVER IS GREATER; EXCEPT

1 THAT A PARTICIPATING PROVIDER IS NOT REIMBURSED FOR THE AMOUNT
2 OF VALUE-ADDED PROCESSED PRODUCTS THAT EXCEEDS TWENTY-FIVE
3 PERCENT OF THE TOTAL OF THE COLORADO GROWN, RAISED, OR
4 PROCESSED PRODUCTS IT PURCHASED.

5 (b) NOTWITHSTANDING SUBSECTION (3)(a) OF THIS SECTION, THE
6 MAXIMUM AMOUNT OF REIMBURSEMENTS THAT MAY BE AWARDED IN ANY
7 YEAR IS FIVE HUNDRED THOUSAND DOLLARS.

8 (4) REIMBURSEMENT PAYMENTS MADE PURSUANT TO THIS SECTION
9 ACCRUE TO THE PARTICIPATING PROVIDER'S NONPROFIT SCHOOL FOOD
10 ACCOUNT.

11 (5) (a) THE STATE BOARD IS AUTHORIZED TO ADOPT RULES TO
12 IMPLEMENT THE PURCHASING PROGRAM.

13 (b) THE DEPARTMENT IS AUTHORIZED TO MONITOR THE
14 PURCHASING PROGRAM TO ENSURE PROGRAM INTEGRITY.

15 (c) THE DEPARTMENT SHALL CREATE, DISTRIBUTE, AND COLLECT
16 PRODUCER AND PARTICIPATING PROVIDER SURVEYS REQUIRED PURSUANT
17 TO SECTION 22-82.9-304.

18 (6) IF IN ANY STATE BUDGET YEAR THE DEPARTMENT DOES NOT
19 EXPEND OR ENCUMBER THE FULL AMOUNT OF THE APPROPRIATION FOR THE
20 PURCHASING PROGRAM, UP TO FIVE PERCENT OF THE APPROPRIATION IS
21 AVAILABLE TO THE DEPARTMENT IN THE NEXT STATE BUDGET YEAR TO
22 PAY FOR THE EVALUATION REQUIRED PURSUANT TO SECTION 22-82.9-304.

23 **22-82.9-303. Local school food purchasing technical assistance**
24 **and education grant program - creation - report.** (1) THE LOCAL
25 SCHOOL FOOD PURCHASING TECHNICAL ASSISTANCE AND EDUCATION
26 GRANT PROGRAM IS CREATED IN THE DEPARTMENT. THE PURPOSE OF THE
27 TECHNICAL ASSISTANCE AND EDUCATION PROGRAM IS TO ISSUE A GRANT

1 TO A STATEWIDE NONPROFIT ORGANIZATION TO DEVELOP AND MANAGE A
2 GRANT PROGRAM TO ASSIST WITH THE PROMOTION OF COLORADO GROWN,
3 RAISED, OR PROCESSED PRODUCTS TO PARTICIPATING PROVIDERS.

4 (2) SUBJECT TO AVAILABLE APPROPRIATIONS, THE NONPROFIT
5 ORGANIZATION MAY AWARD GRANTS FOR THE FOLLOWING:

6 (a) TRAINING, TECHNICAL ASSISTANCE, AND PHYSICAL
7 INFRASTRUCTURE GRANTS TO PARTICIPATING PROVIDERS, GROWER
8 ASSOCIATIONS, OR OTHER ORGANIZATIONS THAT AGGREGATE PRODUCTS
9 FROM PRODUCERS FOR:

10 (I) PROFESSIONAL CONTRACTING SERVICES TO SUPPORT THE
11 DEVELOPMENT AND SUSTAINABILITY OF LOCAL AND REGIONAL FOOD
12 SYSTEMS;

13 (II) CHEF TRAINING ON FOOD HANDLING AND PROCUREMENT
14 PRACTICES AND SMALL KITCHEN EQUIPMENT PURCHASES;

15 (III) GOOD AGRICULTURAL PRACTICES CERTIFICATION COSTS AND
16 GOOD HANDLING PRACTICES CERTIFICATION COSTS AND TRAINING ON
17 SELLING TO SCHOOLS; AND

18 (IV) CAPACITY BUILDING FOR LOCAL VALUE-ADDED PROCESSED
19 PRODUCTS; AND

20 (b) EDUCATION, OUTREACH, AND PROMOTION FOR:

21 (I) SCHOOLS TO ENGAGE FAMILIES AND COMMUNITIES AROUND THE
22 BENEFITS OF FARM-TO-SCHOOL AND WAYS TO SUPPORT FARM-TO-SCHOOL;
23 AND

24 (II) GROWER ASSOCIATIONS AND GROWERS TO COMMUNICATE TO
25 SCHOOLS AND SCHOOL COMMUNITIES ABOUT THE MULTIPLE BENEFITS OF
26 PURCHASING LOCAL PRODUCTS.

27 (3) THE NONPROFIT ORGANIZATION SHALL ANNUALLY REPORT TO

1 THE DEPARTMENT ON THE TECHNICAL ASSISTANCE AND EDUCATION
2 PROGRAM, INCLUDING:

- 3 (a) THE NUMBER AND TYPES OF ENTITIES RECEIVING GRANTS;
- 4 (b) THE NUMBER, TYPES, AND PURPOSES OF THE GRANTS AWARDED
5 PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION; AND
- 6 (c) THE TYPES OF EDUCATION AND OUTREACH CONDUCTED BY
7 PARTICIPATING PROVIDERS AND OTHERS PURSUANT TO SUBSECTION (2)(b)
8 OF THIS SECTION.

9 **22-82.9-304. Evaluation - report.** (1) ON OR BEFORE DECEMBER
10 1, 2025, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE EDUCATION
11 COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, THE
12 HOUSE OF REPRESENTATIVES AGRICULTURE, WATER, AND NATURAL
13 RESOURCES COMMITTEE, THE SENATE AGRICULTURE AND NATURAL
14 RESOURCES COMMITTEE, OR THEIR SUCCESSOR COMMITTEES, ON THE
15 EFFECT OF THE PURCHASING PROGRAM ON THE AMOUNT OF COLORADO
16 GROWN, RAISED, OR PROCESSED PRODUCTS PURCHASED BY PARTICIPATING
17 PROVIDERS, INCLUDING:

- 18 (a) NAMES AND DEMOGRAPHIC DATA OF PARTICIPATING
19 PROVIDERS;
- 20 (b) THE DOLLAR AMOUNT SPENT ON COLORADO GROWN, RAISED,
21 OR PROCESSED PRODUCTS DURING THE PURCHASING PROGRAM, INCLUDING
22 LOCAL PURCHASING DATA FROM THE 2023-24 SCHOOL YEAR, THAT THE
23 PARTICIPATING PROVIDER INCLUDED IN THE APPLICATION TO THE
24 PURCHASING PROGRAM;
- 25 (c) PRODUCT CATEGORIES PURCHASED;
- 26 (d) NUMBER OF COLORADO PRODUCERS OR BUSINESSES
27 PARTICIPATING BY PARTICIPATING PROVIDER AND IN TOTAL;

1 (e) ECONOMIC EFFECT ON PARTICIPATING PROVIDERS, PRODUCERS,
2 AND ECONOMIES; AND

3 (f) QUALITATIVE PRODUCER AND PARTICIPATING PROVIDER
4 SURVEYS.

5 **22-82.9-305. Program funding - state education fund.**
6 PURCHASING NUTRITIOUS FOODS FROM COLORADO'S FOOD SYSTEMS,
7 INCLUDING LOCAL FARMERS AND RANCHERS, SUPPORTS STUDENTS'
8 NUTRITION AND PROVIDES QUALITY MEALS TO BOOST THE HEALTH AND
9 WELL-BEING OF COLORADO STUDENTS, AND IS AN IMPORTANT COMPONENT
10 OF AN ACCOUNTABLE EDUCATION PROGRAM TO MEET STATE ACADEMIC
11 STANDARDS, AND MAY THEREFORE RECEIVE FUNDING FROM THE STATE
12 EDUCATION FUND CREATED SECTION 17 (4) OF ARTICLE IX OF THE STATE
13 CONSTITUTION.

14 **22-82.9-306. Repeal of part.** THIS PART 3 IS REPEALED, EFFECTIVE
15 JULY 1, 2026.

16 **SECTION 11.** In Colorado Revised Statutes, 24-75-109, **amend**
17 (1)(f) as follows:

18 **24-75-109. Controller may allow expenditures in excess of**
19 **appropriations - limitations - appropriations for subsequent fiscal**
20 **year restricted - repeal.** (1) For the purpose of closing the state's books,
21 and subject to the provisions of this section, the controller may, on or
22 after May 1 of any fiscal year and before the forty-fifth day after the close
23 thereof, upon approval of the governor, allow any department, institution,
24 or agency of the state, including any institution of higher education, to
25 make an expenditure in excess of the amount authorized by an item of
26 appropriation for such fiscal year if:

27 (f) The overexpenditure is by the department of education for

1 either:

2 ~~(I) Providing reimbursements to a participating school food~~
3 ~~authority for offering eligible meals without charge, pursuant to section~~
4 ~~22-82.9-204 (1)(b); or~~

5 ~~(II) Distributing money to a participating school food authority to~~
6 ~~increase wages or provide stipends for individuals whom the participating~~
7 ~~school food authority employs to directly prepare and serve food for~~
8 ~~school meals, pursuant to section 22-82.9-206 (1). PROVIDING~~
9 ~~REIMBURSEMENTS TO A PARTICIPATING SCHOOL FOOD AUTHORITY FOR~~
10 ~~OFFERING ELIGIBLE MEALS WITHOUT CHARGE, PURSUANT TO SECTION~~
11 ~~22-82.9-204 (1)(b).~~

12 **SECTION 12.** In Colorado Revised Statutes, 24-75-201, **repeal**
13 **(2)(c)** as follows:

14 **24-75-201. General fund - general fund surplus - custodial**
15 **money.** ~~(2) (c) Any unrestricted balance remaining in the healthy school~~
16 ~~meals for all program general fund exempt account created in section~~
17 ~~22-82.9-210 (2) at the end of any fiscal year shall not be designated as~~
18 ~~part of the general fund surplus.~~

19 **SECTION 13.** In Colorado Revised Statutes, 24-75-201.1, **repeal**
20 **(2)(e)** as follows:

21 **24-75-201.1. Restriction on state appropriations - legislative**
22 **declaration - definitions.** (2) The basis for the calculation of the reserve
23 as specified in this section includes all appropriations for expenditure
24 from the general fund for such fiscal year, except for any appropriations
25 for:

26 ~~(e) Expenditures from the healthy school meals for all program~~
27 ~~general fund exempt account created in section 22-82.9-210 (2).~~

1 **SECTION 14. Safety clause.** The general assembly finds,
2 determines, and declares that this act is necessary for the immediate
3 preservation of the public peace, health, or safety or for appropriations for
4 the support and maintenance of the departments of the state and state
5 institutions.