

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0529.02 Jacob Baus x2173

HOUSE BILL 26-1350

HOUSE SPONSORSHIP

Brown and Taggart, Sirota

SENATE SPONSORSHIP

Amabile and Bridges, Kirkmeyer

House Committees
Appropriations

Senate Committees

A BILL FOR AN ACT

101 CONCERNING APPROPRIATIONS RELATED TO SCHOOL FOOD
102 PROGRAMS, AND, IN CONNECTION THEREWITH, MAKING AND
103 REDUCING AN APPROPRIATION.

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. Under current law, the general assembly is required to appropriate an amount to comply with matching requirements under the federal "Richard B. Russell National School Lunch Act". The bill makes this appropriation optional and allows the amount to be appropriated from the healthy school meals for all program

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.

cash fund.

Under current law, the department of education is a designated partner agency for the summer electronic benefits transfer for children program (summer EBT program), created in the department of human services, and is required to administer the summer EBT program. The bill allows money for administration of the summer EBT program to be appropriated from the healthy school meals for all program cash fund.

Under current law, the general assembly is required to appropriate \$700,000 to \$1.5 million to the start smart nutrition program cash fund (cash fund). The bill makes the appropriation optional, repeals the cash fund, transfers the cash fund balance to the general fund, and allows an appropriation to be made from the healthy school meals for all program cash fund.

Under current law, the general assembly is required to appropriate money for the child nutrition school lunch protection program. The bill makes the appropriation optional and allows an appropriation to be made from the healthy school meals for all program cash fund.

Under current law, the department of education administers a local school food purchasing program and a local school food purchasing technical assistance and education grant program (legacy local school food programs) that are distinct from the local school food purchasing program and technical assistance and education grant programs within the "Healthy School Meals for All Act" (HSMA local school food programs). The bill states that the general assembly may appropriate an amount for the legacy local school food programs if the healthy school meals for all program cash fund does not fully fund the HSMA local school food programs.

The bill makes and reduces appropriations to the department of education for the affected programs.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds that:

4 (a) Prior to the approval of propositions FF, MM, and LL
5 concerning the healthy school meals for all program, the state maintained
6 a number of mechanisms and programs to subsidize meals for students,
7 each with required appropriations; and

8 (b) The voter approval of propositions FF, MM, and LL

1 concerning the healthy school meals for all program is anticipated to be
2 sufficient to fully support school nutrition programs.

3 (2) Therefore, the general assembly declares that it is necessary to
4 eliminate the requirement to appropriate money to the legacy meal
5 mechanisms and that the healthy school meals for all program may be
6 used to support school nutrition programs, if necessary.

7 **SECTION 2.** In Colorado Revised Statutes, 22-82.9-211, **amend**
8 (3)(a)(VII) and (3)(g); and **add** (3)(a)(IX), (3)(a)(X), (3)(a)(XI), and
9 (3)(a)(XII) as follows:

10 **22-82.9-211. Healthy school meals for all program cash fund**
11 **- creation - uses - reporting requirements - legislative declaration -**
12 **definitions - repeal.**

13 (3) (a) Subject to annual appropriation by the general assembly,
14 money may be expended from the fund that is not in the account for the
15 following purposes:

16 (VII) Beginning July 1, 2026, providing outreach related to the
17 supplemental nutritional assistance program; ~~and~~

18 (IX) BEGINNING JULY 1, 2026, COMPLYING WITH THE
19 REQUIREMENTS FOR STATE MATCHING FUNDS UNDER THE FEDERAL
20 "RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC.
21 1751 ET SEQ.;

22 (X) BEGINNING JULY 1, 2026, ADMINISTERING THE START SMART
23 NUTRITION PROGRAM CREATED IN SECTION 22-82.7-103;

24 (XI) BEGINNING JULY 1, 2026, ADMINISTERING THE CHILD
25 NUTRITION SCHOOL LUNCH PROTECTION PROGRAM CREATED IN SECTION
26 22-82.9-104; AND

27 (XII) BEGINNING JULY 1, 2026, ADMINISTERING THE SUMMER

1 ELECTRONIC BENEFITS TRANSFER FOR CHILDREN PROGRAM PURSUANT TO
2 SECTION 22-2-149.

3 (g) If, upon awarding money according to subsection (3)(f) of this
4 section, the department determines that awarding money pursuant to this
5 subsection (3)(g) would result in a reserve calculation amount equal to
6 thirty-five percent or more, then money may be expended from the fund,
7 including money in the account in accordance with subsection (3)(a.5)(II)
8 of this section by awarding and distributing amounts from the fund as
9 described in subsection (3)(f) of this section and then funding the
10 implementation of the supplemental nutritional assistance program in a
11 manner that supplements and does not supplant the state's expenditures,
12 as of July 1, 2025, to implement the supplemental nutritional assistance
13 program; outreach related to the supplemental nutritional assistance
14 program; and community-based nutrition education; THE REQUIREMENTS
15 FOR STATE MATCHING FUNDS UNDER THE FEDERAL "RICHARD B. RUSSELL
16 NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ.; AND THE
17 SUMMER ELECTRONIC BENEFITS TRANSFER FOR CHILDREN PROGRAM
18 PURSUANT TO SECTION 22-2-149.

19 **SECTION 3.** In Colorado Revised Statutes, 22-54-123, **amend**
20 (1); and **add** (1.5) as follows:

21 **22-54-123. Richard B. Russell national school lunch act -**
22 **appropriation of state matching funds - definition.**

23 (1) ~~For the 2001-02 budget year and budget years thereafter,~~ The
24 general assembly ~~shall~~ MAY appropriate by separate line item an amount
25 to comply with the requirements for state matching funds under the
26 federal "Richard B. Russell National School Lunch Act", 42 U.S.C. sec.
27 1751 et seq. The department of education shall develop procedures to

1 allocate and disburse the funds among participating school food
2 authorities each year in an equitable manner so as to comply with the
3 requirements of said act.

4 (1.5) PURSUANT TO SECTION 22-82.9-211 (3)(a)(IX), SUBJECT TO
5 ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, THE DEPARTMENT
6 OF EDUCATION MAY EXPEND AN AMOUNT FROM THE HEALTHY SCHOOL
7 MEALS FOR ALL PROGRAM CASH FUND TO COMPLY WITH THE
8 REQUIREMENTS FOR STATE MATCHING FUNDS UNDER THE FEDERAL
9 "RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC.
10 1751 ET SEQ.

11 **SECTION 4.** In Colorado Revised Statutes, 22-82.7-102, **amend**
12 the introductory portion; and **repeal** (2) as follows:

13 **22-82.7-102. Definitions.**

14 As used in this ~~article~~ ARTICLE 82.7, unless the context otherwise
15 requires:

16 (2) ~~"Fund" means the start smart nutrition program fund created~~
17 ~~in section 22-82.7-105.~~

18 **SECTION 5.** In Colorado Revised Statutes, 22-82.7-104, **amend**
19 (1); and **repeal** (2) as follows:

20 **22-82.7-104. Program funding - appropriation.**

21 (1) The general assembly ~~shall~~ MAY annually appropriate by
22 separate line item in the annual general appropriation bill an amount ~~of~~
23 ~~not less than seven hundred thousand dollars and not more than one~~
24 ~~million five hundred thousand dollars to the fund created in section~~
25 ~~22-82.7-105~~ TO THE DEPARTMENT FOR DISTRIBUTION TO SCHOOL FOOD
26 AUTHORITIES to allow school food authorities to provide free breakfasts
27 to children participating in the school breakfast program who would

1 otherwise be required to pay a reduced price for breakfast and to offset
2 the costs incurred by facility schools in providing breakfasts to students
3 who are placed in the facility and are eligible to participate in the school
4 breakfast program. The appropriation to the ~~fund shall be~~ DEPARTMENT
5 MAY BE in addition to any appropriation made by the general assembly
6 pursuant to section 22-54-123 or 22-54-123.5 (1).

7 (2) ~~The department may seek and accept gifts, grants, and~~
8 ~~donations from public and private sources to fund the program, but~~
9 ~~receipt of gifts, grants, and donations shall not be a prerequisite to the~~
10 ~~implementation of the program. All private and public funds received~~
11 ~~through gifts, grants, and donations shall be transmitted to the state~~
12 ~~treasurer, who shall credit the same to the fund.~~

13 **SECTION 6.** In Colorado Revised Statutes, 22-82.7-105, **amend**
14 (1) introductory portion and (1)(a); **repeal** (1)(b); and **add** (4) and (5) as
15 follows:

16 **22-82.7-105. Start smart nutrition program fund - creation -**
17 **administrative costs - repeal.**

18 (1) There is ~~hereby~~ created in the state treasury the start smart
19 nutrition program fund. The fund ~~shall consist~~ CONSISTS of:

20 (a) ~~Such moneys as are~~ MONEY AS IS appropriated to the fund by
21 the general assembly pursuant to section 22-82.7-104 (1); AND

22 (b) ~~Any gifts, grants, or donations received by the department for~~
23 ~~the fund pursuant to section 22-82.7-104 (2); and~~

24 (4) (a) NOTWITHSTANDING SUBSECTIONS (1) TO (3) OF THIS
25 SECTION, ON JUNE 30, 2026, THE STATE TREASURER SHALL TRANSFER ALL
26 UNEXPENDED AND UNENCUMBERED MONEY IN THE FUND TO THE GENERAL
27 FUND.

1 (b) NOTWITHSTANDING SUBSECTIONS (1) TO (3) OF THIS SECTION,
2 ON AUGUST 31, 2026, THE STATE TREASURER SHALL TRANSFER ALL
3 UNEXPENDED AND UNENCUMBERED MONEY IN THE FUND TO THE GENERAL
4 FUND.

5 (5) THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2026.

6 **SECTION 7.** In Colorado Revised Statutes, **amend** 22-82.7-106
7 as follows:

8 **22-82.7-106. Program - procedures.**

9 The department shall develop procedures to allocate and disburse
10 ~~the moneys in the fund~~ THE MONEY APPROPRIATED TO THE DEPARTMENT
11 FOR THE PROGRAM among participating school food authorities and
12 facility schools each year, in an equitable manner and in compliance with
13 the requirements of the federal "Richard B. Russell National School
14 Lunch Act", 42 U.S.C. sec. 1751 et seq.

15 **SECTION 8.** In Colorado Revised Statutes, 22-82.9-105, **amend**
16 (1) as follows:

17 **22-82.9-105. Program funding.**

18 (1) For each fiscal year, the general assembly ~~shall~~ MAY make an
19 appropriation by separate line item in the annual general appropriation
20 bill to allow school food authorities to provide lunches at no charge for
21 children in state-subsidized early childhood education programs
22 administered by public schools or in kindergarten through twelfth grade
23 participating in the school lunch program who would otherwise be
24 required to pay a reduced price for lunch and to offset the costs incurred
25 by a facility school in providing lunch to students who are placed in the
26 facility and are eligible to participate in the school lunch program. The
27 appropriation to the department for the program ~~must~~ MAY be in addition

1 to any appropriation made by the general assembly pursuant to section
2 22-54-123 or 22-54-123.5 (1). The department may expend not more than
3 two percent of the money annually appropriated for the program to offset
4 the direct and indirect costs incurred by the department in implementing
5 the program pursuant to this part 1.

6 **SECTION 9.** In Colorado Revised Statutes, 22-82.9-302, **amend**
7 (3)(a) as follows:

8 **22-82.9-302. Local school food purchasing program - creation**
9 **- rules.**

10 (3) (a) ~~In October 2024, and each October thereafter, subject to~~
11 ~~annual appropriation~~ IN A STATE FISCAL YEAR WHEN APPROPRIATIONS
12 FROM THE HEALTHY SCHOOL MEALS FOR ALL PROGRAM FUND CREATED IN
13 SECTION 22-82.9-211 DO NOT FULLY FUND THE AWARD OF LOCAL FOOD
14 PURCHASING GRANTS PURSUANT TO SECTION 22-82.9-205, THE GENERAL
15 ASSEMBLY MAY APPROPRIATE AN AMOUNT FOR the department ~~shall~~ TO
16 reimburse each participating provider ~~at least five cents~~ for every school
17 lunch that the participating provider prepared in the immediately
18 preceding school year; ~~or a minimum of one thousand dollars, whichever~~
19 ~~is greater~~; except that a participating provider is not reimbursed for the
20 amount of value-added processed products that exceeds twenty-five
21 percent of the total of the Colorado grown, raised, or processed products
22 it purchased and that the department may prorate these reimbursements
23 as necessary.

24 **SECTION 10.** In Colorado Revised Statutes, 22-82.9-303,
25 **amend** (2) introductory portion as follows:

26 **22-82.9-303. Local school food purchasing technical assistance**
27 **and education grant program - creation - report.**

1 created in section 22-82.9-211 (2)(a), C.R.S. To implement this act, the
2 department may use this appropriation as follows:

- 3 (a) \$2,472,644 for state match for the school lunch program;
- 4 (b) \$235,000 for the child nutrition school lunch protection
5 program;
- 6 (c) \$65,000 for the start smart nutrition program; and
- 7 (d) \$229,097 for summer electronics benefits transfer for children,
8 which amount is based on an assumption that the department will require
9 an additional 0.9 FTE.

10 (3) Subsection (1) of this section does not require a reduction of
11 an appropriation in the annual general appropriation act for the 2026-27
12 state fiscal year for the department of education for use by school district
13 operations if:

14 (a) The amount of cash funds appropriation from the state public
15 school fund created in section 22-54-114 (1), C.R.S., made in the annual
16 general appropriation act for the 2026-27 state fiscal year for state match
17 for the school lunch program is less than the amount of the adjustment
18 required in subsection (1)(a) of this section;

19 (b) The amount of cash funds appropriation from the state
20 education fund created in section 17 (4)(a) of article IX of the state
21 constitution made in the annual general appropriation act for the 2026-27
22 state fiscal year for the child nutrition school lunch protection program is
23 less than the amount of the adjustment required in subsection (1)(b) of
24 this section;

25 (c) The amount of cash funds appropriation from the start smart
26 nutrition program fund created in section 22-82.7-105 (1), C.R.S., made
27 in the annual general appropriation act for the 2026-27 state fiscal year

1 for the start smart nutrition program is less than the amount of the
2 adjustment required in subsection (1)(c) of this section;

3 (d) The amount of the general fund appropriation made in the
4 annual general appropriation act for the 2026-27 state fiscal year for the
5 summer electronics benefits transfer for children is less than the amount
6 of the adjustment required in subsection (1)(d) of this section; or

7 (e) The annual general appropriation act for the 2026-27 state
8 fiscal year does not include an appropriation to the department of
9 education for use by school district operations for:

10 (I) State match for the school lunch program;

11 (II) The child nutrition school lunch protection program;

12 (III) The start smart nutrition program; or

13 (IV) The summer electronics benefits transfer for children.

14 **SECTION 12. Effective date.** This act takes effect upon passage;
15 except that subsections (1) and (3) of section 11 of this act take effect
16 only if the annual general appropriation act for the 2026-27 state fiscal
17 year becomes law, in which case subsections (1) and (3) of section 11 of
18 this act take effect upon the effective date of this act or of the annual
19 general appropriation act for state fiscal year 2026-27, whichever is later.

20 **SECTION 13. Safety clause.** The general assembly finds,
21 determines, and declares that this act is necessary for the immediate
22 preservation of the public peace, health, or safety or for appropriations for
23 the support and maintenance of the departments of the state and state
24 institutions.