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Fiscal Note

Drafting Number: LLS 24-0987 Date: February 5, 2024
Prime Sponsors: Rep. Bird; Sirota Bill Status: House Appropriations
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Bill Topic: SCHOOL FOOD AUTHORITIES

Summary of Fiscal Impact:
State Revenue, State Expenditure, State Transfer, TABOR Refund, Local Government, Statutory Public Entity

The bill specifies that facility schools, residential child care facilities, and the Colorado School for the Deaf and Blind are school food authorities, making them eligible for state nutrition programs. The bill increases state expenditures on an ongoing basis.

Appropriation Summary:
For FY 2023-24, the bill requires an appropriation of \$17,752 to the Colorado Department of Education.
For FY 2024-25, the bill requires an appropriation of up to \$483,812 to the Colorado Department of Education. See State Appropriations section.

Fiscal Note Status: The fiscal note reflects the introduced bill, which is recommended by the Joint Budget Committee as part of its supplemental budget package.

Table 1
State Fiscal Impacts Under HB 24-1206

Table with 5 columns: Category, Current Year FY 2023-24, Budget Year FY 2024-25, Out Year FY 2025-26. Rows include Revenue, Expenditures (General Fund Exempt Account), Transfers, and Other Budget Impacts (General Fund Reserve).

Summary of Legislation

The bill adds facility schools, residential child care facilities, and the Colorado School for the Deaf and Blind to the list of school food authorities, making them eligible for state nutrition programs, including the Healthy Schools Meals for All program. These schools are currently treated as such by the federal school meal programs.

Background

The Healthy Schools Meals for All program provides free meals for public school students who are enrolled in a participating school district, charter school, or other entity that serves as a school food authority. Beginning in FY 2024-25, it also provides employee wage and local food purchasing grants.

State Expenditures

The bill increases state expenditures by \$17,752 in the current FY 2023-24, and up to about \$485,000 beginning in FY 2024-25. Program cost are paid from the Healthy School Meals for All Program General Fund Exempt Account.

In FY 2023-24, CDE requires \$17,752 to cover free meals for the rest of the year for students enrolled in schools that currently operate as a federal school food authority and are expected to begin participating in Healthy Schools Meals for All Program in the current school year.

In FY 2024-25, costs will increase to cover free meals for students and include the additional schools in the grant programs being implemented under current law. These costs depend on the number of schools that choose to participate in the program, ranging from \$259,812 if only school food authorities current participating in federal programs begin participating in the Healthy Schools Meals for All program, to \$483,812 if all eligible schools participate. The fiscal note assumes the high end of the costs with all schools participating; however, the actual appropriations amount will be determined through the annual budget process.

Table 2
Expenditures Under HB 24-1206

	FY 2023-24	FY 2024-25	FY 2025-26
Department of Education			
Healthy School Meals for All	\$17,752	up to \$483,812	up to \$483,812

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, decreasing the amount of General Fund available for other purposes.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For the current FY 2023-24, the bill requires an appropriation of \$17,752 from the Healthy School Meals General Fund Exempt Account to the Colorado Department of Education.

For FY 2024-25, the bill requires an appropriation of up to \$483,812 from the Healthy School Meals General Fund Exempt Account to the Colorado Department of Education. The fiscal note assumes that this appropriation will occur through the Long Bill; however, it may be provided in either the Long Bill or via this bill.

State and Local Government Contacts

Education Joint Budget Committee Staff

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).