

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 25-0133.01 Pierce Lively x2059

HOUSE BILL 25-1274

HOUSE SPONSORSHIP

Garcia,

SENATE SPONSORSHIP

Michaelson Jenet,

House Committees
Education

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE HEALTHY SCHOOL MEALS FOR ALL PROGRAM.

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>.)

The bill refers 2 ballot issues to the voters at the November 2025 statewide election concerning funding for the healthy school meals for all program.

Section 2 of the bill refers a ballot issue to the voters at the November 2025 statewide election to allow the state to retain and spend state revenue that would otherwise need to be refunded for exceeding the estimate in the ballot information booklet analysis for Proposition FF and to allow the state to maintain the increases in state taxable income

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.

established in Proposition FF that would otherwise need to be decreased. If voters reject the ballot issue, the state will both:

- Refund \$26,265,621 to individuals who have a federal taxable income of \$300,000 or more and claimed itemized or standard state income tax deductions greater than \$12,000 for single tax return filers and \$16,000 for joint tax return filers; and
- Adjust the limit on itemized deductions established in Proposition FF to a level that would have reduced the amount of income tax revenue attributable to these itemized deductions by \$26,265,621.

If voters approve the ballot measure:

- The state will not refund \$26,265,621 to individuals who have a federal taxable income of \$300,000 or more and claimed itemized or standard state income tax deductions greater than \$12,000 for single tax return filers and \$16,000 for joint tax return filers; and
- The increases in federal taxable income as a result of Proposition FF will stay at the levels established by Proposition FF.

Section 3 refers a ballot issue to the voters at the November 2025 statewide election to allow the state to increase taxes by \$95 million annually by increasing state taxable income to support the healthy school meals for all program. If voters approve the ballot issue:

- Income tax deductions for individuals who have a federal taxable income of \$300,000 or more will be reduced from current levels to \$1,000 for single filers and \$2,000 for joint filers; and
- The state will allocate the additional revenue generated by the reduction in income tax deductions to the healthy school meals for all program.

If voters reject the ballot issue, income tax deductions will not be reduced.

In addition to the income tax changes and potential refunds that may result from voters approving or rejecting the ballot issues described in **sections 2 and 3**, the bill also changes the healthy school meals for all program cash fund (fund) and healthy school meals for all programs. If voters approve the ballot issue submitted pursuant to **section 2** and reject the ballot issue submitted pursuant to **section 3**, \$1 million is transferred annually from the fund to local school food purchasing programs. If voters approve the ballot issue submitted pursuant to **section 3**, regardless of whether the voters approve the ballot issue submitted pursuant to **section 2**:

- The permissible distribution of local food purchasing grants is modified;

- Certain school food authorities are allowed to collaborate to implement advisory committees;
- The duties of an advisory committee are clarified; and
- The distribution of funds from the fund is changed so that the amounts distributed through local food purchasing grants for increasing wages or providing stipends for individuals whom the participating school food authority employs to directly prepare and serve food for school meals and through the local school food purchasing technical assistance and education grant program are modified based on the amount of money in the fund.

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

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

4 (a) No child in Colorado should experience hunger;

5 (b) Every public school student should benefit from access to
6 healthy, locally sourced, and freshly prepared meals to support their
7 academic success and physical and mental well-being;

8 (c) Investing in nutritious school meals for all public school
9 students, free from stigma or stress, enables those students to focus on
10 learning and is a critical investment in the success of Colorado's public
11 schools;

12 (d) Investing in nutritious school meals also supports Colorado
13 farmers and ranchers, strengthening Colorado's local food systems;

14 (e) That is why, in 2022, the general assembly enacted House Bill
15 22-1414, which limited itemized and standard income tax deductions for
16 taxpayers who have a federal adjusted gross income of \$300,000 to
17 \$12,000 for single filers and \$16,000 for joint filers to fund the
18 implementation of a healthy school meals for all program, and
19 subsequently referred Proposition FF, which sought voter approval for

1 these portions of House Bill 22-1414 to take effect;

2 (f) Proposition FF was approved by the voters, with 56.7% of the
3 votes in favor of the proposition;

4 (g) Yet, in state fiscal year 2023-24 the revenue the state recorded
5 exceeded the ballot information booklet estimate for state revenue from
6 the new tax deduction limits in Proposition FF, and the state is required
7 to refund revenues related to Proposition FF and proportionally reduce
8 future revenue by changing the tax deduction limits in Proposition FF;

9 (h) The refund is because section 20 (3)(c) of article X of the state
10 constitution, commonly known as TABOR, requires the combined
11 amount of state revenue in excess of the ballot information booklet
12 estimate to be refunded, unless there is later voter approval to retain these
13 excess revenues;

14 (i) The potential increase in the tax deduction limits in Proposition
15 FF is because paragraph (3)(c) of TABOR also requires a percentage
16 reduction in the rate of a newly increased tax equal to the amount of
17 revenue in excess of the ballot information booklet estimates as a
18 percentage of the total state revenue from the increased tax, unless there
19 is later voter approval;

20 (j) Consequently, this act includes the referral of a new ballot
21 issue to the voters at the first possible election to seek the voter approval
22 necessary to avoid a refund under TABOR and to avoid increasing the tax
23 deduction limits in Proposition FF;

24 (k) If the voters approve that new ballot issue, the refund and tax
25 deduction limit increases will be unnecessary, the money that would have
26 otherwise been refunded will be retained and remain in the healthy school
27 meals for all program cash fund, and the tax deduction limits will not be

1 raised;

2 (l) Since voters approved Proposition FF, the healthy school meals
3 for all program went into effect in the 2023-24 state fiscal year and is
4 reducing stigma, improving student physical and mental health and
5 well-being, boosting academic success, and saving families money;

6 (m) The healthy school meals for all program has been embraced
7 by Colorado schools and students, with all 190 eligible school food
8 authorities electing to participate in the program and meal participation
9 increasing by more than 30% compared to the previous school year;

10 (n) The healthy school meals for all program has proven to be an
11 effective strategy for the goal of ending child hunger in Colorado;

12 (o) Access to free school meals for all public school students,
13 investment in local food purchasing, local food purchasing training and
14 technical assistance, parent and student advisory committees, and wage
15 boosts or stipends for fronting school nutrition professionals who are
16 serving more students than ever, are all core components of the healthy
17 school meals for all program established in Proposition FF and are critical
18 for its effective implementation;

19 (p) With high participation and rising food costs causing the
20 healthy school meals for all program's expenditures to exceed available
21 revenue, the general assembly finds it necessary to raise additional funds
22 to continue to support all students' ability to access free, quality, nutritious
23 meals at school and to fully implement all components of the healthy
24 school meals for all program, including those that have not yet been
25 implemented; and

26 (q) Collecting additional tax revenue would also allow the state
27 to build a reserve in the healthy school meals for all program cash fund

1 to ensure the fiscal health and sustainability of the healthy school meals
2 for all program.

3 (2) Therefore, it is the general assembly's intent to include in this
4 act the referral of a second ballot issue to raise additional revenue by
5 lowering the tax deduction limits originally approved by the voters in
6 Proposition FF, only on taxpayers with a federal taxable income of
7 \$300,000 or more, to fully fund and implement the healthy school meals
8 for all program.

9 **SECTION 2.** In Colorado Revised Statutes, **add** 22-82.9-212 as
10 follows:

11 **22-82.9-212. Ballot issue related to Proposition FF refunds -**
12 **repeal - definitions.** (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT
13 OTHERWISE REQUIRES:

14 (a) "BALLOT ISSUE" MEANS THE BALLOT ISSUE REFERRED TO THE
15 VOTERS PURSUANT TO SUBSECTION (2) OF THIS SECTION.

16 (b) "PROPOSITION FF REFUND" MEANS AN AMOUNT EQUAL TO
17 TWENTY-SIX MILLION TWO HUNDRED SIXTY-FIVE THOUSAND SIX HUNDRED
18 TWENTY-ONE DOLLARS.

19 (c) "PROPOSITION FF TAXES" MEANS THE INCREASE IN STATE
20 TAXABLE INCOME RESULTING FROM SECTION 39-22-104 (3)(p.5)(I).

21 (2) (a) AT THE STATEWIDE ELECTION HELD IN NOVEMBER 2025,
22 THE SECRETARY OF STATE SHALL SUBMIT TO THE REGISTERED ELECTORS
23 OF THE STATE FOR THEIR APPROVAL OR REJECTION THE FOLLOWING
24 BALLOT ISSUE: "WITHOUT RAISING TAXES, MAY THE STATE KEEP AND
25 SPEND ALL REVENUE GENERATED BY THE 2022 VOTER-APPROVED STATE
26 TAX DEDUCTION LIMITS ON INDIVIDUALS WITH INCOMES OF \$300,000 OR
27 MORE AND MAINTAIN THESE DEDUCTION LIMITS IN ORDER TO CONTINUE

1 FUNDING THE HEALTHY SCHOOL MEALS FOR ALL PROGRAM, WHICH PAYS
2 FOR PUBLIC SCHOOLS TO OFFER FREE BREAKFAST AND LUNCH TO ALL
3 STUDENTS IN KINDERGARTEN THROUGH TWELFTH GRADE?"

4 (b) FOR PURPOSES OF SECTION 1-5-407, THE BALLOT ISSUE IS A
5 PROPOSITION. SECTION 1-40-106 (3)(d) DOES NOT APPLY TO THE BALLOT
6 ISSUE.

7 (3) IF A MAJORITY OF THE ELECTORS VOTING ON THE BALLOT ISSUE
8 VOTE "NO/AGAINST":

9 (a) THE DEPARTMENT OF REVENUE SHALL DETERMINE A
10 REASONABLE METHOD TO DISTRIBUTE THE PROPOSITION FF REFUND IN
11 ACCORDANCE WITH SECTION 20 (3)(c) OF ARTICLE X OF THE STATE
12 CONSTITUTION. THIS METHOD MUST INCLUDE THE DISTRIBUTION OF THE
13 PROPOSITION FF REFUND TO TAXPAYERS WITH A FEDERAL ADJUSTED
14 GROSS INCOME OF THREE HUNDRED THOUSAND OR MORE DOLLARS WHO
15 PAID THE PROPOSITION FF TAXES.

16 (b) ON OR BEFORE JUNE 30, 2026, THE STATE TREASURER SHALL
17 REFUND AN AMOUNT EQUAL TO THE PROPOSITION FF REFUND IN THE
18 MANNER DETERMINED BY THE DEPARTMENT OF REVENUE PURSUANT TO
19 SUBSECTION (3)(a) OF THIS SECTION.

20 (4) IF A MAJORITY OF THE ELECTORS VOTING ON THE BALLOT ISSUE
21 VOTE "YES/FOR" THEN THIS SECTION IS REPEALED, EFFECTIVE JULY 1,
22 2026.

23 **SECTION 3.** In Colorado Revised Statutes, **add** 22-82.9-213 as
24 follows:

25 **22-82.9-213. Ballot issue related to Proposition FF revenue**
26 **increase - repeal.** (1) AT THE STATEWIDE ELECTION HELD IN NOVEMBER
27 2025, THE SECRETARY OF STATE SHALL SUBMIT TO THE REGISTERED

1 ELECTORS OF THE STATE FOR THEIR APPROVAL OR REJECTION THE
 2 FOLLOWING BALLOT ISSUE: "SHALL STATE TAXES BE INCREASED BY \$95
 3 MILLION ANNUALLY BY A CHANGE TO THE COLORADO REVISED STATUTES
 4 THAT, TO SUPPORT THE HEALTHY SCHOOL MEALS FOR ALL PROGRAM,
 5 INCREASES STATE TAXABLE INCOME ONLY FOR INDIVIDUALS WHO HAVE A
 6 FEDERAL TAX INCOME OF \$300,000 OR MORE BY LIMITING ITEMIZED OR
 7 STANDARD STATE INCOME TAX DEDUCTIONS TO \$1,000 FOR SINGLE TAX
 8 RETURN FILERS AND \$2,000 FOR JOINT TAX RETURN FILERS FOR THE
 9 PURPOSES OF FULLY FUNDING THE HEALTHY SCHOOL MEALS FOR ALL
 10 PROGRAM TO CONTINUE PAYING FOR PUBLIC SCHOOLS TO OFFER FREE
 11 BREAKFAST AND LUNCH TO ALL PUBLIC SCHOOL STUDENTS WHILE ALSO
 12 INCREASING WAGES FOR EMPLOYEES WHO PREPARE AND SERVE SCHOOL
 13 MEALS, HELPING SCHOOLS USE BASIC, NUTRITIOUS INGREDIENTS, INSTEAD
 14 OF PROCESSED PRODUCTS, AND ENSURING THAT COLORADO GROWN AND
 15 RAISED PRODUCTS ARE PART OF SCHOOL MEALS; AND SHALL THE STATE BE
 16 ALLOWED TO RETAIN AND SPEND AS A VOTER-APPROVED REVENUE
 17 CHANGE ALL ADDITIONAL TAX REVENUE GENERATED BY THESE TAX
 18 DEDUCTION CHANGES?"

19 **Changes in Income Taxes Owed by Income Category**

Income Category	Proposed Change in Average Income Tax Owed
\$299,999 or less	\$0
\$300,000 or more	+\$486

23 (2) FOR PURPOSES OF SECTION 1-5-407, THE BALLOT ISSUE
 24 DESCRIBED IN SUBSECTION (1) OF THIS SECTION IS A PROPOSITION. SECTION
 25 1-40-106 (3)(d) DOES NOT APPLY TO THE BALLOT ISSUE.

26 (3) IF A MAJORITY OF THE ELECTORS VOTING ON THE BALLOT ISSUE
 27 DESCRIBED IN SUBSECTION (1) OF THIS SECTION VOTE "YES/FOR", THIS

1 CONSTITUTES A VOTER-APPROVED REVENUE CHANGE TO ALLOW THE
2 RETENTION AND EXPENDITURE OF STATE REVENUES IN EXCESS OF THE
3 LIMITATION ON STATE FISCAL YEAR SPENDING.

4 (4) IF A MAJORITY OF THE ELECTORS VOTING ON THE BALLOT ISSUE
5 DESCRIBED IN SUBSECTION (1) OF THIS SECTION VOTE "No/AGAINST",
6 THEN THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2026.

7 **SECTION 4.** In Colorado Revised Statutes, 22-82.9-203, **add**
8 (5.5) as follows:

9 **22-82.9-203. Definitions.** As used in this part 2, unless the
10 context otherwise requires:

11 (5.5) "FUND" MEANS THE HEALTHY SCHOOL MEALS FOR ALL
12 PROGRAM CASH FUND CREATED IN SECTION 22-82.9-211.

13 **SECTION 5.** In Colorado Revised Statutes, 22-82.9-204, **amend**
14 (7)(a)(IV) as follows:

15 **22-82.9-204. Healthy school meals for all program - created -**
16 **advisory group - report - rules - definition - repeal.** (7) (a) The healthy
17 school meals for all program technical advisory group is created in the
18 department. As soon as practicable, the department shall convene the
19 advisory group and the advisory group shall collaborate with school
20 districts, the office of state planning and budgeting, and a representative
21 from the department of agriculture to:

22 (IV) Strengthen the long-term resiliency of the ~~healthy school~~
23 ~~meals for all cash fund~~;

24 **SECTION 6.** In Colorado Revised Statutes, 22-82.9-205, **amend**
25 (1)(a), (2)(a)(I), and (3)(a); and **add** (3)(c), (3)(d), and (3)(e) as follows:

26 **22-82.9-205. Local food purchasing grant - amount - advisory**
27 **committee - verification of invoices.** (1) (a) Subject to subsection (5) of

1 this section, each participating school food authority that ~~creates~~ COMMITS
2 TO OPERATING an advisory committee as described in subsection (3) of
3 this section is eligible to receive a local food purchasing grant pursuant
4 to this section to purchase Colorado grown, raised, or processed products.
5 IT IS THE GENERAL ASSEMBLY'S INTENT THAT THESE GRANTS BE USED
6 PRIMARILY TO SUPPORT SMALL- AND MEDIUM-SIZED FARMS AND RANCHES.

7 (2) (a) (I) Subject to ~~the provisions of~~ subsection (2)(b) of this
8 section, at the beginning of each budget year the department, subject to
9 available appropriations, shall distribute to each participating school food
10 authority that is eligible to receive a grant pursuant to this section ~~the~~
11 ~~greater of five thousand dollars or an amount equal to twenty-five cents~~
12 ~~multiplied by the number of lunches that qualified as an eligible meal that~~
13 ~~the participating school food authority served to students in the preceding~~
14 ~~school year~~ AN AMOUNT ESTABLISHED PURSUANT TO SECTION 22-82.9-211
15 (3).

16 (3) (a) To receive a local food purchasing grant pursuant to this
17 section, a participating school food authority must HAVE OR establish an
18 advisory committee made up of students and parents of students enrolled
19 in the public schools served by the participating school food authority. In
20 selecting students and parents to serve on the advisory committee, the
21 participating school food authority shall ensure that the membership of
22 the advisory committee reflects the racial, ethnic, and socioeconomic
23 demographics of the student population enrolled by the participating
24 school food authority. The advisory committee shall advise the
25 participating school food authority concerning the selection of foods to
26 ensure that meals are culturally relevant, healthy, and appealing to all
27 ages of the student population.

1 (c) A SCHOOL FOOD AUTHORITY THAT PROVIDED ONE MILLION OR
2 FEWER LUNCHES IN THE 2023-24 SCHOOL YEAR MAY, SUBJECT TO
3 APPROVAL BY THE DEPARTMENT, WORK WITH OTHER SCHOOL FOOD
4 AUTHORITIES TO IMPLEMENT AN ADVISORY COMMITTEE THAT
5 COLLABORATES WITH MULTIPLE SCHOOL FOOD AUTHORITIES.

6 (d) AN ADVISORY COMMITTEE ESTABLISHED PURSUANT TO THIS
7 SUBSECTION (3) IS NOT LIMITED TO, BUT MAY:

8 (I) SCHEDULE AND HOLD MEETINGS AS NECESSARY FOR THE
9 ADVISORY COMMITTEE TO HAVE ONGOING COLLABORATION WITH THE
10 PARTICIPATING SCHOOL FOOD AUTHORITY AND ACHIEVE THE ADVISORY
11 COMMITTEE'S GOALS;

12 (II) THROUGH STUDENT SURVEYS OR OTHER METHODS AS
13 NECESSARY, GATHER STUDENT FEEDBACK ON MEALS AND MEAL
14 PREFERENCES;

15 (III) SUGGEST THE TYPES OF PURCHASES OF LOCAL INGREDIENTS
16 TO THE SCHOOL FOOD AUTHORITY THAT WOULD SUPPORT LOCAL FARMERS
17 AND RANCHERS IN THE SCHOOL FOOD AUTHORITY'S REGION;

18 (IV) INFORM THE SCHOOL FOOD AUTHORITY OF RECIPES THAT ARE
19 BOTH NUTRITIOUS AND REFLECT THE CULTURES OF THE STUDENT
20 POPULATION ENROLLED BY THE PARTICIPATING SCHOOL FOOD AUTHORITY;

21 (V) TASTE TEST HEALTHY MEAL OPTIONS;

22 (VI) DEVELOP SOLUTIONS TO REDUCE FOOD WASTE;

23 (VII) ASSIST THE SCHOOL FOOD AUTHORITY IN DEVELOPING PLANS
24 TO SUPPORT MORE SCRATCH COOKING;

25 (VIII) ASSIST THE SCHOOL FOOD AUTHORITY IN OBTAINING THE
26 NECESSARY RESOURCES TO PROVIDE MEALS THAT ARE CULTURALLY
27 RELEVANT, HEALTHY, AND APPEALING TO ALL AGES OF THE STUDENT

1 POPULATION;

2 (IX) INFORM THE SCHOOL FOOD AUTHORITY OF, AND ASSIST IN THE
3 IMPLEMENTATION OF, STRATEGIES TO MAXIMIZE THE COLLECTION AND
4 COMPLETION OF HOUSEHOLD INCOME APPLICATION FORMS FOR NATIONAL
5 SCHOOL LUNCH PROGRAMS;

6 (X) EVALUATE THE EFFECTIVENESS OF THE ADVISORY COMMITTEE
7 IN SUPPORTING THE SCHOOL FOOD AUTHORITY IN IMPROVING MEAL
8 QUALITY AND STUDENT SATISFACTION WITH THE MEALS PROVIDED BY THE
9 SCHOOL FOOD AUTHORITY; AND

10 (XI) LEARN FROM A SCHOOL FOOD AUTHORITY ABOUT THE
11 LOGISTICS OF LOCAL FOOD PROCUREMENT, MENU REQUIREMENTS, AND
12 OPERATIONAL MANAGEMENT TO SUPPORT THE ADVISORY COMMITTEE IN
13 SUGGESTING REALISTIC AND ATTAINABLE CHANGES TO SCHOOL MEALS.

14 (e) A SCHOOL FOOD AUTHORITY MAY CONTRACT WITH AN
15 EXTERNAL NONPROFIT ORGANIZATION TO CONVENE AND FACILITATE AN
16 ADVISORY COMMITTEE PURSUANT TO THIS SUBSECTION (3).

17 **SECTION 7.** In Colorado Revised Statutes, 22-82.9-206, **amend**
18 (1) as follows:

19 **22-82.9-206. School meals food preparation and service**
20 **employees - wage increase or stipend.** (1) Subject to subsection (2) of
21 this section, in addition to the amounts received pursuant to sections
22 22-82.9-204 and 22-82.9-205, a participating school food authority may
23 receive ~~the greater of three thousand dollars or an amount equal to twelve~~
24 ~~cents multiplied by the number of school lunches that qualify as eligible~~
25 ~~meals that the participating school food authority provided in the previous~~
26 ~~budget year~~ AN AMOUNT DESCRIBED IN SECTION 22-82.9-211 (3), so long
27 as the participating school food authority uses one hundred percent of the

1 amount received pursuant to this section to increase wages or provide
2 stipends for individuals whom the participating school food authority
3 employs to directly prepare and serve food for school meals. To receive
4 the amount described in this section, a participating school food authority
5 must submit documentation to the department as required by rules of the
6 state board to demonstrate that the increase in wages or provision of
7 stipends using the amount received pursuant to this section is
8 implemented for the budget year in which the amount is received.

9 **SECTION 8.** In Colorado Revised Statutes, 22-82.9-207, **amend**
10 (2)(b) as follows:

11 **22-82.9-207. Local school food purchasing technical assistance**
12 **and education grant program - created - report.** (2) Subject to
13 available appropriations, the nonprofit organization may award grants for:

14 (b) Education, outreach, and promotion for:

15 (I) Schools to engage families and communities on the benefits of
16 farm-to-school and ways to support farm-to-school; ~~and~~

17 (II) Grower associations and growers to communicate to schools
18 and school communities about the multiple benefits of purchasing local
19 products; AND

20 (III) OTHER ACTIVITIES THAT SUPPORT THE DEVELOPMENT AND
21 USE OF LOCALLY PRODUCED PRODUCTS IN MEALS SERVED AT SCHOOL.

22 **SECTION 9.** In Colorado Revised Statutes, 22-82.9-208, **amend**
23 (1)(a)(II) as follows:

24 **22-82.9-208. Report - audit.** (1) (a) On or before December 1,
25 2024, and on or before December 1 every two years thereafter, the
26 department shall prepare a report concerning the implementation of
27 section 22-82.9-204 and sections 22-82.9-205, 22-82.9-206, and

1 22-82.9-207, to the extent those sections are in effect as provided in
2 section 22-82.9-204 (4)(b). At a minimum, the report must describe:

3 (II) The effect of the use of local food purchasing grants on the
4 ~~amount~~ QUANTITY of Colorado grown, raised, or processed products
5 purchased by participating school food authorities, THE COST OF THESE
6 PURCHASES, and ~~include~~ a compilation of the information reported by
7 participating school food authorities pursuant to section 22-82.9-205
8 (1)(b);

9 **SECTION 10.** In Colorado Revised Statutes, 22-82.9-211,
10 **amend** (1)(b), (2), (3)(a) introductory portion, (3)(b), (4)(a), (4)(b), and
11 (5); **repeal** (1)(a) and (7); and **add** (1)(a.5), (1)(c), (1)(d), (3)(a.5), (3)(c),
12 (3)(d), (3)(e), (3)(f), (3)(g), (3)(h), and (4.5) as follows:

13 **22-82.9-211. Healthy school meals for all program cash fund**
14 **- creation - uses - reporting requirements - legislative declaration -**
15 **definitions.** (1) As used in this section, unless the context otherwise
16 requires:

17 (a) ~~"Cash fund" means the healthy school meals for all program~~
18 ~~cash fund created in this section.~~

19 (a.5) "ACCOUNT" MEANS THE HEALTHY SCHOOL MEALS FOR ALL
20 PROGRAM FUND ACCOUNT CREATED IN SUBSECTION (2)(b) OF THIS
21 SECTION.

22 (b) "Healthy school meals for all program revenue" means:

23 (I) FOR TAX YEARS COMMENCING BEFORE JANUARY 1, 2026, the
24 revenue generated by the addition to federal taxable income in section
25 39-22-104 (3)(p.5), which revenue is a voter approved revenue change;
26 AND

27 (II) FOR TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2026,

1 THE REVENUE GENERATED BY THE ADDITION TO FEDERAL TAXABLE
2 INCOME IN SECTION 39-22-104 (3)(p.7), WHICH REVENUE IS A VOTER
3 APPROVED REVENUE CHANGE.

4 (c) "RESERVE" MEANS, AS CERTIFIED BY LEGISLATIVE COUNCIL, IN
5 CONSULTATION WITH THE DEPARTMENT, AND BASED ON THE RELEVANT
6 PROJECTIONS IN THE MARCH ECONOMIC AND REVENUE FORECAST
7 PREPARED BY LEGISLATIVE COUNCIL STAFF, A PERCENTAGE EQUAL TO THE
8 ESTIMATED AMOUNT IN THE FUND FOR A FISCAL YEAR MINUS THE
9 ESTIMATED AMOUNT OF MONEY EXPENDED BY THE DEPARTMENT FOR THE
10 PURPOSES DESCRIBED IN SUBSECTIONS (3)(a) AND (3)(a.5) OF THIS SECTION
11 DIVIDED BY THE ESTIMATED AMOUNT EXPENDED BY THE DEPARTMENT FOR
12 THE PURPOSE DESCRIBED IN SUBSECTION (3)(a)(I) OF THIS SECTION.

13 (d) "STATE EDUCATION FUND HEALTHY SCHOOL MEALS FOR ALL
14 REVENUE" MEANS THE AMOUNT OF ADDITIONAL TAX REVENUE DEPOSITED
15 IN THE STATE EDUCATION FUND AS A RESULT OF LIMITING, FOR INCOME
16 TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2026, THE AMOUNT OF
17 DEDUCTIONS THAT TAXPAYERS WHO CLAIM ITEMIZED DEDUCTIONS AS
18 DEFINED IN SECTION 63 (d) OF THE INTERNAL REVENUE CODE OR THE
19 STANDARD DEDUCTION AS DEFINED IN SECTION 63 (c) OF THE INTERNAL
20 REVENUE CODE AND WHO HAVE A FEDERAL ADJUSTED GROSS INCOME IN
21 THE INCOME TAX YEAR EQUAL TO OR GREATER THAN THREE HUNDRED
22 THOUSAND DOLLARS MAY CLAIM TO THE FOLLOWING:

23 (I) FOR A TAXPAYER WHO FILES A SINGLE RETURN, THE AMOUNT
24 BY WHICH THE ITEMIZED DEDUCTIONS DEDUCTED FROM GROSS INCOME
25 UNDER SECTION 63 (a) OF THE INTERNAL REVENUE CODE EXCEED, OR THE
26 STANDARD DEDUCTION DEDUCTED FROM GROSS INCOME UNDER SECTION
27 63 (c) OF THE INTERNAL REVENUE CODE EXCEEDS ONE THOUSAND

1 DOLLARS, RATHER THAN TWELVE THOUSAND DOLLARS; AND

2 (II) FOR TAXPAYERS WHO FILE A JOINT RETURN, THE AMOUNT BY
3 WHICH THE ITEMIZED DEDUCTIONS DEDUCTED FROM GROSS INCOME UNDER
4 SECTION 63 (a) OF THE INTERNAL REVENUE CODE EXCEED, OR THE
5 STANDARD DEDUCTION DEDUCTED FROM GROSS INCOME UNDER SECTION
6 63 (c) OF THE INTERNAL REVENUE CODE EXCEEDS, TWO THOUSAND
7 DOLLARS, RATHER THAN SIXTEEN THOUSAND DOLLARS.

8 (2) (a) The healthy school meals for all program ~~cash~~ fund is
9 created in the state treasury. The ~~cash~~ fund consists of healthy school
10 meals for all program revenue deposited in the cash fund in accordance
11 with subsection (4)(a) of this section AND ANY OTHER MONEY THAT THE
12 GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND. The
13 state treasurer shall credit all interest and income derived from the deposit
14 and investment of money in the ~~cash~~ fund to the ~~cash~~ fund.

15 (b) THE HEALTHY SCHOOL MEALS FOR ALL PROGRAM FUND
16 ACCOUNT IS CREATED IN THE FUND. THE ACCOUNT CONSISTS OF MONEY
17 TRANSFERRED BY THE TREASURER FROM THE STATE EDUCATION FUND IN
18 ACCORDANCE WITH SUBSECTION (4.5) OF THIS SECTION AND ANY OTHER
19 MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER
20 TO THE FUND. THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
21 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
22 ACCOUNT TO THE ACCOUNT.

23 (3) (a) Subject to annual appropriation by the general assembly,
24 the department may expend money from the ~~cash~~ fund THAT IS NOT IN THE
25 ACCOUNT for the following purposes:

26 (a.5) (I) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL
27 ASSEMBLY, THE DEPARTMENT MAY EXPEND MONEY FROM THE ACCOUNT

1 FOR THE FOLLOWING PURPOSES:

2 (A) AWARDING LOCAL FOOD PURCHASING GRANTS PURSUANT TO
3 SECTIONS 22-82.9-205 AND 22-82.9-302;

4 (B) DISTRIBUTING MONEY TO A PARTICIPATING SCHOOL FOOD
5 AUTHORITY TO INCREASE WAGES OR PROVIDE STIPENDS FOR INDIVIDUALS
6 WHOM THE PARTICIPATING SCHOOL FOOD AUTHORITY EMPLOYS TO
7 DIRECTLY PREPARE AND SERVE FOOD FOR SCHOOL MEALS PURSUANT TO
8 SECTION 22-82.9-206 (1);

9 (C) AWARDING LOCAL SCHOOL FOOD PURCHASING TECHNICAL
10 ASSISTANCE AND EDUCATION GRANTS PURSUANT TO SECTIONS
11 22-82.9-207 AND 22-82.9-303; AND

12 (D) THE DIRECT AND INDIRECT COSTS OF ADMINISTERING THE
13 PROGRAMS DESCRIBED IN THIS SUBSECTION (3)(a.5), SO LONG AS THESE
14 COSTS DO NOT EXCEED ONE AND ONE-HALF PERCENT OF THE TOTAL
15 AMOUNT THE GENERAL ASSEMBLY ANNUALLY APPROPRIATES IN THE SAME
16 FISCAL YEAR FOR THE OTHER PURPOSES DESCRIBED IN SUBSECTION (3)(a)
17 OF THIS SECTION AND THIS SUBSECTION (3)(a.5).

18 (II) THE DEPARTMENT SHALL, AS PRACTICABLE, EXPEND ALL OF
19 THE ESTIMATED AMOUNT OF MONEY IN THE ACCOUNT FOR THE PURPOSES
20 DESCRIBED IN THIS SUBSECTION (3)(a.5) AND IN ACCORDANCE WITH THE
21 DISTRIBUTION METHODS ESTABLISHED IN SUBSECTIONS (3)(c) THROUGH
22 (3)(h) OF THIS SECTION.

23 (b) Money in the ~~cash~~ fund shall not be used for the purposes
24 described in subsections (3)(a)(II), (3)(a)(III), and (3)(a)(IV) of this
25 section if the sum of the annual tax year revenue recorded in the ~~cash~~
26 fund and the balance in the ~~cash~~ fund, as calculated pursuant to
27 subsection (4) of this section, is less than, or is anticipated to be less than,

1 the annual expenditure anticipated to be required for the purposes
2 described in subsections (3)(a)(I) and (3)(a)(V) of this section.

3 (c) NOTWITHSTANDING SUBSECTION (3)(b) OF THIS SECTION, IF THE
4 DEPARTMENT EXPENDING MONEY FROM THE FUND AS FOLLOWS WOULD
5 RESULT IN THE RESERVE EQUALING AN AMOUNT LESS THAN TEN PERCENT,
6 THEN THE DEPARTMENT SHALL EXPEND MONEY FROM THE ACCOUNT AS
7 FOLLOWS:

8 (I) AWARDING LOCAL SCHOOL FOOD PURCHASING GRANTS
9 PURSUANT TO SECTION 22-82.9-302 IN AMOUNTS DETERMINED BY THE
10 DEPARTMENT THAT, IN COMBINATION WITH THE EXPENDITURES FROM THE
11 ACCOUNT DESCRIBED IN SUBSECTIONS (3)(c)(II) AND (3)(c)(III) OF THIS
12 SECTION, RESULT IN EXPENDING ALL OF THE ESTIMATED AMOUNT IN THE
13 ACCOUNT;

14 (II) DISTRIBUTING THE GREATER OF THREE THOUSAND DOLLARS OR
15 AN AMOUNT EQUAL TO SIX CENTS MULTIPLIED BY THE NUMBER OF SCHOOL
16 LUNCHES THAT QUALIFIED AS ELIGIBLE MEALS THAT THE PARTICIPATING
17 SCHOOL FOOD AUTHORITY PROVIDED IN THE SCHOOL YEAR TWO SCHOOL
18 YEARS PRIOR TO A PARTICIPATING SCHOOL FOOD AUTHORITY TO INCREASE
19 WAGES OR PROVIDE STIPENDS FOR INDIVIDUALS WHOM THE PARTICIPATING
20 SCHOOL FOOD AUTHORITY EMPLOYS TO DIRECTLY PREPARE AND SERVE
21 FOOD FOR SCHOOL MEALS PURSUANT TO SECTION 22-82.9-206 (1); AND

22 (III) AWARDING TWO HUNDRED FIFTY THOUSAND DOLLARS IN
23 LOCAL SCHOOL FOOD PURCHASING TECHNICAL ASSISTANCE AND
24 EDUCATION GRANTS PURSUANT TO SECTION 22-82.9-303.

25 (d) IF THE DEPARTMENT EXPENDING MONEY FROM THE FUND AS
26 FOLLOWS WOULD RESULT IN THE RESERVE BEING EQUAL TO OR GREATER
27 THAN TEN PERCENT AND LESS THAN TWENTY-FIVE PERCENT, THEN THE

1 DEPARTMENT SHALL EXPEND MONEY FROM THE FUND, INCLUDING MONEY
2 IN THE ACCOUNT IN ACCORDANCE WITH SUBSECTION (3)(a.5)(II) OF THIS
3 SECTION, AS FOLLOWS:

4 (I) AWARDING LOCAL FOOD PURCHASING GRANTS PURSUANT TO
5 SECTION 22-82.9-205 IN AN AMOUNT EQUAL TO THE GREATER OF FIVE
6 THOUSAND DOLLARS OR AN AMOUNT, AS DETERMINED BY THE
7 DEPARTMENT, EQUAL TO OR GREATER THAN TEN AND EQUAL TO OR LESS
8 THAN TWELVE AND ONE-HALF CENTS MULTIPLIED BY THE NUMBER OF
9 LUNCHES THAT QUALIFIED AS AN ELIGIBLE MEAL THAT THE PARTICIPATING
10 SCHOOL FOOD AUTHORITY SERVED TO STUDENTS IN THE SCHOOL YEAR
11 TWO SCHOOL YEARS PRIOR;

12 (II) DISTRIBUTING THE GREATER OF THREE THOUSAND DOLLARS OR
13 AN AMOUNT EQUAL TO SIX CENTS MULTIPLIED BY THE NUMBER OF SCHOOL
14 LUNCHES THAT QUALIFIED AS ELIGIBLE MEALS THAT THE PARTICIPATING
15 SCHOOL FOOD AUTHORITY PROVIDED IN THE SCHOOL YEAR TWO SCHOOL
16 YEARS PRIOR TO A PARTICIPATING SCHOOL FOOD AUTHORITY TO INCREASE
17 WAGES OR PROVIDE STIPENDS FOR INDIVIDUALS WHOM THE PARTICIPATING
18 SCHOOL FOOD AUTHORITY EMPLOYS TO DIRECTLY PREPARE AND SERVE
19 FOOD FOR SCHOOL MEALS PURSUANT TO SECTION 22-82.9-206 (1); AND

20 (III) AWARDING TWO MILLION FIVE HUNDRED THOUSAND DOLLARS
21 IN LOCAL SCHOOL FOOD PURCHASING TECHNICAL ASSISTANCE AND
22 EDUCATION GRANTS PURSUANT TO SECTION 22-82.9-207.

23 (e) IF THE DEPARTMENT EXPENDING MONEY FROM THE FUND AS
24 FOLLOWS WOULD RESULT IN THE RESERVE EQUALING AN AMOUNT EQUAL
25 TO OR GREATER THAN TWENTY-FIVE PERCENT AND LESS THAN FORTY
26 PERCENT, THEN THE DEPARTMENT SHALL EXPEND MONEY FROM THE FUND,
27 INCLUDING MONEY IN THE ACCOUNT IN ACCORDANCE WITH SUBSECTION

1 (3)(a.5)(II) OF THIS SECTION, AS FOLLOWS:

2 (I) AWARDING LOCAL FOOD PURCHASING GRANTS PURSUANT TO
3 SECTION 22-82.9-205 IN AN AMOUNT EQUAL TO THE GREATER OF FIVE
4 THOUSAND DOLLARS OR AN AMOUNT, AS DETERMINED BY THE
5 DEPARTMENT, EQUAL TO OR GREATER THAN SIXTEEN AND LESS THAN OR
6 EQUAL TO EIGHTEEN AND THREE-QUARTERS CENTS MULTIPLIED BY THE
7 NUMBER OF LUNCHESES THAT QUALIFIED AS AN ELIGIBLE MEAL THAT THE
8 PARTICIPATING SCHOOL FOOD AUTHORITY SERVED TO STUDENTS IN THE
9 SCHOOL YEAR TWO SCHOOL YEARS PRIOR;

10 (II) DISTRIBUTING THE GREATER OF THREE THOUSAND DOLLARS OR
11 AN AMOUNT EQUAL TO NINE CENTS MULTIPLIED BY THE NUMBER OF
12 SCHOOL LUNCHESES THAT QUALIFIED AS ELIGIBLE MEALS THAT THE
13 PARTICIPATING SCHOOL FOOD AUTHORITY PROVIDED IN THE SCHOOL YEAR
14 TWO SCHOOL YEARS PRIOR TO A PARTICIPATING SCHOOL FOOD AUTHORITY
15 TO INCREASE WAGES OR PROVIDE STIPENDS FOR INDIVIDUALS WHOM THE
16 PARTICIPATING SCHOOL FOOD AUTHORITY EMPLOYS TO DIRECTLY PREPARE
17 AND SERVE FOOD FOR SCHOOL MEALS PURSUANT TO SECTION 22-82.9-206
18 (1); AND

19 (III) AWARDING THREE MILLION SEVEN HUNDRED FIFTY THOUSAND
20 DOLLARS IN LOCAL SCHOOL FOOD PURCHASING TECHNICAL ASSISTANCE
21 AND EDUCATION GRANTS PURSUANT TO SECTION 22-82.9-207.

22 (f) IF THE DEPARTMENT EXPENDING MONEY FROM THE FUND AS
23 FOLLOWS WOULD RESULT IN THE RESERVE EQUALING AN AMOUNT EQUAL
24 TO OR GREATER THAN FORTY PERCENT AND, FOR STATE FISCAL YEARS
25 COMMENCING ON OR AFTER JULY 1, 2029, LESS THAN FIFTY PERCENT, THEN
26 THE DEPARTMENT SHALL EXPEND MONEY FROM THE FUND, INCLUDING
27 MONEY IN THE ACCOUNT IN ACCORDANCE WITH SUBSECTION (3)(a.5)(II)

1 OF THIS SECTION, AS FOLLOWS:

2 (I) AWARDING LOCAL FOOD PURCHASING GRANTS PURSUANT TO
3 SECTION 22-82.9-205 IN AN AMOUNT EQUAL TO THE GREATER OF FIVE
4 THOUSAND DOLLARS OR AN AMOUNT EQUAL TO TWENTY-FIVE CENTS
5 MULTIPLIED BY THE NUMBER OF LUNCHESES THAT QUALIFIED AS AN ELIGIBLE
6 MEAL THAT THE PARTICIPATING SCHOOL FOOD AUTHORITY SERVED TO
7 STUDENTS IN THE SCHOOL YEAR TWO SCHOOL YEARS PRIOR;

8 (II) DISTRIBUTING THE GREATER OF THREE THOUSAND DOLLARS OR
9 AN AMOUNT EQUAL TO TWELVE CENTS MULTIPLIED BY THE NUMBER OF
10 SCHOOL LUNCHESES THAT QUALIFIED AS ELIGIBLE MEALS THAT THE
11 PARTICIPATING SCHOOL FOOD AUTHORITY PROVIDED IN THE SCHOOL YEAR
12 TWO SCHOOL YEARS PRIOR TO A PARTICIPATING SCHOOL FOOD AUTHORITY
13 TO INCREASE WAGES OR PROVIDE STIPENDS FOR INDIVIDUALS WHOM THE
14 PARTICIPATING SCHOOL FOOD AUTHORITY EMPLOYS TO DIRECTLY PREPARE
15 AND SERVE FOOD FOR SCHOOL MEALS PURSUANT TO SECTION 22-82.9-206
16 (1); AND

17 (III) AWARDING FIVE MILLION DOLLARS IN LOCAL SCHOOL FOOD
18 PURCHASING TECHNICAL ASSISTANCE AND EDUCATION GRANTS PURSUANT
19 TO SECTION 22-82.9-207.

20 (g) FOR FISCAL YEARS COMMENCING ON OR AFTER JULY 1, 2029,
21 IF THE DEPARTMENT DETERMINES THAT DOING SO WOULD RESULT IN THE
22 RESERVE EQUALING FIFTY PERCENT OR MORE, THEN THE DEPARTMENT
23 SHALL EXPEND MONEY FROM THE FUND, INCLUDING MONEY IN THE
24 ACCOUNT IN ACCORDANCE WITH SUBSECTION (3)(a.5)(II) OF THIS SECTION,
25 BY INCREASING THE AMOUNTS AWARDED AND DISTRIBUTED FROM THE
26 FUND TO AMOUNTS GREATER THAN THOSE DESCRIBED IN SUBSECTION
27 (3)(f) OF THIS SECTION.

1 (h) (I) NOTWITHSTANDING SUBSECTIONS (3)(d) THROUGH (3)(f) OF
2 THIS SECTION, THE DEPARTMENT SHALL NOT REDUCE FROM ONE STATE
3 FISCAL YEAR TO THE NEXT THE AMOUNT MULTIPLIED BY THE NUMBER OF
4 LUNCHES THAT QUALIFY AS ELIGIBLE MEALS OR THE DOLLAR AMOUNT
5 ALTERNATIVE USED TO CALCULATE THE AMOUNT THE DEPARTMENT
6 AWARDS FOR THE PURPOSES DESCRIBED IN SUBSECTION (3)(a)(II),
7 (3)(a)(III), (3)(a.5)(I)(A), AND (3)(a.5)(I)(B) OF THIS SECTION OR THE
8 TOTAL AMOUNT THE DEPARTMENT AWARDS FOR THE PURPOSE DESCRIBED
9 IN SUBSECTION (3)(a)(IV) AND (3)(a.5)(I)(C) OF THIS SECTION. THIS
10 SUBSECTION (3)(h)(I) DOES NOT APPLY IN A FISCAL YEAR WHEN THE
11 DEPARTMENT EXPENDS MONEY FROM THE FUND, INCLUDING MONEY IN THE
12 ACCOUNT, PURSUANT TO SUBSECTIONS (3)(c) AND (3)(g) OF THIS SECTION.

13 (II) NOTWITHSTANDING SUBSECTIONS (3)(c) AND (3)(h)(I) OF THIS
14 SECTION, IF, OVER THREE FISCAL YEARS, THE PERCENTAGE OF THE
15 RESERVE DECREASES BY TEN PERCENTAGE POINTS FROM THE FIRST TO THE
16 THIRD FISCAL YEAR, THE RESERVE IS EQUAL TO FORTY PERCENT OR LESS
17 IN BOTH THE SECOND AND THIRD FISCAL YEAR, AND THE PERCENTAGE OF
18 THE RESERVE DECREASES IN BOTH THE SECOND AND THIRD FISCAL YEAR,
19 FOR THE THIRD FISCAL YEAR:

20 (A) IF THE DEPARTMENT WOULD OTHERWISE EXPEND MONEY FROM
21 THE FUND IN THE AMOUNTS DESCRIBED IN SUBSECTION (3)(f) OF THIS
22 SECTION, THE DEPARTMENT SHALL INSTEAD EXPEND MONEY FROM THE
23 FUND IN THE AMOUNTS DESCRIBED IN SUBSECTION (3)(e) OF THIS SECTION;

24 (B) IF THE DEPARTMENT WOULD OTHERWISE EXPEND MONEY FROM
25 THE FUND IN THE AMOUNTS DESCRIBED IN SUBSECTION (3)(e) OF THIS
26 SECTION, EXCEPT FOR WHEN DOING SO PURSUANT TO THIS SUBSECTION
27 (3)(h)(II), THE DEPARTMENT SHALL INSTEAD EXPEND MONEY FROM THE

1 FUND IN THE AMOUNTS DESCRIBED IN SUBSECTION (3)(d) OF THIS SECTION;
2 AND

3 (C) IF THE DEPARTMENT WOULD OTHERWISE EXPEND MONEY FROM
4 THE FUND IN THE AMOUNTS DESCRIBED IN SUBSECTION (3)(d) OF THIS
5 SECTION, EXCEPT FOR WHEN DOING SO PURSUANT TO THIS SUBSECTION
6 (3)(h)(II), THE DEPARTMENT SHALL INSTEAD EXPEND MONEY FROM THE
7 FUND IN THE AMOUNTS DESCRIBED IN SUBSECTION (3)(c) OF THIS SECTION.

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

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

25 (4.5) (a) ON JULY 1, 2027, AND EACH JULY 1 THEREAFTER, THE
26 STATE TREASURER SHALL TRANSFER AN AMOUNT FROM THE STATE
27 EDUCATION FUND TO THE ACCOUNT EQUAL TO THE AMOUNT REPORTED BY

1 THE OFFICE OF STATE PLANNING AND BUDGETING PURSUANT TO
2 SUBSECTION (4.5)(b) OF THIS SECTION.

3 (b) BEFORE JULY 1, 2027, AND BEFORE EACH JULY 1 THEREAFTER,
4 THE OFFICE OF STATE PLANNING AND BUDGETING SHALL, IN
5 COLLABORATION WITH THE DEPARTMENT OF REVENUE, PREPARE AN
6 ESTIMATE OF THE AMOUNT OF STATE EDUCATION FUND HEALTHY SCHOOL
7 MEALS FOR ALL REVENUE FOR A FISCAL YEAR AND REPORT THAT ESTIMATE
8 TO THE STATE TREASURER.

9 (c) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT FOR
10 PURPOSES OF SECTION 17 OF ARTICLE IX OF THE STATE CONSTITUTION,
11 HEALTHY SCHOOL MEALS ARE AN ESSENTIAL COMPONENT TO STUDENT
12 LEARNING. THE PROGRAMS DESCRIBED IN SUBSECTION (3)(a.5) OF THIS
13 SECTION ARE AN IMPORTANT COMPONENT OF AN ACCOUNTABLE PROGRAM
14 TO MEET STATE ACADEMIC STANDARDS, AND MAY THEREFORE RECEIVE
15 MONEY FROM THE STATE EDUCATION FUND CREATED IN SECTION 17(4) OF
16 ARTICLE IX OF THE STATE CONSTITUTION.

17 (5) If the department determines that there is an insufficient
18 amount of money in the ~~cash~~ fund, EXCLUDING THE MONEY IN THE
19 ACCOUNT, to provide for an expenditure authorized by the annual
20 appropriation from the ~~cash~~ fund for the purposes described in subsection
21 (3)(a)(I) of this section, the department may make the expenditure from
22 the general fund.

23 (7) ~~On July 1, 2024, the state treasurer shall transfer the balance~~
24 ~~from the healthy school meals for all program general fund exempt~~
25 ~~account defined in section 22-82.9-210 to the cash fund pursuant to~~
26 ~~section 22-82.9-210 (8).~~

27 **SECTION 11.** In Colorado Revised Statutes, 22-82.9-211,

1 **amend** (3)(a)(IV), (3)(a)(V), and (3)(b); and **add** (3)(a)(VI) and (5.5) as
2 follows:

3 **22-82.9-211. Healthy school meals for all program cash fund**
4 **- creation - uses - reporting requirements - definitions.** (3) (a) Subject
5 to annual appropriation by the general assembly, the department may
6 expend money from the cash fund for the following purposes:

7 (IV) Awarding local school food purchasing technical assistance
8 and education grants pursuant to section 22-82.9-207; **and**

9 (V) The direct and indirect costs of administering the programs
10 described in this subsection (3)(a), so long as these costs do not exceed
11 one and five-tenths percent of the total amount the general assembly
12 annually appropriates in the same fiscal year for the other purposes
13 described in this subsection (3)(a); AND

14 (VI) PROVIDING REIMBURSEMENTS PURSUANT TO THE LOCAL
15 SCHOOL FOOD PURCHASING PROGRAM CREATED IN SECTION 22-82.9-302
16 AND GRANT AWARDS PURSUANT TO THE LOCAL SCHOOL FOOD PURCHASING
17 TECHNICAL ASSISTANCE AND EDUCATION ASSISTANCE GRANT PROGRAM
18 CREATED IN SECTION 22-82.9-303.

19 (b) Money in the cash fund shall not be used for the purposes
20 described in subsections (3)(a)(II), (3)(a)(III), and (3)(a)(IV), of this
21 section if the sum of the annual tax year revenue recorded in the cash
22 fund and the balance in the cash fund, as calculated pursuant to
23 subsection (4) of this section, is less than, or is anticipated to be less than,
24 the annual expenditure anticipated to be required for the purposes
25 described in subsections (3)(a)(I), **and** (3)(a)(V), AND (3)(a)(VI) of this
26 section.

27 (5.5) THE DEPARTMENT SHALL, SUBJECT TO ANNUAL

1 APPROPRIATION, ANNUALLY EXPEND ONE MILLION DOLLARS FROM THE
2 CASH FUND FOR THE PURPOSE DESCRIBED IN SUBSECTION (3)(a)(VI) OF
3 THIS SECTION.

4 **SECTION 12.** In Colorado Revised Statutes, 22-82.9-302,
5 **amend** (2)(b)(I), (2)(b)(II)(D), and (2)(c) as follows:

6 **22-82.9-302. Local school food purchasing program - creation**
7 **- rules.** (2) (b) (I) The department shall select participating providers that
8 served fewer than two million one hundred fifty thousand school lunches
9 in the ~~2023-24~~ school year TWO YEARS PRIOR TO THE SCHOOL YEAR FOR
10 WHICH THE PARTICIPATING PROVIDER IS APPLYING FOR REIMBURSEMENT
11 PURSUANT TO THIS SECTION. The department shall create a form for
12 participating providers to track and report the Colorado grown, raised, or
13 processed products purchased.

14 (II) The department shall give preference to applicants that:

15 (D) Served fewer than one million two hundred fifty thousand
16 school lunches in the ~~2023-24~~ school year ~~count~~ TWO YEARS PRIOR TO THE
17 SCHOOL YEAR FOR WHICH THE PARTICIPATING PROVIDER IS APPLYING FOR
18 REIMBURSEMENT PURSUANT TO THIS SECTION; and

19 (c) On or before August 1 of the year following the participating
20 provider's application, the participating provider shall track and report to
21 the department for the school year in which it applied, and for the
22 ~~2023-24~~ school year TWO YEARS PRIOR TO THE SCHOOL YEAR FOR WHICH
23 THE PARTICIPATING PROVIDER IS APPLYING FOR REIMBURSEMENT
24 PURSUANT TO THIS SECTION, the total amount of Colorado grown, raised,
25 or processed products it purchased for student meals and the total number
26 of lunches that it provided to students.

27 **SECTION 13.** In Colorado Revised Statutes, 22-82.9-302,

1 **amend** (2)(b)(I), (2)(b)(II)(D), and (2)(c); and **add** (2)(b)(I.5) and (3.5)
2 as follows:

3 **22-82.9-302. Local school food purchasing program - creation**
4 **- rules.** (2) (b) (I) The department shall select participating providers that
5 served ~~fewer than two million one hundred fifty thousand~~ A NUMBER OF
6 school lunches DETERMINED BY THE DEPARTMENT PURSUANT TO
7 SUBSECTION (2)(b)(I.5) OF THIS SECTION in the ~~2023-24~~ school year TWO
8 YEARS PRIOR TO THE SCHOOL YEAR FOR WHICH THE PARTICIPATING
9 PROVIDER IS APPLYING FOR REIMBURSEMENT PURSUANT TO THIS SECTION.
10 The department shall create a form for participating providers to track and
11 report the Colorado grown, raised, or processed products purchased.

12 (I.5) THE DEPARTMENT SHALL ONLY SELECT PARTICIPATING
13 PROVIDERS THAT SERVED FEWER THAN TWO MILLION ONE HUNDRED FIFTY
14 THOUSAND SCHOOL LUNCHES IN THE SCHOOL YEAR TWO YEARS PRIOR TO
15 THE SCHOOL YEAR FOR WHICH A PARTICIPATING PROVIDER IS APPLYING
16 FOR REIMBURSEMENT PURSUANT TO THIS SECTION, UNLESS THE
17 DEPARTMENT DETERMINES THAT IT CAN AWARD REIMBURSEMENTS TO
18 THOSE PARTICIPATING PROVIDERS OF AT LEAST FIVE CENTS FOR EVERY
19 SCHOOL LUNCH THAT THE PARTICIPATING PROVIDER PREPARED IN THE
20 SCHOOL YEAR TWO YEARS PRIOR TO THE SCHOOL YEAR FOR WHICH THE
21 PARTICIPATING PROVIDER IS APPLYING FOR REIMBURSEMENT PURSUANT TO
22 THIS SECTION OR A MINIMUM OF ONE THOUSAND DOLLARS, WHICHEVER IS
23 GREATER, IN WHICH CASE THE DEPARTMENT MAY SELECT ANY
24 PARTICIPATING PROVIDER FOR REIMBURSEMENT PURSUANT TO THIS
25 SECTION.

26 (II) The department shall give preference to applicants that:

27 (D) Served fewer than one million two hundred fifty thousand

1 school lunches in the ~~2023-24~~ school year ~~count~~ TWO YEARS PRIOR TO THE
2 SCHOOL YEAR FOR WHICH THE PARTICIPATING PROVIDER IS APPLYING FOR
3 REIMBURSEMENT PURSUANT TO THIS SECTION; and

4 (c) On or before August 1 of the year following the participating
5 provider's application, the participating provider shall track and report to
6 the department for the school year in which it applied, and for the
7 ~~2023-24~~ school year TWO YEARS PRIOR TO THE SCHOOL YEAR FOR WHICH
8 THE PARTICIPATING PROVIDER IS APPLYING FOR REIMBURSEMENT
9 PURSUANT TO THIS SECTION, the total amount of Colorado grown, raised,
10 or processed products it purchased for student meals and the total number
11 of lunches that it provided to students.

12 (3.5) DURING EACH OCTOBER AFTER OCTOBER 2024 IN WHICH THE
13 DEPARTMENT REIMBURSES PROVIDERS PARTICIPATING IN THE PURCHASING
14 PROGRAM, THE DEPARTMENT SHALL REIMBURSE PARTICIPATING
15 PROVIDERS IN AN AMOUNT ESTABLISHED PURSUANT TO SECTION
16 22-82.9-211 (3)(c)(I).

17 **SECTION 14.** In Colorado Revised Statutes, 22-82.9-304,
18 **amend** (1) introductory portion as follows:

19 **22-82.9-304. Evaluation - report.** (1) On or before December 1,
20 2025, AND EACH DECEMBER 1 THEREAFTER, the department shall submit
21 a report to the education committees of the house of representatives and
22 the senate, the house of representatives agriculture, water, and natural
23 resources committee, the senate agriculture and natural resources
24 committee, or their successor committees, on the effect of the purchasing
25 program on the ~~amount~~ QUANTITY of Colorado grown, raised, or
26 processed products purchased by participating providers, including:

27 **SECTION 15.** In Colorado Revised Statutes, **repeal** 22-82.9-306

1 as follows:

2 **22-82.9-306. Repeal of part.** ~~This part 3 is repealed, effective~~
3 ~~July 1, 2026.~~

4 **SECTION 16.** In Colorado Revised Statutes, 39-22-104, **amend**
5 (3)(p.5)(I) introductory portion and (3)(p.5)(II); and **add** (3)(p.5)(III) and
6 (3)(p.7) as follows:

7 **39-22-104. Income tax imposed on individuals, estates, and**
8 **trusts - single rate - report - tax preference performance statement**
9 **- legislative declaration - definitions - repeal.** (3) There shall be added
10 to the federal taxable income:

11 (p.5) (I) For income tax years commencing on or after January 1,
12 2023, BUT BEFORE JANUARY 1, 2026, for taxpayers who claim itemized
13 deductions as defined in section 63 (d) of the internal revenue code or the
14 standard deduction as defined in section 63 (c) of the internal revenue
15 code and who have federal adjusted gross income in the income tax year
16 equal to or exceeding three hundred thousand dollars:

17 (II) For the 2023-24 state fiscal year and state fiscal years
18 thereafter, the general assembly shall annually appropriate an amount at
19 least equal to the amount of revenue generated by the addition to federal
20 taxable income described in subsection (3)(p.5)(I) of this section,
21 calculated without regard to any temporary rate reduction pursuant to
22 section 39-22-627, ~~but not more than the amount required, to fully fund~~
23 ~~the direct and indirect costs of implementing the healthy school meals for~~
24 ~~all program as provided in section 22-82.9-209. The provisions of~~ TO THE
25 HEALTHY SCHOOL MEALS FOR ALL PROGRAM CASH FUND CREATED IN
26 SECTION 22-82.9-211. Subsection (3)(p.5)(I) of this section ~~constitute~~
27 CONSTITUTES a voter-approved revenue change, approved by the voters

1 at the statewide election in November of 2022, and the revenue generated
2 by this voter-approved revenue change may be collected, retained,
3 appropriated, and spent without subsequent voter approval,
4 notwithstanding any other limits in the state constitution or law. The
5 addition to federal taxable income described in subsection (3)(p.5)(I) of
6 this section does not apply for an income tax year that commences after
7 the healthy school meals for all program, or any successor program, is
8 repealed. Upon repeal of the healthy school meals for all program, or any
9 successor program, the commissioner of education shall promptly notify
10 the executive director in writing that the program is repealed.

11 (III) THIS SUBSECTION (3)(p.5) IS REPEALED, EFFECTIVE
12 DECEMBER 31, 2028.

13 (p.7) (I) FOR INCOME TAX YEARS COMMENCING ON OR AFTER
14 JANUARY 1, 2026, FOR TAXPAYERS WHO CLAIM ITEMIZED DEDUCTIONS AS
15 DEFINED IN SECTION 63 (d) OF THE INTERNAL REVENUE CODE OR THE
16 STANDARD DEDUCTION AS DEFINED IN SECTION 63 (c) OF THE INTERNAL
17 REVENUE CODE AND WHO HAVE A FEDERAL ADJUSTED GROSS INCOME IN
18 THE INCOME TAX YEAR EQUAL TO OR EXCEEDING THREE HUNDRED
19 THOUSAND DOLLARS:

20 (A) FOR A TAXPAYER WHO FILES A SINGLE RETURN, THE AMOUNT
21 BY WHICH THE ITEMIZED DEDUCTIONS DEDUCTED FROM GROSS INCOME
22 UNDER SECTION 63 (a) OF THE INTERNAL REVENUE CODE EXCEED, OR THE
23 STANDARD DEDUCTION DEDUCTED FROM GROSS INCOME UNDER SECTION
24 63 (c) OF THE INTERNAL REVENUE CODE EXCEEDS ONE THOUSAND
25 DOLLARS; AND

26 (B) FOR TAXPAYERS WHO FILE A JOINT RETURN, THE AMOUNT BY
27 WHICH THE ITEMIZED DEDUCTIONS DEDUCTED FROM GROSS INCOME UNDER

1 SECTION 63 (a) OF THE INTERNAL REVENUE CODE EXCEED, OR THE
2 STANDARD DEDUCTION DEDUCTED FROM GROSS INCOME UNDER SECTION
3 63 (c) OF THE INTERNAL REVENUE CODE EXCEEDS TWO THOUSAND
4 DOLLARS.

5 (II) IN ADDITION TO THE FUNDING APPROPRIATED IN SUBSECTION
6 (3)(p.5) OF THIS SECTION, FOR THE 2026-27 STATE FISCAL YEAR AND
7 EVERY STATE FISCAL YEAR THEREAFTER, THE GENERAL ASSEMBLY SHALL
8 ANNUALLY APPROPRIATE AN AMOUNT AT LEAST EQUAL TO THE AMOUNT
9 OF REVENUE GENERATED BY THE ADDITION TO FEDERAL TAXABLE INCOME
10 DESCRIBED IN THIS SUBSECTION (3)(p.7) TO THE HEALTHY SCHOOL MEALS
11 FOR ALL PROGRAM CASH FUND CREATED IN SECTION 22-82.9-211. THE
12 PROVISIONS OF THIS SUBSECTION (3)(p.7) CONSTITUTE A VOTER-APPROVED
13 REVENUE CHANGE, APPROVED BY THE VOTERS AT THE STATEWIDE
14 ELECTION IN NOVEMBER 2025, AND THE REVENUE GENERATED BY THIS
15 VOTER-APPROVED REVENUE CHANGE MAY BE COLLECTED, RETAINED,
16 APPROPRIATED, AND SPENT WITHOUT SUBSEQUENT VOTER APPROVAL,
17 NOTWITHSTANDING ANY OTHER LIMITS IN THE STATE CONSTITUTION OR
18 LAW. THE ADDITION TO FEDERAL TAXABLE INCOME DESCRIBED IN THIS
19 SUBSECTION (3)(p.7) DOES NOT APPLY FOR AN INCOME TAX YEAR THAT
20 COMMENCES AFTER THE HEALTHY SCHOOL MEALS FOR ALL PROGRAM, OR
21 ANY SUCCESSOR PROGRAM, IS REPEALED. UPON REPEAL OF THE HEALTHY
22 SCHOOL MEALS FOR ALL PROGRAM, OR ANY SUCCESSOR PROGRAM, THE
23 COMMISSIONER OF EDUCATION SHALL PROMPTLY NOTIFY THE EXECUTIVE
24 DIRECTOR IN WRITING THAT THE PROGRAM IS REPEALED.

25 **SECTION 17.** In Colorado Revised Statutes, 39-22-104, **amend**
26 (3)(p.5)(I) introductory portion and (3)(p.5)(II); and **add** (3)(p.5)(I.5) as
27 follows:

1 **39-22-104. Income tax imposed on individuals, estates, and**
2 **trusts - single rate - report - tax preference performance statement**
3 **- legislative declaration - definitions - repeal.** (3) There shall be added
4 to the federal taxable income:

5 (p.5) (I) For income tax years commencing on or after January 1,
6 2023, BUT BEFORE JANUARY 1, 2026, for taxpayers who claim itemized
7 deductions as defined in section 63 (d) of the internal revenue code or the
8 standard deduction as defined in section 63 (c) of the internal revenue
9 code and who have federal adjusted gross income in the income tax year
10 equal to or exceeding three hundred thousand dollars:

11 (I.5) FOR INCOME TAX YEARS COMMENCING ON OR AFTER
12 JANUARY 1, 2026, FOR TAXPAYERS WHO CLAIM ITEMIZED DEDUCTIONS AS
13 DEFINED IN SECTION 63 (d) OF THE INTERNAL REVENUE CODE OR THE
14 STANDARD DEDUCTION AS DEFINED IN SECTION 63 (c) OF THE INTERNAL
15 REVENUE CODE AND WHO HAVE A FEDERAL ADJUSTED GROSS INCOME IN
16 THE INCOME TAX YEAR EQUAL TO OR EXCEEDING THREE HUNDRED
17 THOUSAND DOLLARS:

18 (A) FOR A TAXPAYER WHO FILES A SINGLE RETURN, THE AMOUNT
19 BY WHICH THE ITEMIZED DEDUCTIONS DEDUCTED FROM GROSS INCOME
20 UNDER SECTION 63 (a) OF THE INTERNAL REVENUE CODE EXCEED, OR THE
21 STANDARD DEDUCTION DEDUCTED FROM GROSS INCOME UNDER SECTION
22 63 (c) OF THE INTERNAL REVENUE CODE EXCEEDS, AN AMOUNT THAT IS
23 GREATER THAN TWELVE THOUSAND DOLLARS, IS THREE-QUARTERS OF THE
24 AMOUNT DESCRIBED IN SUBSECTION (3)(p.5)(I.5)(B) OF THIS SECTION, AND
25 THAT THE DEPARTMENT OF REVENUE DETERMINES THAT, IN COMBINATION
26 WITH THE AMOUNT DESCRIBED IN SUBSECTION (3)(p.5)(I.5)(B) OF THIS
27 SECTION, HAD IT BEEN USED INSTEAD OF THE ADDITION TO FEDERAL

1 TAXABLE INCOME REQUIRED BY SUBSECTION (3)(p.5)(I) OF THIS SECTION,
2 WOULD HAVE REDUCED THE AMOUNT OF ADDITIONAL STATE INCOME TAX
3 REVENUE FOR THE 2023-24 STATE FISCAL YEAR GENERATED BY THAT
4 ADDITION TO ONE HUNDRED MILLION SEVEN HUNDRED TWENTY-SEVEN
5 THOUSAND EIGHT HUNDRED TWENTY DOLLARS; AND

6 (B) FOR TAXPAYERS WHO FILE A JOINT RETURN, THE AMOUNT BY
7 WHICH THE ITEMIZED DEDUCTIONS DEDUCTED FROM GROSS INCOME UNDER
8 SECTION 63 (a) OF THE INTERNAL REVENUE CODE EXCEED, OR THE
9 STANDARD DEDUCTION DEDUCTED FROM GROSS INCOME UNDER SECTION
10 63 (c) OF THE INTERNAL REVENUE CODE EXCEEDS, AN AMOUNT THAT IS
11 GREATER THAN SIXTEEN THOUSAND DOLLARS, IS ONE-THIRD GREATER
12 THAN THE AMOUNT DESCRIBED IN SUBSECTION (3)(p.5)(I.5)(A) OF THIS
13 SECTION, AND THAT THE DEPARTMENT OF REVENUE DETERMINES THAT, IN
14 COMBINATION WITH THE AMOUNT DESCRIBED IN SUBSECTION
15 (3)(p.5)(I.5)(A) OF THIS SECTION, HAD IT BEEN USED INSTEAD OF THE
16 ADDITION TO FEDERAL TAXABLE INCOME REQUIRED BY SUBSECTION
17 (3)(p.5)(I) OF THIS SECTION, WOULD HAVE REDUCED THE AMOUNT OF
18 ADDITIONAL STATE INCOME TAX REVENUE FOR THE 2023-24 STATE FISCAL
19 YEAR GENERATED BY THAT ADDITION TO ONE HUNDRED MILLION SEVEN
20 HUNDRED TWENTY-SEVEN THOUSAND EIGHT HUNDRED TWENTY DOLLARS.

21 (II) For the 2023-24 state fiscal year and state fiscal years
22 thereafter, the general assembly shall annually appropriate an amount at
23 least equal to the amount of revenue generated by the addition to federal
24 taxable income described in ~~subsection (3)(p.5)(I)~~ SUBSECTIONS
25 (3)(p.5)(I) AND (3)(p.5)(I.5) of this section, calculated without regard to
26 any temporary rate reduction pursuant to section 39-22-627, but not more
27 than the amount required, to fully fund the direct and indirect costs of

1 implementing the healthy school meals for all program as provided in
2 section 22-82.9-209. ~~The provisions of subsection (3)(p.5)(I)~~
3 ~~SUBSECTIONS (3)(p.5)(I) AND (3)(p.5)(I.5)~~ of this section constitute a
4 voter-approved revenue change, approved by the voters at the statewide
5 election in November of 2022, and the revenue generated by this
6 voter-approved revenue change may be collected, retained, appropriated,
7 and spent without subsequent voter approval, notwithstanding any other
8 limits in the state constitution or law. The addition to federal taxable
9 income described in ~~subsection (3)(p.5)(I)~~ ~~SUBSECTIONS (3)(p.5)(I) AND~~
10 ~~(3)(p.5)(I.5)~~ of this section does not apply for an income tax year that
11 commences after the healthy school meals for all program, or any
12 successor program, is repealed. Upon repeal of the healthy school meals
13 for all program, or any successor program, the commissioner of education
14 shall promptly notify the executive director in writing that the program is
15 repealed.

16 **SECTION 18. Effective date - applicability.** (1) Sections 11
17 and 12 of this act take effect only if the ballot issue described in section
18 22-82.9-212 is approved by the people at the next statewide election and
19 the ballot issue described in section 22-82.9-213 is rejected by the people
20 at the next statewide election, in which case sections 11 and 12 take effect
21 on the date of the official declaration of the vote thereon by the governor.

22 (2) Section 17 of this act takes effect only if the ballot issue
23 described in section 22-82.9-212 and the ballot issue described in section
24 22-82.9-213 are rejected by the people at the next statewide election, in
25 which case section 17 of this act takes effect on the date of the official
26 declaration of the vote thereon by the governor.

27 (3) Sections 14 and 15 of this act take effect only if one or both

1 of the ballot issue described in section 22-82.9-212 and the ballot issue
2 described in section 22-82.9-213 are approved by the people at the next
3 statewide election, in which case sections 14 and 15 of this act take effect
4 on the date of the official declaration of the vote thereon by the governor.

5 (4) Sections 4, 5, 6, 7, 8, 9, 10, 13, and 16 of this act take effect
6 only if the ballot issue described in section 22-82.9-213 is approved by
7 the people at the next statewide election, in which case sections 4, 5, 6,
8 7, 8, 9, 10, 13, and 16 take effect on the date of the official declaration of
9 the vote thereon by the governor.

10 (5) Sections 1, 2, 3, 18, and 19 of this act take effect upon
11 passage.

12 **SECTION 19. Safety clause.** The general assembly finds,
13 determines, and declares that this act is necessary for the immediate
14 preservation of the public peace, health, or safety or for appropriations for
15 the support and maintenance of the departments of the state and state
16 institutions.