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Seventy-fifth General Assembly  
STATE OF COLORADO

DRAFT

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Double underlining  
denotes changes from  
prior draft

LLS NO. 25-0750.04 Pierce Lively x2059

COMMITTEE BILL

Joint Budget Committee

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BILL TOPIC: Healthy School Meals for All Program

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A BILL FOR AN ACT

101 CONCERNING REIMBURSEMENTS FOR ELIGIBLE MEALS PROVIDED  
102 THROUGH THE HEALTHY SCHOOL MEALS FOR ALL PROGRAM,  
103 AND, IN CONNECTION THEREWITH, MAKING AND REDUCING AN  
104 APPROPRIATION.

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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 healthy school meals for all program (program) reimburses participating school food authorities for meals that those authorities provide to students without charge. **Section**

*Capital letters or bold & italic numbers indicate new material to be added to existing law.  
Dashes through the words indicate deletions from existing law.*

2 of the bill allows for the amount of these reimbursements to be modified in 2 different scenarios. First, if a referred measure that would, beginning with the 2026 state income tax year, increase state taxes annually by at least \$90 million in connection with the healthy school meals for all program is not approved by the voters voting on the referred measure at the 2025 statewide election, the department of education (department) is required to only provide reimbursements to participating school food authorities for meals served at eligible sites. Eligible sites are those that either:

- ! Qualify for the community eligibility provision program, as that program exists on November 15, 2025; or
- ! Is identified as an eligible site by the department based on the amount that the general assembly appropriates for the purpose of providing reimbursements to a participating school food authority for offering eligible meals without charge and the percentage of a site's student enrollment who are certified as eligible for free meals based on documentation of benefit receipt or categorical eligibility as described in federal rule, or any successor regulations.

Second, if the department, in consultation with the office of state planning and budgeting, determines that the amount that the general assembly appropriated for the purpose of providing reimbursements to a participating school food authority is less than the costs of the department providing those reimbursements, the department may request a supplemental appropriation or an overexpenditure. If that request is rejected, the department may determine a prorated reimbursement amount for the reimbursements that the department provides through the program to each participating school food authority for the remainder of that budget year.

Additionally, under current law, the general assembly is required to appropriate money from the state education fund to cover program costs for which there is not sufficient money in the healthy school meals for all cash fund (fund) for state fiscal years 2023-24 and 2024-25. **Section 3** extends the requirement to appropriate money from the state education fund into state fiscal year 2025-26. **Section 4** requires the department, on January 15, 2027, in consultation with the office of state planning and budgeting, to report to the joint budget committee on whether there is a sufficient balance in the fund for:

- ! The state treasurer to transfer an amount from the fund to the state education fund equal to the total amount of expenditures from the state education fund for the healthy school meals for all program for state fiscal years 2023-24, 2024-25, and 2025-26 minus the amount of additional tax revenue deposited in the state education fund as a result of the increase in state income tax generated in connection

with voter approval of the healthy school meals for all program for those same fiscal years; and

! The department to provide reimbursements to a participating school food authority for offering eligible meals without charge.

**Section 8** decreases the appropriation for school meal reimbursements provided through the healthy school meals for all program from the general fund by \$42,240,242 and increases the appropriation from the state education fund by \$8,119,271 for the same purpose.

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

**SECTION 1. Legislative declaration.** The general assembly finds and declares that, in the event of unanticipated federal action, changes in the amount of tax revenue collected in connection with the Healthy School Meals for All Program, or changes in the utilization of the Healthy School Meals for All Program it is the general assembly's intent to prioritize reimbursing the cost of meals served for those students who are certified as eligible for free meals based on documentation of benefit receipt or categorical eligibility as described in 7 CFR 245.9 (f)(1)(iii) and by those schools that participate in the federal community eligibility provision program created in 42 U.S.C. sec. 1759a (a)(1)(F).

**SECTION 2.** In Colorado Revised Statutes, 22-82.9-204, **amend** (1)(a)(I), (1)(a)(II), (1)(b), and (2); and **add** (1)(b.3) and (1)(b.5) as follows:

**22-82.9-204. Healthy school meals for all program - created - advisory group - report - rules - definition - repeal.** (1) (a) There is created in the department the healthy school meals for all program through which each school food authority that chooses to participate in the program:

(I) Offers eligible meals, without charge, to all students enrolled

1 in the public schools THAT ARE served by the participating school food  
2 authority, ~~that~~ participate in the national school lunch program or national  
3 school breakfast program, AND FOR WHICH THE DEPARTMENT MAY  
4 REIMBURSE THE PARTICIPATING SCHOOL FOOD AUTHORITY PURSUANT TO  
5 SUBSECTION (1)(b) OR (1)(b.3) OF THIS SECTION;

6 (II) Receives reimbursement for the meals as described in  
7 ~~subsection (1)(b)~~ SUBSECTION (1) of this section;

8 (b) (I) FOR ELIGIBLE MEALS SERVED BEFORE JANUARY 1, 2026, the  
9 amount of the reimbursement provided through the program to each  
10 participating school food authority for each budget year, is equal to the  
11 federal free reimbursement rate multiplied by the total number of eligible  
12 meals that the participating school food authority serves during the  
13 applicable budget year minus the total amount of reimbursement for  
14 eligible meals served during the applicable budget year that the  
15 participating school food authority receives pursuant to the national  
16 school breakfast program, the national school lunch program, sections  
17 22-54-123 and 22-54-123.5, article 82.7 of this title 22, and part 1 of this  
18 article 82.9.

19 (II) (A) NOTWITHSTANDING ANY LAW TO THE CONTRARY, IF A  
20 REFERRED MEASURE THAT WOULD, BEGINNING WITH THE 2026 STATE  
21 INCOME TAX YEAR, INCREASE STATE TAXES ANNUALLY BY AT LEAST  
22 NINETY MILLION DOLLARS IN CONNECTION WITH THE HEALTHY SCHOOL  
23 MEALS FOR ALL PROGRAM IS APPROVED BY THE VOTERS VOTING ON THE  
24 REFERRED MEASURE AT THE STATEWIDE ELECTION HELD ON NOVEMBER  
25 4, 2025, FOR ELIGIBLE MEALS SERVED ON OR AFTER JANUARY 1, 2026, THE  
26 AMOUNT OF THE REIMBURSEMENT PROVIDED THROUGH THE PROGRAM TO  
27 EACH PARTICIPATING SCHOOL FOOD AUTHORITY FOR EACH BUDGET YEAR

1 IS EQUAL TO THE FEDERAL FREE REIMBURSEMENT RATE MULTIPLIED BY  
2 THE TOTAL NUMBER OF ELIGIBLE MEALS THAT THE PARTICIPATING SCHOOL  
3 FOOD AUTHORITY SERVES DURING THE APPLICABLE BUDGET YEAR MINUS  
4 THE TOTAL AMOUNT OF REIMBURSEMENT FOR ELIGIBLE MEALS SERVED  
5 DURING THE APPLICABLE BUDGET YEAR THAT THE PARTICIPATING SCHOOL  
6 FOOD AUTHORITY RECEIVES PURSUANT TO THE NATIONAL SCHOOL  
7 BREAKFAST PROGRAM, THE NATIONAL SCHOOL LUNCH PROGRAM,  
8 SECTIONS 22-54-123 AND 22-54-123.5, ARTICLE 82.7 OF THIS TITLE 22,  
9 AND PART 1 OF THIS ARTICLE 82.9.

10 (B) IF A REFERRED MEASURE THAT WOULD, BEGINNING WITH THE  
11 2026 STATE INCOME TAX YEAR, INCREASE STATE TAXES ANNUALLY BY AT  
12 LEAST NINETY MILLION DOLLARS IN CONNECTION WITH THE HEALTHY  
13 SCHOOL MEALS FOR ALL PROGRAM IS NOT APPROVED BY THE VOTERS  
14 VOTING ON THE REFERRED MEASURE AT THE STATEWIDE ELECTION HELD  
15 ON NOVEMBER 4, 2025, THIS SUBSECTION (1)(b)(II) IS REPEALED,  
16 EFFECTIVE JULY 1, 2026.

17 (b.3) (I) IF A REFERRED MEASURE THAT WOULD, BEGINNING WITH  
18 THE 2026 STATE INCOME TAX YEAR, INCREASE STATE TAXES ANNUALLY BY  
19 AT LEAST NINETY MILLION DOLLARS IN CONNECTION WITH THE HEALTHY  
20 SCHOOL MEALS FOR ALL PROGRAM IS NOT APPROVED BY THE VOTERS  
21 VOTING ON THE REFERRED MEASURE AT THE STATEWIDE ELECTION HELD  
22 ON NOVEMBER 4, 2025, FOR ELIGIBLE MEALS SERVED ON OR AFTER  
23 JANUARY 1, 2026, THE DEPARTMENT SHALL ONLY REIMBURSE  
24 PARTICIPATING SCHOOL FOOD AUTHORITIES FOR MEALS SERVED AT  
25 ELIGIBLE SITES.

26 (II) THE AMOUNT OF THE REIMBURSEMENT PROVIDED THROUGH  
27 THE PROGRAM TO EACH PARTICIPATING SCHOOL FOOD AUTHORITY FOR

1 EACH BUDGET YEAR FOR ELIGIBLE MEALS SERVED AT ELIGIBLE SITES ON OR  
2 AFTER JANUARY 1, 2026, IS EQUAL TO THE FEDERAL FREE REIMBURSEMENT  
3 RATE MULTIPLIED BY THE TOTAL NUMBER OF ELIGIBLE MEALS THAT THE  
4 PARTICIPATING SCHOOL FOOD AUTHORITY SERVES AT ELIGIBLE SITES  
5 DURING THE APPLICABLE BUDGET YEAR MINUS THE TOTAL AMOUNT OF  
6 REIMBURSEMENT FOR ELIGIBLE MEALS SERVED AT ELIGIBLE SITES DURING  
7 THE APPLICABLE BUDGET YEAR THAT THE PARTICIPATING SCHOOL FOOD  
8 AUTHORITY RECEIVES PURSUANT TO THE NATIONAL SCHOOL BREAKFAST  
9 PROGRAM, THE NATIONAL SCHOOL LUNCH PROGRAM, SECTIONS 22-54-123  
10 AND 22-54-123.5, ARTICLE 82.7 OF THIS TITLE 22, AND PART 1 OF THIS  
11 ARTICLE 82.9.

12 (III) AS USED IN THIS SUBSECTION (1)(b.3), UNLESS THE CONTEXT  
13 OTHERWISE REQUIRES, "ELIGIBLE SITE" MEANS A SITE THAT, FOR THE  
14 SCHOOL YEAR DURING THE RELEVANT BUDGET YEAR:

15 (A) QUALIFIES FOR THE COMMUNITY ELIGIBILITY PROVISION  
16 PROGRAM, AS THAT PROGRAM EXISTS ON NOVEMBER 15, 2025; OR

17 (B) IS IDENTIFIED AS AN ELIGIBLE SITE BY THE DEPARTMENT BASED  
18 ON THE AMOUNT THAT THE GENERAL ASSEMBLY APPROPRIATES FOR THE  
19 PURPOSE OF PROVIDING REIMBURSEMENTS TO A PARTICIPATING SCHOOL  
20 FOOD AUTHORITY FOR OFFERING ELIGIBLE MEALS WITHOUT CHARGE  
21 PURSUANT TO THIS SUBSECTION (1) AND THE PERCENTAGE OF A SITE'S  
22 STUDENT ENROLLMENT WHO ARE CERTIFIED AS ELIGIBLE FOR FREE MEALS  
23 BASED ON DOCUMENTATION OF BENEFIT RECEIPT OR CATEGORICAL  
24 ELIGIBILITY AS DESCRIBED IN 7 CFR 245.9 (f)(1)(iii) OR ANY SUCCESSOR  
25 REGULATIONS.

26 (IV) IF A REFERRED MEASURE THAT WOULD, BEGINNING WITH THE  
27 2026 STATE INCOME TAX YEAR, INCREASE STATE TAXES ANNUALLY BY AT

1 LEAST NINETY MILLION DOLLARS IN CONNECTION WITH THE HEALTHY  
2 SCHOOL MEALS FOR ALL PROGRAM IS APPROVED BY THE VOTERS VOTING  
3 ON THE REFERRED MEASURE AT THE STATEWIDE ELECTION HELD ON  
4 NOVEMBER 4, 2025, THIS SUBSECTION (1)(b.3) IS REPEALED, EFFECTIVE  
5 JULY 1, 2026.

6 (b.5) (I) IF THE DEPARTMENT, IN CONSULTATION WITH THE OFFICE  
7 OF STATE PLANNING AND BUDGETING, ESTIMATES, FOR ANY BUDGET YEAR,  
8 THAT THE AMOUNT THAT THE GENERAL ASSEMBLY APPROPRIATED FOR THE  
9 PURPOSE OF PROVIDING REIMBURSEMENTS TO A PARTICIPATING SCHOOL  
10 FOOD AUTHORITY FOR OFFERING ELIGIBLE MEALS WITHOUT CHARGE  
11 PURSUANT TO THIS SUBSECTION (1) AFTER JANUARY 1, 2026, WILL BE LESS  
12 THAN THE COSTS OF THE DEPARTMENT PROVIDING THOSE  
13 REIMBURSEMENTS, THE DEPARTMENT SHALL PROVIDE NOTICE OF THIS  
14 ESTIMATION TO THE JOINT BUDGET COMMITTEE OF THE GENERAL  
15 ASSEMBLY AND THE EXECUTIVE COMMITTEE OF THE LEGISLATIVE COUNCIL  
16 OF THE GENERAL ASSEMBLY. IN ADDITION TO THE NOTICE DESCRIBED IN  
17 THIS SUBSECTION (1)(b.5)(I), THE DEPARTMENT MAY SUBMIT A  
18 SUPPLEMENTAL APPROPRIATION REQUEST TO THE JOINT BUDGET  
19 COMMITTEE OR A REQUEST FOR AN OVEREXPENDITURE IN ACCORDANCE  
20 WITH SECTION 24-75-111.

21 (II) (A) AS SOON AS PRACTICABLE AFTER THE DEPARTMENT  
22 SUBMITS A REQUEST FOR A SUPPLEMENTAL APPROPRIATION PURSUANT TO  
23 SUBSECTION (1)(b.5)(I) OF THIS SECTION, THE JOINT BUDGET COMMITTEE  
24 OF THE GENERAL ASSEMBLY SHALL INFORM THE DEPARTMENT WHETHER  
25 IT WILL APPROVE OR REJECT THE DEPARTMENT'S REQUEST. IF THE JOINT  
26 BUDGET COMMITTEE INDICATES THAT IT WILL REJECT THE DEPARTMENT'S  
27 REQUEST, THE DEPARTMENT MAY DETERMINE A PRORATED, REDUCED

1 REIMBURSEMENT AMOUNT FOR THE REIMBURSEMENTS THAT THE  
2 DEPARTMENT PROVIDES PURSUANT TO SUBSECTION (1)(b) OR (1)(b.3) OF  
3 THIS SECTION AS APPLICABLE FOR THE REMAINDER OF THAT BUDGET YEAR.

4 (B) IF, WITHIN THIRTY DAYS OF THE DEPARTMENT SUBMITTING A  
5 REQUEST FOR AN OVEREXPENDITURE PURSUANT TO SUBSECTION (1)(b.5)(I)  
6 OF THIS SECTION, THE DEPARTMENT'S REQUEST HAS NOT BEEN GRANTED,  
7 THE DEPARTMENT MAY DETERMINE A PRORATED, REDUCED  
8 REIMBURSEMENT AMOUNT FOR THE REIMBURSEMENTS THAT THE  
9 DEPARTMENT PROVIDES PURSUANT TO SUBSECTION (1)(b) OR (1)(b.3) OF  
10 THIS SECTION AS APPLICABLE FOR THE REMAINDER OF THAT BUDGET YEAR.

11 (C) BEFORE PROVIDING THE PRORATED, REDUCED  
12 REIMBURSEMENT AMOUNTS DESCRIBED IN SUBSECTIONS (1)(b.5)(II)(A)  
13 AND (1)(b.5)(II)(B) OF THIS SECTION, THE DEPARTMENT SHALL PROVIDE  
14 TIMELY WRITTEN NOTICE TO EACH PARTICIPATING SCHOOL FOOD  
15 AUTHORITY.

16 (2) A school food authority that chooses to participate in the  
17 program must annually give notice of participation to the department as  
18 provided by rule of the state board. At a minimum, the notice must  
19 include evidence that the school food authority is participating in  
20 provisional programming if deemed necessary by the department. ~~The~~  
21 ~~department may require school food authority modifications to the~~  
22 ~~program throughout the year to maximize a school food authority's federal~~  
23 ~~reimbursements as deemed necessary by the department.~~

24 **SECTION 3.** In Colorado Revised Statutes, 22-82.9-209, **amend**  
25 (2) as follows:

26 **22-82.9-209. Program - funding.** (2) (a) For the 2023-24 budget  
27 year and the 2024-25 budget year, the general assembly shall appropriate



1 money from the state education fund created in section 17 (4) of article  
2 IX of the state constitution to cover program costs for which there is not  
3 sufficient money in the healthy school meals for all cash fund.

4 (b) FOR THE 2025-26 BUDGET YEAR, THE GENERAL ASSEMBLY MAY  
5 APPROPRIATE MONEY FROM THE STATE EDUCATION FUND CREATED IN  
6 SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION TO COVER  
7 PROGRAM COSTS FOR WHICH THERE IS NOT SUFFICIENT MONEY IN THE  
8 HEALTHY SCHOOL MEALS FOR ALL CASH FUND. <{Would you like to  
9 extend this appropriation authority to future fiscal years beyond FY  
10 25-26?}>

11 **SECTION 4.** In Colorado Revised Statutes, 22-82.9-211, **amend**  
12 (3)(a)(I) and (5); and **add** (8) as follows:

13 **22-82.9-211. Healthy school meals for all program cash fund**  
14 **- creation - uses - reporting requirements - definitions - repeal.**

15 (3) (a) Subject to annual appropriation by the general assembly, the  
16 department may expend money from the cash fund for the following  
17 purposes:

18 (I) Providing reimbursements to a participating school food  
19 authority for offering eligible meals without charge pursuant to ~~section~~  
20 ~~22-82.9-204 (1)(b)~~ SECTION 22-82.9-204 (1);

21 (5) (a) FOR FISCAL YEARS COMMENCING ON OR BEFORE JULY 1,  
22 2024, if the department determines that there is an insufficient amount of  
23 money in the cash fund to provide for an expenditure authorized by the  
24 annual appropriation from the cash fund for the purposes described in  
25 subsection (3)(a)(I) of this section, the department may make the  
26 expenditure from the general fund.

27 (b) THIS SUBSECTION (5) IS REPEALED, EFFECTIVE JULY 1, 2026.

1 (8) (a) ON OR BEFORE JANUARY 15, 2027, THE DEPARTMENT, IN  
2 CONSULTATION WITH THE OFFICE OF STATE PLANNING AND BUDGETING,  
3 SHALL REPORT TO THE JOINT BUDGET COMMITTEE OF THE GENERAL  
4 ASSEMBLY ON WHETHER THERE IS A SUFFICIENT BALANCE IN THE CASH  
5 FUND FOR:

6 (I) THE STATE TREASURER TO TRANSFER AN AMOUNT FROM THE  
7 CASH FUND TO THE STATE EDUCATION FUND EQUAL TO THE TOTAL  
8 AMOUNT OF EXPENDITURES FROM THE STATE EDUCATION FUND FOR THE  
9 PURPOSES OF SUBSECTION (3) OF THIS SECTION MINUS THE AMOUNT OF  
10 ADDITIONAL TAX REVENUE DEPOSITED IN THE STATE EDUCATION FUND AS  
11 A RESULT OF SECTION 39-22-104 (3)(p.5) FOR STATE FISCAL YEARS  
12 2023-24, 2024-25, AND 2025-26; AND

13 (II) THE DEPARTMENT TO PROVIDE REIMBURSEMENTS TO A  
14 PARTICIPATING SCHOOL FOOD AUTHORITY FOR OFFERING ELIGIBLE MEALS  
15 WITHOUT CHARGE PURSUANT TO SECTION 22-82.9-204 (1). <{*If you*  
16 *decide to extend the SEF appropriation authority addressed in section*  
17 *3 of the bill, would you also like to extend this payback approach?*>

18 (b) THIS SUBSECTION (8) IS REPEALED, EFFECTIVE JULY 1, 2027.

19 **SECTION 5.** In Colorado Revised Statutes, 22-82.9-208, **amend**  
20 (1)(a)(II) as follows:

21 **22-82.9-208. Report - audit.** (1) (a) On or before December 1,  
22 2024, and on or before December 1 every two years thereafter, the  
23 department shall prepare a report concerning the implementation of  
24 section 22-82.9-204 and sections 22-82.9-205, 22-82.9-206, and  
25 22-82.9-207, to the extent those sections are in effect as provided in  
26 section 22-82.9-204 (4)(b). At a minimum, the report must describe:

27 (II) The effect of the use of local food purchasing grants on the

1 amount of Colorado grown, raised, or processed products purchased by  
2 participating school food authorities and include a compilation of the  
3 information reported by participating school food authorities pursuant to  
4 ~~section 22-82.9-205 (1)(b)~~ SECTION 22-82.9-205 (1);

5 **SECTION 6.** In Colorado Revised Statutes, 24-75-109, **amend**  
6 (1)(f) and (5) as follows:

7 **24-75-109. Controller may allow expenditures in excess of**  
8 **appropriations - limitations - appropriations for subsequent fiscal**  
9 **year restricted - repeal.** (1) For the purpose of closing the state's books,  
10 and subject to the provisions of this section, the controller may, on or  
11 after May 1 of any fiscal year and before the forty-fifth day after the close  
12 thereof, upon approval of the governor, allow any department, institution,  
13 or agency of the state, including any institution of higher education, to  
14 make an expenditure in excess of the amount authorized by an item of  
15 appropriation for such fiscal year if:

16 (f) The overexpenditure is by the department of education for  
17 providing reimbursements to a participating school food authority for  
18 offering eligible meals without charge, pursuant to ~~section 22-82.9-204~~  
19 ~~(1)(b)~~ SECTION 22-82.9-204 (1), FOR STATE FISCAL YEARS COMMENCING  
20 ON OR BEFORE JULY 1, 2024; or

21 (5) The limitation on general fund appropriations and the  
22 requirement for a general fund reserve contained in section 24-75-201.1  
23 shall not apply to overexpenditures from the general fund for medicaid  
24 programs allowed pursuant to subsection (1)(a) of this section ~~to~~  
25 ~~overexpenditures by the department of education allowed pursuant to~~  
26 ~~subsection (1)(f) of this section~~ or to supplemental general fund  
27 appropriations for medicaid programs enacted pursuant to subsection (4)

1 of this section. Overexpenditures for all other purposes allowed pursuant  
2 to subsection (1) of this section and supplemental general fund  
3 appropriations for all other purposes enacted pursuant to subsection (4)  
4 of this section shall be considered appropriations for the fiscal year in  
5 which the overexpenditure was allowed and shall accordingly be subject  
6 to the limitations and requirements of section 24-75-201.1.

7 **SECTION 7. Effective date.** This act takes effect upon passage;  
8 except that section 24-75-109 (5), Colorado Revised Statutes, as amended  
9 in section 6 of this act, takes effect July 1, 2025.

10 **SECTION 8. Appropriation - adjustments to 2025 long bill.**

11 (1) To implement this act, appropriations made in the annual general  
12 appropriation act for the 2025-26 state fiscal year to the department of  
13 education for use by school district operations are adjusted as follows:

14 (a) The general fund appropriation for school meal  
15 reimbursements is decreased by \$42,240,242; and

16 (b) The cash funds appropriation from the state education fund  
17 created in section 17 (4)(a) of article IX of the state constitution for  
18 school meal reimbursements is increased by \$8,119,271.

19 **SECTION 9. Safety clause.** The general assembly finds,  
20 determines, and declares that this act is necessary for the immediate  
21 preservation of the public peace, health, or safety or for appropriations for  
22 the support and maintenance of the departments of the state and state  
23 institutions.