



Joint Budget Committee Staff

Memorandum

To: Members of the Joint Budget Committee
From: Name, JBC Staff (303-866-4960)
Date: March 20, 2025
Department: Department of Education
Subject: Staff Comeback – Revised Long Bill Amount and Additional Option – Healthy School Meals for All

HSMA Additional Option

Currently, the JBC's balancing spreadsheets incorporate \$49.5 million General Fund in the Long Bill based on the statutory requirements associated with the Healthy School Meals for All Program (Sections 22-82.9-201 through 211, C.R.S.).¹

- On March 5, 2025, as part of figure setting for the Department of Education, staff recommended that the Committee sponsor legislation to allow the use of State Education Fund for one more year for the program, pending a popular vote in November. The Committee indicated that they were not in agreement on this option and voted to send a bill to draft with the intent—as staff understood it—of eliminating the \$49.5 million General Fund required under current law for FY 2025-26. Various options were discussed.
- On March 19, 2025, staff returned with a preliminary recommendation to eliminate the General Fund impact of the program by limiting it to schools enrolled in the community eligibility provision and at other schools where at least 25 percent of students are eligible for federal benefits. As explained at the time, staff's understanding from directors of school food authorities was that many of them believed that changing course mid-year on whether meals were free to all students (based on a November popular vote) was extremely problematic. Staff subsequently learned that the Colorado School Nutrition Association had sent a letter to JBC members just prior to staff's presentation proposing just such half-year funding for the program but had failed to inform staff of the change in its position.

¹ These statutes are based on H.B. 22-1414, which was referred to and approved by voters as Proposition FF; S.B. 23-221, a JBC bill that made technical changes required to implement Proposition FF (such as establishing procedures for determining the revenue generated and setting it aside for the program); and H.B. 24-1390 (a JBC bill that included cost-containment measures, including making all grant programs subject to appropriation, as well as authorizing use of the State Education Fund through FY 2024-25).

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- Staff is now returning to the Committee with a potential compromise—a “middle option”—for the JBC’s consideration. Staff has received some stakeholder feedback and is in the process of gathering additional feedback.
- In addition, based on the JBC’s choice of a revenue forecast and slightly revised Department expenditure estimates, staff has recommendations to related Long Bill appropriations, reducing this amount to **\$42.2** million General Fund. This figure includes providing an additional \$45,000 General Fund for Department administration for consulting resources related to this program.

Fiscal Impact Summary of Revised Long Bill (current law) and Middle Option (requires bill)

	Current Law (Revise Long Bill & Placeholder Amounts)	Staff Middle Option (Bill Required)
Revenue		
FY 2024-25 HSMA revenue used in FY 2025-26	\$699,612	\$699,612
FY 26 OSPB forecast	<u>108,100,000</u>	<u>108,100,000</u>
Total HSMA available	108,769,612	108,769,612
Expenditures		
Administrative Costs**	\$486,914	\$486,914
Full year HSMA funding	150,522,940	n/a
1/2 year CEP/others at 25% or more students on fed benefits	n/a	44,794,385
1/2 year HSMA	<u>n/a</u>	<u>71,607,584</u>
	\$151,009,854	\$116,888,883
Available revenue above/-below) total	-\$42,240,242	-\$8,119,271
Additional revenue to spend if retain measure passes*	<u>\$12,430,388</u>	<u>\$12,430,388</u>
Estimate if retain measure passes	-29,809,854	4,311,117

*This is the additional revenue if a measure passes in November 2025 that allows the State to retain revenue in the amount between the estimate in the 2022 blue book for Proposition FF and the revenue received in FY 2023-24 (corrected accrual). If such a measure does not pass, this money will be refunded to voters and annual program revenue must be reduced by 10.1 percent going forward.

**Includes an additional \$45,000 recommended for consulting resources.

Updated Current Law Funding Amount + Recommendation for Consulting Resources

The Long Bill currently includes \$49,541,914 General Fund to cover the estimated cost of meals for the Healthy School Meals for All Program based on current law.

- As reflected in the table above, **staff recommends that that figure be replaced by -\$42,240,242 General Fund** (\$7.3 million less), based primarily on using the OSPB forecast for revenue deposited to the Healthy School Meals for All Program (HSMA) Cash Fund in FY 2024-25 and FY 2025-26.
- **The staff recommendation for administration includes adding \$45,000 for consulting resources for the Department in FY 2025-26.** H.B. 24-1390 (last year's JBC HSMA cost containment bill) provided \$400,000 in consulting resources associated with efforts to maximize federal funding and support the work of the Technical Advisory Group in projecting program costs and identifying anticipated gaps between program revenue and expenditures. This was one-time funding. Based on that effort, tools have now been developed for supporting analysis of program expenditures and maximization of federal funds; however, some ongoing support and expertise is required.
- Staff is not recommending further supplemental changes to the HSMA appropriation adjustment for FY 2024-25 from the current law action already taken. Although the OSPB revenue estimate has increased, staff's understanding is that almost all of this additional revenue is needed to create an "escrow" for the \$12.4 million in revenue that was identified for FY 2023-24 as being in excess of the \$100.7 million estimate of revenue included in the blue book.

"Middle" HSMA Option

Staff believes the following option provides a reasonable middle path between agreeing to fully fund the HSMA program during FY 2025-26 and making changes in FY 2026-27 based on a November 2025 popular (staff's original recommendation) and funding only schools/groups of schools where at least 25 percent of the population is eligible for federal benefits (staff's March 19 alternative). This includes the following:

- Fully fund the HSMA program as it operates today from **July through December 2025**.
- From **January through June 2026 (assuming no additional revenue)**:
 - Fund free meals at all schools/groups of schools that currently participate in the community eligibility provision (CEP) and any other schools where at least 25 percent of the population qualifies for federal benefits/free and reduced lunch;
 - At other schools, revert to legacy free school meals programs. Under these programs, students who qualify for free or reduced lunch based on forms they submit receive free meals. For students who qualify for reduced price meals, legacy state programs "wrap around" federal funding so that these students also receive free meals.

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- **If a popular vote in November 2025 provides sufficient additional revenue for the program, anticipate the program will continue to provide free school meals** for all public school student for the remainder of FY 2025-26 and beyond. **H.B. 25-1274** (Healthy School Meals for All Program) includes a potential referred measure that would increase revenue for this purpose.
- As described in staff's March 19 option, staff also expects to develop some contingent provisions that would take effect in the event that the federal government changes the threshold for participation in the Community Eligibility Provision in a manner that takes effect in FY 2025-26 and while the General Assembly is not in session. This is not currently anticipated, but could occur. The State is currently relying on over \$338 million in federal funds to support state school nutrition programs.
- If there are six votes on the Committee for this option, staff would include a placeholder in the Long Bill package for a bill that would reduce the General Fund required for this program by -\$34,120,971, leaving a **General Fund obligation of \$8,119,271 for FY 2025-26**.
- If desired, this bill could also: (1) also include the measure presently in H.B. 24-1274 (Healthy School Meals for All Program) that would allow the State to retain the difference between the 2022 blue book and FY 2023-24 accrued revenue (\$12.4 million), since the JBC previously authorized drafting for this; and (2) specify that if the retain measure is adopted, this money will first be used to offset any General Fund expended for the program in FY 2025-26. As shown in the table, based on current estimates, **with this additional revenue, the program would be \$4.3 million in the black for FY 2025-26**.

The Committee should be aware that both revenue and expenditure figures for this program remain uncertain. As described in staff's original figure setting presentation, both revenues and expenditures for this program are significantly affected by decisions at the federal level that are beyond the State's control. *Staff also notes that the LCS estimate for this program for FY 2025-26 (\$94.7 million for FY 2025-26) is \$13.4 million lower than the OSPB forecast.*

March 19, 2025 Comeback Option

Staff recommends that the Committee establish a **placeholder for a forthcoming non-orbital JBC bill that will eliminate the General Fund appropriation of \$49,541,914 that must be included in the FY 2025-26 Long Bill under current law**. Staff has identified an option staff believes is viable, but staff would like to work further with the Department and stakeholders to avoid unintended consequences and ensure that provisions in the bill enable the program to operate in a stable manner throughout FY 2025-26. Staff will bring a bill draft to the JBC during the week of April 7 (conference committee on the Long Bill).

Staff's *preliminary recommendation* includes the following components:

- Provide universal free meals in FY 2025-26 in all schools that are operating under the Community Eligibility Provision (CEP), a federal mechanism which provides special subsidies for schools at which at least 25.0 percent of the student population is eligible for public benefits such as SNAP and Medicaid. At these schools, the federal government pays

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for meals based on the percentage of students qualified for federal benefits x 1.6.

Currently, the majority of Colorado schools and students are operating under this federal provision, since the State has grouped schools together to maximize federal revenue.

Covering the balance of costs at these schools is estimated to cost approximately \$80.0 million in state funds in FY 2025-26, which is within the HSMA Cash Fund revenue available.

- Divide at least \$10.0 million in HSMA Cash Fund revenue among schools that do not qualify for CEP in FY 2025-26, to assist them in transitioning back to the previous funding structure for nutrition programs and assist them in supporting students who will no longer qualify for free meals. Under the previous structure, students who qualify for free meals based on submitting required forms may receive a free federally-paid breakfast and lunch, and students who qualify for reduced-price meals under federal rules may also receive a free breakfast and lunch, based on a combination of federal and state funds. Staff anticipates that funds would be distributed among these schools based on meals served or a similar mechanism.²
- Establish a trigger that would further modify the program if the federal government changes from the current structure which allows schools to participate in the community eligibility provision with 25 percent of students qualifying for federal benefits. Staff anticipates that federal authorities may move to a threshold of 40 percent (available under current federal law) or higher (potentially included in a federal concurrent resolution on the budget). *Staff understands that such a change is unlikely to take effect for FY 2025-26 but nonetheless believes a trigger would be helpful just in case. If this occurred, the number of schools participating in CEP would fall sharply, and the State would probably want to focus its funding on both schools still designated as CEP schools and other higher-needs schools that have lost this designation.* Overall, staff's goal is that approximately 80.0 percent of available funds would remain focused on schools serving higher-needs students.
- Staff anticipates that program operations in FY 2026-27 could look the same or very different depending upon voter decisions in November 2025, as well as action at the federal level, including both federal tax policy (which affects *state* revenue for the Healthy School Meals for All Program) and federal nutrition policy (since federal funds provide the largest share of money for nutrition programs). Staff's current proposal is focused primarily on FY 2025-26, given the likelihood of additional changes in the coming year.

The staff recommendation is intended to accomplish the following goals:

- Continue to maximize federal support for meals for higher needs schools and students by maintaining approved CEP groupings. Under current federal policies, the groups of schools categorized as CEP schools in FY 2024-25 are expected to maintain this categorization for a *four year cycle* (through FY 2027-28). Further, staff understands that the changes being contemplated through a federal concurrent resolution might allow this categorization to be

² Not all schools serve breakfasts.

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retained for the schools benefitting from the current policy and would not require immediate changes. If current CEP groupings are dismantled it may be difficult to reestablish them, particularly in the face of changes in federal policy.

- Provide at least some support for schools and districts that must return to the legacy nutrition program structure. Allow them to use any additional support the State is able to provide in a flexible manner, e.g., to cover “bad debt” from students who are unable to pay for their meals, to pay for meals for students who don’t qualify for free meals but who face financial challenges, to institute programs to encourage students to return free lunch forms, etc.
- Ensure that the State program can operate within the revenue available from the tax changes adopted by voters.
- Enable school food authorities to plan appropriately for the upcoming FY 2025-26 fiscal year.
- Limit disruption from changes in federal policy, including avoiding state overexpenditures and reducing pressure for the General Assembly to come back into session to address any federal changes related to this program.

Original Recommendation

➔ S3 and BA4 Increased Spending Authority Healthy School Meals for All [Legislation Recommendations/Updates]

FY 2024-25: In a January 2, 2025 submission, the Department requested an additional \$8.3 million appropriation from the State Education Fund for FY 2024-25 for the Healthy School Meals for All (HSMA) Program meal reimbursements. The request reflected the combined impact of (1) The need to reserve funds pending a popular vote on whether the General Assembly may retain the difference between the 2022 blue book estimate of the first full year of revenue for the program; (2) the December 2024 forecast of HSMA revenue; and (3) early projections of FY 2024-25 expenditures, based on the work of the HSMA Technical Advisory Group in the summer.

FY 2025-26: In its January 2, submission, the Department also requested an increase of \$21,830,000 from the State Education Fund for FY 2025-26, proposing total funding for meal reimbursements of \$137,167,586, including \$21.83 million from the State Education Fund and \$115.3 million from the HSMA Cash Fund, also based on early forecasting.

The JBC has not yet taken action on either request, pending additional data, which has now been submitted.

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Recommendation

Budget Changes Under Current Law

The Staff recommendations for funding to be provided under current law (in the Long Bill/a Long Bill supplemental) are shown in the tables below and are based on the Department's forecast for meal expenditures and the Legislative Council Staff forecast for the amount of revenue available from the Healthy School Meals for All Program Cash Fund. *Staff requests permission to adjust funding splits based on the March 2025 revenue forecast for HSMA revenue that is selected by the JBC.*

FY 2024-25 supplemental appropriation: The revised cost estimate for FY 2024-25 school meal reimbursements is similar to the total cost estimate in the FY 2024-25 Long Bill. However, because the HSMA revenue forecast has fallen, *an additional \$13.0 million is required from the State Education Fund, for a total use of \$35.2 million from the State Education Fund in FY 2024-25.*

FY 2024-25 SUPPLEMENTAL – HSMA MEAL REIMBURSEMENTS			
DEPARTMENT HSMA REVISED FORECAST	FY 2024-25 LONG BILL	FY 2024-25 REVISED	CHANGE
School Meal Reimbursements	\$137,483,812	\$138,400,000	\$916,188
General Fund	0	0	0
HSMA Cash Fund	115,337,586	103,237,586	-12,100,000
State Education Fund	22,146,226	35,162,414	13,016,188

FY 2025-26 Long Bill appropriation for school meal reimbursements: Current data indicates that nearly *\$50.0 million is required beyond the \$101.3 million anticipated to be available from HSMA revenue*. Because currently law only allows use of the State Education Fund through FY 2024-25, *the Long Bill will need to include an appropriation of \$49.5 million General Fund*. *However, this can be modified in separate legislation to allow use of the State Education Fund through FY 2025-26 (and potentially beyond).*

FY 2025-26 APPROPRIATION – HSMA MEAL REIMBURSEMENTS			
DEPARTMENT HSMA REVISED FORECAST	FY 2024-25 REVISED APPROPRIATION	FY 2025-26 LONG BILL	CHANGED FROM REVISED FY 2024-25
School Meal Reimbursements	138,400,000	\$150,800,000	12,400,000
General Fund	0	49,541,914	49,541,914
HSMA Cash Fund	103,237,586	101,258,086	-1,979,500
State Education Fund	35,162,414	0	-35,162,414

Staff notes that both the revenue fund source and expenditure estimates for FY 2025-26 are subject to change based on pending actions at the federal level, as well as potential state-level action. These issues are discussed further in this analysis section.

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FY 2025-26 Grant Funding: Staff recommends that, as in FY 2024-25, the JBC should *not* appropriate funds for HSMA grants or stipend programs in FY 2025-26, given the lack of program revenue. All funding for these programs is currently subject to appropriation.

The Department has requested, and staff has included, continued funding of \$675,729 from the State Education Fund for *Local School Food Purchasing Programs*, a legacy program which provides grants and technical assistance to support school districts in purchasing Colorado grown food. This program was revived by the JBC for FY 2024-25 when HSMA grant and stipend programs were delayed; however, maintaining funding is at the JBC's discretion.

Consulting Funding: The FY 2024-25 Long Bill included resources to assist the Department in maximizing federal revenue and forecasting HSMA expenses. Staff anticipates that some additional funding will continue to be required to address the complex forecasting related to this program. Staff will return with a specific estimate.

Recommended Statutory Changes

The JBC previously authorized staff to prepare bill drafts related to the Healthy School Meals for All program. [House Bill 25-1274](#) (Healthy School Meals for All Program) by Representative Lorena Garcia and Senator Michaelson Jenet was recently introduced and includes provisions to refer two measures to voters in 2025 (a retain revenue measure and an increase revenue measure), as well as numerous other statutory changes. There may ultimately be only one bill adopted by the General Assembly to modify the Healthy School Meals for All Program. However, staff continues to recommend that the JBC have a bill drafted that includes those components the Committee considers most important. Staff anticipates that this will help inform other members of the JBC's interests, even if this bill is never introduced or is narrowed to eliminate components that are duplicated in other legislation.

The staff recommendation now includes:

- A recommendation to allow use of the State Education Fund to support the HSMA program at least through FY 2025-26, since any new measures to increase revenue cannot be adopted by voters before November 2025.
- A revision to the previous recommendation on a referred measure to allow the retention of revenue that exceeded the 2022 blue book estimate. Funds must be set aside pending a popular vote on retaining revenue in excess of the 2022 blue book estimate. *The amount to be included in the retention measure has fallen from earlier estimates: staff anticipates that the amount required will be \$12,430,388*, based on \$11,300,353 plus interest. There are sufficient reserves already in the HSMA cash fund (about \$15.0 million) to cover a refund of this amount if voters do not approve a retain measure.
- The Committee has reviewed, but not yet voted to adopt, a measure that would require that ballot information books reflect a maximum revenue estimate when projecting

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revenue from new tax measures. Staff continues to recommend this legislation and is seeking a Committee vote to introduce it as soon as the Committee is ready.

Other Items and Options:

- Staff is **withdrawing** a previous recommendation for a bill attempting to insulate the program from changes in federal tax law. Staff has concluded that this option, which was recommended by the HSMA Technical Advisory Group, is not workable.
- Because of the scale of fiscal risk now facing the State related to this program, **staff would also like to explore some options for triggers that would automatically scale back the program** based on either: (1) voter denial of measures to be considered in November 2025 to increase revenue for the program; and/or (2) federal actions that reduce federal support for the program. If the Committee is interested in such options, staff will explore some alternatives with the Department and bring these back to the Committee at a later date.

Analysis

Background and Overview

- Proposition FF, adopted by voters in 2022, created the Healthy School Meals for All Program to provide reimbursement to participating school food authorities for offering meals without charge to all public school students, beginning in FY 2023-24. The measure provided for new revenue to support the benefit based on an “add back” of deductions to taxable income for taxpayers with incomes over \$300,000. The measure also included provisions that were expected to add local food purchasing and technical assistance grants, as well as additional funding for food service worker wages/stipends, effective FY 2024-25.
- Demand for the program has been far greater than originally projected, requiring large supplemental funding adjustments for FY 2023-24 and leading the JBC to sponsor H.B. 24-1390 (School Food Programs) to delay implementation of grant and stipend provisions, implement other cost-containment measures, allow temporary use of the State Education Fund to support the program, and create a Technical Advisory Group to provide options to ensure the program’s financial sustainability.
- With the program now in its second year, the gap between expenses and the dedicated revenue stream created by Proposition FF has grown.

For additional background on the history of this program and links to relevant reports see the staff budget briefing document dated December 3, 2024.³

³ https://leg.colorado.gov/sites/default/files/fy2025-26_edubr1.pdf

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Revenue

In early December 2024, OSPB reported that HSMA tax revenue received for the program during the first full tax year of operation (2023) had come in at \$109.2 million, which was slightly more than the estimate included in the 2022 blue book of \$100.7 million but was well below forecast figures used during the 2024 legislative session. Declines shown in the table reflect the expiration of certain federal Tax Cuts and Jobs Act provisions. If these provisions are extended revenue will remain over \$100 million per year, even without state tax changes.

HEALTHY SCHOOL MEALS FOR ALL PROGRAM REVENUE FROM DEDICATED TAX PROVISIONS		
	LCS DECEMBER FORECAST	OSPB DECEMBER FORECAST
FY 2024-25	\$104,100,000	\$105,700,000
FY 2025-26	102,100,000	108,200,000
FY 2026-27	77,100,000	84,410,000

Expenses

Changes to state law and policy have helped maximize federal revenue for the program and contain costs, but continued growth in demand for meals among students has driven state costs far above original program estimates.

Estimates in the Prop FF blue book anticipated that annual state program costs for meals alone would be between \$48.5 million and \$78.5 million when the program was fully implemented. Current estimates are that meal costs paid by the State will be \$150.8 million in FY 2025-26 and are likely to grow further, even without changes to federal support for school nutrition programs.

The figures below show the assumptions being used in the Department's current model for program participation and funding sources. As shown, estimated state costs of \$150.8 million for FY 2025-26 are tied to federal support estimated at \$338.0 million

Adjust the assumptions below to change forecast estimates								
Average Daily Meals Utilization Growth Assumptions			STATE & FEDERAL COMBINED				FEDERAL ONLY	
	FREE	REDUCED	PAID	Breakfast	Lunch	Total	Y/Y Change	Total Y/Y Change
SY 2024-25	See 24-25 Utilization Growth Tab			\$93.7	\$354.8	\$448.4	17.3%	\$310.1 41.0%
SY 2025-26	4.0%	0.0%	4.0%	\$101.7	\$387.1	\$488.8	9.0%	\$338.0 9.0%
SY 2026-27	3.0%	0.0%	3.0%	\$108.5	\$415.7	\$524.2	7.2%	\$362.5 7.3%
STATE ONLY								
SY 2024-25				\$18.2	\$120.2	\$138.4	-14.9%	
SY 2025-26				\$19.8	\$131.0	\$150.8	9.0%	
SY 2026-27				\$21.3	\$140.4	\$161.7	7.2%	

Forecast Risks

Staff notes that both the revenue fund source and expenditure estimates for FY 2025-26 are subject to change based on pending actions at the federal level, as well as potential state-level action. These are, in essence, "risks to the forecast" that go in both directions.

“Typical” Uncertainty

As for any program with costs driven by caseload and revenue driven by taxes, there are risks.

- How much will demand for meals grow? The current forecast assumes ongoing growth of 3.0 to 4.0 percent a year, but growth could be greater.
- Will we have a recession? If the economy takes a dive, revenue for this program is also likely to fall, while demand could increase.

Atypical Uncertainty

- *Changes to federal nutrition programs.* This could include changes to the federal Community Eligibility Provision that would *reduce* federal funding for meals and thus require an *increase* in state support. Current federal policy, established by rule, specifies that schools and groups of schools may participate in this program if 25.0 percent of the population qualifies for federal need-based benefits, such as Medicaid. This could be changed by federal rule to the earlier 40.0 percent threshold, the figure in federal law. The Department estimates that this would increase total state costs by about \$7.0 million.
- Congress is also considering increasing the CEP threshold to 60 percent in a reconciliation measure. If adopted, this could drastically reduce available federal revenue and make this program hard to sustain.
- Other potential changes to federal nutrition programs could also reduce federal program revenue, e.g., changes that make it harder to obtain various federal benefits or to have that eligibility counted toward eligibility for nutrition programs.
- *Changes to federal tax law:* Extension of the federal Tax Cuts and Jobs Act provisions could *increase* HSMA cash fund revenue and thus *reduce* State Education Fund required, but state economists cannot forecast the impact until Congress takes action.
- *Colorado voters:* (1) Potential adoption of a “retain” measure by the voters would free up \$12.4 million of HSMA revenue that could be used to offset FY 2025-26 State Education Fund obligations. (2) Adoption of a revenue-raising measure in FY 2025-26 could eliminate the need to use any State Education Fund revenue to support meal reimbursements, depending upon the content of the measure as well as the impact of potential changes at the federal level. However, it is difficult to know how much revenue is needed given uncertainty at the federal level.

Next Steps for the General Assembly?

Public and stakeholder input collected for the Technical Advisory Group created by H.B. 24-1390 supported revenue solutions to sustain the program, rather than program cuts. School district leaders, including the Colorado Associate of School Executives (CASE), have expressed

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support for pursuing a revenue solution to maintain free meals, rather than restricting the program.

Nonetheless, following the requirements of H.B. 24-1390, the HSMA Technical Advisory Group report also provided options for reducing the scope of the program. Of the options available, the one that appeared most viable was to limit the program to districts with high enrollment in assistance programs (CEP eligible) or a large percentage of free and reduced-price lunch students. These options could provide savings ranging from \$52.7 million (limiting the program to CEP-eligible districts with no changes to federal CEP policies) to \$121.5 million (limiting the program to CEP-eligible districts but assuming federal changes to tighten CEP eligibility to schools at which 40 percent of students qualify based on Medicaid eligibility and similar factors). These types of restrictions would eliminate 25.0 percent to 60.0 percent of Colorado students from the program, depending upon the option chosen and related federal policies.

Staff recognizes that any number of changes may make it difficult if not impossible to maintain the system of universal free school meals authorized by Proposition FF. However, staff also believes the program offers real and important benefits to the young people of the state and their families.

JBC staff recommends providing the program with a “lifeline” of support for student meals through FY 2025-26, anticipating that federal and voter action in 2025 will direct whether and how the program can continue in future years. *Even a temporary “lifeline” will require the General Assembly to appropriate approximately \$50.0 million from the State Education Fund in FY 2025-26 without a guarantee that these funds can be recouped.* And even \$50.0 million may be insufficient if there are significant federal changes. Because of the large amount of funds at stake, the General Assembly may want to consider triggers that will modify the program if the federal government adopts changes that make the program not viable and/or if voters reject measures needed to adequately fund the program.