First Extraordinary Session Seventy-fifth General Assembly STATE OF COLORADO

ENGROSSED

This Version Includes All Amendments Adopted on Second Reading in the House of Introduction

LLS NO. 25B-0002.02 Pierce Lively x2059

SENATE BILL 25B-003

SENATE SPONSORSHIP

Michaelson Jenet and Wallace,

HOUSE SPONSORSHIP

Garcia and Stewart K.,

Senate Committees Health & Human Services

House Committees

	A BILL FOR AN ACT				
101	CONCERNING SUPPORTING ACCESS TO HEALTHY FOOD FOR				
102	COLORADANS, AND, IN CONNECTION THEREWITH, AMENDING				
103	THE BALLOT ISSUE LANGUAGE FOR A MEASURE ON THE				
104	NOVEMBER 2025 BALLOT AND MODIFYING THE PERMISSIBLE				
105	USES OF THE HEALTHY SCHOOL MEALS FOR ALL CASH FUND.				

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.)

Section 2 of the bill amends the ballot title language for the ballot issue concerning increasing taxes annually by \$95 million to support the

healthy school meals for all program (program) that the secretary of state will submit to the voters at the November 2025 statewide election. The amended ballot title language allows the additional tax revenue authorized by the ballot issue to be spent on supporting access to healthy food for Colorado kids and families and not just on the program.

Section 3 amends the healthy school meals for all cash fund (fund), as the fund would exist upon voters approving the ballot issue concerning increasing taxes annually by \$95 million to support the program that the secretary of state will submit to the voters at the November 2025 statewide election. Section 3 expands the permissible uses of money in the fund. Section 3 allows money in the fund to be used for, among other things, supporting the implementation of the supplemental nutritional assistance program, so long as the program is fully funded first.

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

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

- (a) In July 2025, the United States Congress passed, and the president signed into law, a federal budget bill, Pub.L. 119-21, that significantly reduced funding for the supplemental nutritional assistance program and shifted new and ongoing financial responsibilities to the states;
- (b) These federal changes are projected to, starting in state fiscal year 2026-27, impose at least \$50 million in new annual costs to the state of Colorado to administer the supplemental nutritional assistance program and, in future years, potentially impose additional costs to the state of Colorado to provide a portion of the supplemental nutritional assistance program benefits;
- (c) The federal budget bill also reduced funding for community-based outreach and application assistance in connection with the supplemental nutrition assistance program, which play a critical role

-2- 003

in helping Coloradans access and retain program benefits;

- (d) Outreach for the supplemental nutritional assistance program promotes both equitable access and efficient, accurate administration of the program, helping prevent avoidable payment errors while maintaining access for all eligible people;
- (e) The federal budget bill also eliminated the nation's only dedicated nutrition education program for households that benefit from the supplemental nutritional assistance program, ending over \$6 million in funding for Colorado and eliminating access to programs that are vital for improving food security, dietary quality, and the ability to stretch limited food budgets for 325,000 Coloradans including 30,000 families;
- (f) The United States department of agriculture's data shows that for every dollar spent on nutrition education, up to \$10.64 is saved in health-care spending;
- (g) The supplemental nutritional assistance program education directly reduces risk factors for conditions like diabetes, hypertension, and obesity-chronic diseases that account for the bulk of health-care costs;
- (h) Nutrition education is even more critical when families face steeper food prices and changes to the supplemental nutritional assistance program structure and eligibility that result in families needing support in doing more with less;
- (i) Without investments in these programs, the hundreds of thousands of Coloradans-including children, families, older adults, veterans, and workers-who are eligible to receive supplemental nutritional assistance program benefits are at risk of losing vital food assistance and more Coloradans will go hungry;

-3-

(j) House Bill 25-1274 directed the secretary of state to submit Proposition MM to the registered voters of the state to raise additional revenue for the full implementation of the healthy school meals for all program and its components, since the revenue raised in connection with Proposition FF was insufficient to fund the full implementation of the healthy school meals for all program and its components; and

(k) By modifying Proposition MM to support healthy food access for Colorado kids and families and to allow excess money collected beyond that necessary to fully fund and implement the healthy school meals for all program to be used to support filling the gap in funding for the supplemental nutritional assistance program caused by the reduced funding for the program as a result of the federal budget bill, voter approval of Proposition MM will ensure that all Coloradans have access to the nutritious food they need to thrive.

SECTION 2. In Colorado Revised Statutes, 22-82.9-213, **amend** (1) as follows:

increase - repeal. (1) At the statewide election held in November 2025, the secretary of state shall submit to the registered electors of the state for their approval or rejection the following ballot issue: "Shall state taxes be increased by \$95 million annually by a change to the Colorado Revised Statutes that, to support the healthy school meals for all program, increases to support access to healthy food for Colorado kids and families, including the healthy school meals for all program, increases to support access to healthy food for Colorado kids and families, including the healthy school meals for all program, increases to support access to healthy food for Colorado kids and families, including the healthy school meals for all program, increases to support access to healthy food for Colorado kids and families, including the healthy school meals for all program, and families for all program, increases to support access to healthy food for colorado kids income only for individuals who have a federal tax taxable income of \$300,000 or more by limiting itemized or standard state income tax

-4- 003

deductions to \$1,000 for single tax return filers and \$2,000 for joint tax return filers for the purposes of fully funding the healthy school meals for all program to continue paying for public schools to offer free breakfast and lunch to all public school students while also increasing wages for employees who prepare and serve school meals, helping schools use basic, nutritious ingredients, instead of processed products, and ensuring that Colorado grown and raised products are part of school meals; SUPPORTING THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) THAT HELPS LOW-INCOME COLORADO FAMILIES AFFORD GROCERIES; and shall the state be allowed ALLOWING THE STATE to retain and spend as a voter-approved revenue change all additional tax revenue generated by these tax deduction changes?"

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

SECTION 3. In Colorado Revised Statutes, 22-82.9-211, amend as it will become effective if the ballot issue described in section 22-82.9-213 is approved by the people at the next statewide election (1)(c), (3)(a) introductory portion, (3)(e) introductory portion, (3)(f) introductory portion, and (3)(g); amend as it exists unless the ballot issue described in section 22-82.9-212 is approved by the people at the next statewide election and the ballot issue described in section 22-82.9-213 is rejected by the people at the next statewide election (3)(a)(IV); amend (3)(a)(III) and (3)(a)(IIII); and add (3)(a)(VI), (3)(a)(VIII), (3)(a)(VIII), and (3)(j) as follows:

-5- 003

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

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(c) "Reserve calculation" means a calculation that determines the amount expended by the department for the purposes described in subsections (3)(a)(II), (3)(a)(III), (3)(a)(IV), (3)(a)(VI), (3)(a)(VII), (3)(a)(VIII), and (3)(a.5) of this section in accordance with subsections (3)(c) to (3)(g) of this section. The reserve calculation shall independently be computed for subsections (3)(c) to (3)(g) of this section by legislative council, in consultation with the department, and based on the relevant projections in the March economic and revenue forecast prepared by legislative council staff. The computation of the reserve calculation for each of subsections (3)(c) to (3)(g) of this section shall result in a percentage equal to the anticipated balance in the fund as of the beginning of the fiscal year plus any additional money that will be deposited in or transferred to the fund over the course of the fiscal year minus the estimated amount of money expended by the department for the purposes described in subsections (3)(a) and (3)(a.5) of this section in accordance with the subsection of this section for which the reserve calculation is computed divided by the estimated amount expended by the department for the purposes described in subsections (3)(a)(I) and (3)(a)(V) of this section in accordance with the subsection of this section for which the reserve calculation is computed.

(3) (a) Subject to annual appropriation by the general assembly, the department may expend money MAY BE EXPENDED from the fund that is not in the account for the following purposes:

-6- 003

1	(II) BEGINNING JULY 1, 2026, awarding local food purchasing
2	grants pursuant to section 22-82.9-205;
3	(III) BEGINNING JULY 1, 2026, distributing money to a
4	participating school food authority to increase wages or provide stipends
5	for individuals whom the participating school food authority employs to
6	directly prepare and serve food for school meals pursuant to section
7	<u>22-82.9-206 (1);</u>
8	(IV) <u>BEGINNING JULY 1, 2026, awarding</u> local school food
9	purchasing technical assistance and education grants pursuant to section
10	22-82.9-207; and
11	(VI) $\underline{\text{Beginning July 1,2026,implementing}}$ the supplemental
12	NUTRITIONAL ASSISTANCE PROGRAM;
13	(VII) <u>Beginning July 1, 2026, providing</u> outreach related
14	TO THE SUPPLEMENTAL NUTRITIONAL ASSISTANCE PROGRAM; AND
15	(VIII) <u>Beginning July 1, 2026, providing</u> community-based
16	NUTRITION EDUCATION.
17	(e) If the department expending money from the fund as follows
18	would result in a reserve calculation amount equal to or greater than
19	twenty-five percent and less than forty THIRTY-FIVE percent, then the
20	department shall expend money from the fund, including money in the
21	account in accordance with subsection (3)(a.5)(II) of this section, as
22	follows:
23	(f) If the department expending money from the fund as follows
24	would result in a reserve calculation amount equal to or greater than forty
25	THIRTY-FIVE percent, and, for state fiscal years commencing on or after
26	July 1, 2029, less than fifty percent, then the department shall expend
27	money from the fund, including money in the account in accordance with

-7- 003

subsection (3)(a.5)(II) of this section, as follows:

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2	(g) For fiscal years commencing on or after July 1, 2029, If, UPON
3	AWARDING MONEY ACCORDING TO SUBSECTION $(3)(f)$ OF THIS SECTION, the
4	department determines that doing so AWARDING MONEY PURSUANT TO
5	THIS SUBSECTION (3)(g) would result in a reserve calculation amount
6	equal to fifty THIRTY-FIVE percent or more, then the department shall
7	expend money MAY BE EXPENDED from the fund, including money in the
8	account in accordance with subsection (3)(a.5)(II) of this section by
9	increasing the amounts awarded and distributed from the fund to amounts
10	greater than those described in subsection (3)(f) of this section AWARDING
11	AND DISTRIBUTING AMOUNTS FROM THE FUND AS DESCRIBED IN
12	SUBSECTION (3)(f) OF THIS SECTION AND THEN FUNDING THE
13	IMPLEMENTATION OF THE SUPPLEMENTAL NUTRITIONAL ASSISTANCE
14	PROGRAM IN A MANNER THAT SUPPLEMENTS AND DOES NOT SUPPLANT THE
15	STATE'S EXPENDITURES, AS OF JULY 1, 2025, TO IMPLEMENT THE
16	SUPPLEMENTAL NUTRITIONAL ASSISTANCE PROGRAM; OUTREACH RELATED
17	TO THE SUPPLEMENTAL NUTRITIONAL ASSISTANCE PROGRAM; AND
18	COMMUNITY-BASED NUTRITION EDUCATION.
19	(j) NOTWITHSTANDING ANY LAW TO THE CONTRARY, MONEY IN
20	THE FUND SHALL ONLY BE EXPENDED FROM THE FUND IN ACCORDANCE
21	WITH SUBSECTIONS (3)(c) THROUGH (3)(i) OF THIS SECTION ON OR AFTER
22	<u>July 1, 2026.</u>
23	SECTION 4. Effective date. (1) Except as otherwise provided
24	in subsection (2) of this section, this act takes effect upon passage.
25	(2) Section 22-82.9-211 (1)(c), (3)(a) introductory portion, (3)(e)

introductory portion, (3)(f) introductory portion, (3)(g), (3)(a)(II),

(3)(a)(III), and (3)(a)(IV) (3)(a)(VI), (3)(a)(VII), (3)(a)(VIII), and (3)(j),

-8-

1 Colorado Revised Statutes, as amended and enacted in section 3 of this 2 act, take effect only if, at the November 2025 statewide election, the 3 ballot issue described in section 22-82.9-213, Colorado Revised Statutes, 4 is approved by the people, in which case section 22-82.9-211 (1)(c), 5 (3)(a) introductory portion, (3)(e) introductory portion, (3)(f) introductory 6 portion, (3)(g), (3)(a)(II), (3)(a)(III), and (3)(a)(IV) (3)(a)(VI), 7 (3)(a)(VII), (3)(a)(VIII), and (3)(j), Colorado Revised Statutes, as amended and enacted in section 3 of this act, take effect on the date of the 8 9 official declaration of the vote thereon by the governor. Safety clause. The general assembly finds, 10 SECTION 5. 11 determines, and declares that this act is necessary for the immediate 12 preservation of the public peace, health, or safety or for appropriations for

the support and maintenance of the departments of the state and state

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-9- 003