

*Colorado Legislative Council Staff Fiscal Note*

**STATE and LOCAL  
FISCAL IMPACT**

---

<b>Drafting Number:</b> LLS 15-1003	<b>Date:</b> March 27, 2015
<b>Prime Sponsor(s):</b> Sen. Steadman Rep. Hamner	<b>Bill Status:</b> Senate Appropriations
	<b>Fiscal Analyst:</b> Marc Carey (303-866-4102)

---

**BILL TOPIC:** INCREASING CAP ON APPROPRIATION FOR SCHOOL LUNCHES

<b>Fiscal Impact Summary*</b>	<b>FY 2014-2015</b>	<b>FY 2015-2016</b>	<b>FY 2016-2017</b>
<b>State Revenue</b>			
<b>State Expenditures</b>			
General Fund	\$141,471	\$161,258	
<b>FTE Position Change</b>			
<b>Appropriation Required:</b> \$141,471 General Fund - Dept. of Education (FY 2014-15) \$161,258 General Fund - Dept. of Education (FY 2015-16)			

\* This summary shows changes from current law under the bill for each fiscal year.

**Summary of Legislation**

Under current law, the General Assembly may annually appropriate up to \$1,500,000 to the Department of Education (CDE) to provide free lunches for publically funded preschool and K-5 students who would otherwise be required to pay a reduced price for lunch. This bill, **recommended by the Joint Budget Committee**, increases the limit to \$2,500,000 for FY 2014-15 and thereafter.

**Background**

The Child Nutrition School Lunch Program, created by Senate Bill 08-0123, provided state funding to reimburse school districts for each lunch served to a child in kindergarten through second grade who is eligible for a reduced price meal. The reimbursements allow schools to provide lunches at no charge to students what would otherwise be required to pay a reduced price for lunch.

House Bill 14-1156 expanded the program to include students in the third through fifth grade. The combined appropriation for the program in that bill and House Bill 14 -1336 (the Long Bill) totaled \$1,641,471. However, a separate statutory provision limits appropriations for the program to no more than \$1.5 million annually. Thus, current appropriations exceed the statutory cap and the CDE will be unable to support anticipated reimbursements in FY 2014-15 and FY 2015-16.

**State Expenditures**

***Colorado Department of Education.*** This bill will increase expenditures in the department for the Child Nutrition School Lunch program by \$141,471 in FY 2014-15 and \$161,258 in FY 2015-16.

**School District Impact**

The amount of reimbursement funds that districts will receive from CDE for the Child Nutrition School Lunch program will increase by \$141,471 in FY 2014-15 and \$161,258 in FY 2015-16.

**Effective Date**

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

**State Appropriations**

This bill includes the following General Fund appropriations to the Department of Education:

- \$141,471 in FY 2014-15; and
- \$161,258 in FY 2015-16.

**State and Local Government Contacts**

Education

Joint Budget Committee Staff