



## Expanding Individual Eligibility for No-Cost School Meals: Eliminating the Reduced-Price Co-Pay and Other Policy Options

### Why Expand Individual Eligibility for No-Cost Meals?

School meals provide the most nutritious food consumed by kids on a given day.<sup>1</sup> When students participate in school meal programs, they often experience a range of health and educational benefits, including improved food security, diet quality, physical and mental health, attendance, and academic achievement.<sup>2</sup> Removing cost as a barrier to school meal participation can allow more students to access school meals and experience their benefits, particularly those students who are food insecure.<sup>3</sup>

One approach is to expand individual eligibility for no-cost school meals, which generally provides more targeted financial relief at a lower overall cost to the state compared to offering no-cost meals to all students. This resource outlines policy options to expand individual eligibility and provides an overview of states that have taken this approach.

### Options to Expand Individual Eligibility

To expand individual eligibility for no-cost meals, states must consider four questions:

1. **What is the income eligibility criteria?** Federal eligibility for no-cost meals is based on household income as a percentage of the Federal Poverty Level (FPL) (see sidebar). There are two general options for states to expand eligibility for no-cost meals:
  - **Reduced-Price Eligible:** The most straightforward and common approach is to extend eligibility to students who qualify for reduced-price meals. Often called “eliminating the reduced-price category/copayment” (ERP), this approach uses state funds to reimburse schools for the copay they would ordinarily charge reduced-price eligible students.
  - **Greater than 185%:** Another approach is to increase the eligibility threshold beyond the federal threshold for reduced price meals to support food insecure and financially strapped families with incomes above 185% FPL.

#### Reduced-Price Eligibility

Schools are reimbursed for each breakfast and lunch served at specific per-meal reimbursement rates. There are three reimbursement rate categories based on students' family income:

- **Paid:** Students in households with income >185% of the federal poverty level (FPL).
- **Reduced-price:** Students in households with income 130-185% FPL are eligible for reduced-price meals
- **Free/no-cost:** Students in households with incomes <130% FPL.

The federal reduced-price rate is slightly less than the free/no-cost rate, so schools may charge students a co-pay for the difference between the two rates: \$0.30 for breakfast and \$0.40 lunch.

<sup>1</sup> Liu J, Micha R, Li Y, Mozaffarian D. Trends in Food Sources and Diet Quality Among US Children and Adults, 2003-2018. *JAMA Netw Open*. 2021;4(4):e215262.

<sup>2</sup> Hartline-Grafton H, Levin M. Breakfast and School-Related Outcomes in Children and Adolescents in the US: A Literature Review and its Implications for School Nutrition Policy. *Curr Nutr Rep*. 2022;11(4):653-664.

<sup>3</sup> Cohen JFW, Hecht AA, McLoughlin GM, Turner L, Schwartz MB. Universal School Meals and Associations with Student Participation, Attendance, Academic Performance, Diet Quality, Food Security, and Body Mass Index: A Systematic Review. *Nutrients*. 2021;13(3):911.

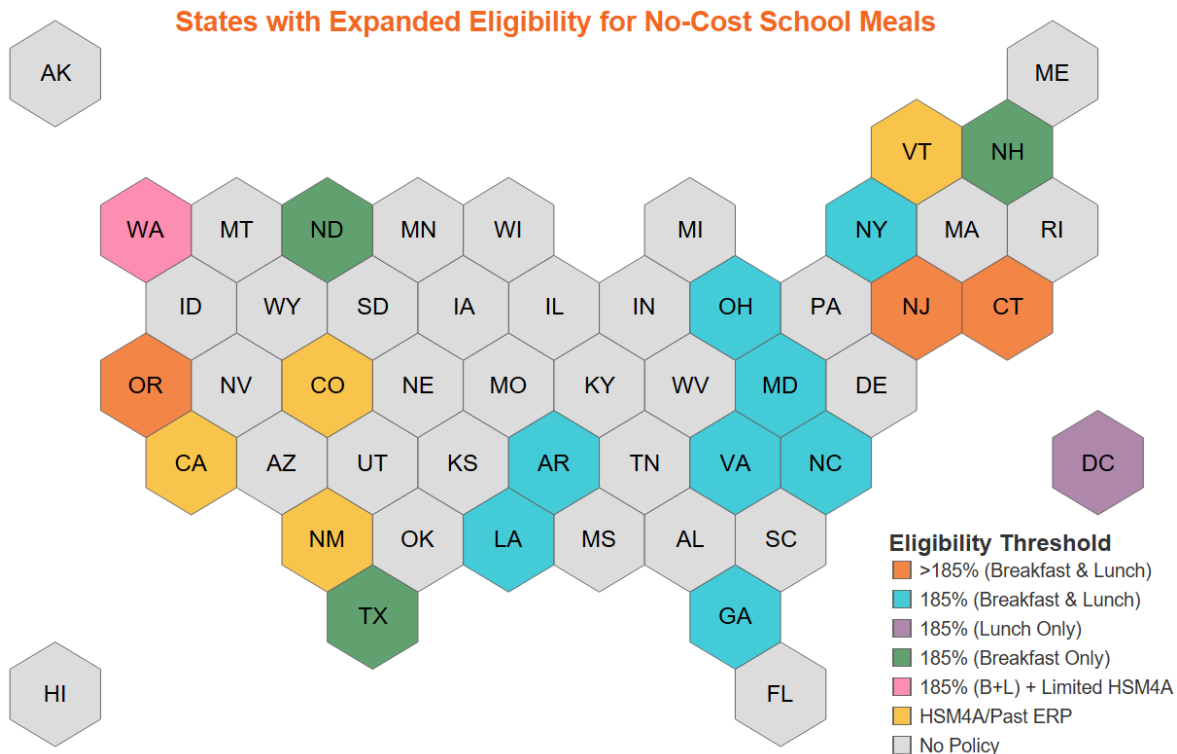
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- Which grade levels are included?** The approach that reaches the most students, and the route most states have taken in enacting this type of policy, is to allow students from grades kindergarten to grade 12 to qualify. However, some states have limited eligibility to younger students, such as grades kindergarten to grade 3 or grade 5, to limit overall state costs.
- Which meals qualify?** States must determine which meals qualify: breakfast, lunch, or both. If a state is considering only one meal, a breakfast-only approach is the cheapest option, since fewer students participate in breakfast programs compared to lunch and the reimbursement rate is lower. However, expanding individual eligibility for free lunch would impact more students. All states that have increased individual eligibility for free breakfast and lunch have used the same income eligibility threshold for both meals.
- What is the legislative vehicle?** States can expand eligibility for no-cost meals through authorizing legislation or appropriations/budget bills. Each approach has political and programmatic trade-offs. States can also phase-in changes, such as by providing a progressively increasing per meal reimbursement amount that covers the full reduced-price copay at the end of the phase in period.

## Current Landscape

Fifteen states currently have expanded individual eligibility for no-cost breakfast, lunch or both meals (i.e. increased the eligibility threshold for no-cost meals to  $\geq 185\%$  of the FPL). Twelve of these states have increased eligibility to 185% of the FPL, thereby eliminating reduced price copayments (ERP). Three states, New Jersey, Connecticut, and Oregon, have increased no-cost meal eligibility beyond this, to 199%, 200%, and 300% of the FPL respectively. Four states enacted ERP bills in 2023 (AR, LA, OH, TX) and several others have been or are currently considering [legislation](#) to expand individual eligibility for no-cost meals.

In addition, six states that had previously enacted ERP legislation have since enacted [Healthy School Meals for All \(HSM4A\) legislation](#) (CA, CO, MN, NM, VT, WA).<sup>4</sup> Several other ERP states considered HSM4A legislation in 2023 (DC, MD, NH, NY).



<sup>4</sup> Washington's new law ([H.B.1238](#)) is a limited version of HSM4A, providing no-cost meals to students in kindergarten to grade four who attend public schools with  $\geq 40\%$  of students who qualify for free and reduced-price meals for SY23-24, and  $\geq 30\%$  for SY24-25 and thereafter.

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## Examples

Option	Bill Text	State, Bill No. (Year Enacted)
<b>Household Income Eligibility</b>		
Reduced price eligible (i.e. 130-185% FPL)	<p><i>"B. School districts and charter schools that administer a school breakfast or school lunch program shall not charge a reduced-price-eligible student a reduced-price copayment for meals.</i></p> <p><i>C. The department shall provide funding to each school district and charter school that administers a school breakfast or school lunch program to cover the cost of eliminating reduced-price copayments. Funding shall be based on a per-meal basis at the difference between the federal free meal rate and the reduced-price copayment rate."</i></p>	New Mexico <a href="#">H.B.10</a> (2020)
Greater than 185% FPL	<p><i>"...the school district must ensure that each school of the school district: (A) Offers lunch at no charge to students from households with incomes that do not exceed 300 percent of the federal poverty guidelines. (B) Offers breakfast at no charge to students from households with incomes that do not exceed 300 percent of the federal poverty guidelines, if breakfast must be offered pursuant to ORS 327.535.</i></p>	Oregon <a href="#">H.B.2526</a> (2021)
<b>Qualifying Meals</b>		
Breakfast Only	<p><i>"Notwithstanding Section 8.26 of S.L. 1999-237, funds appropriated for the school breakfast program shall be used to provide school breakfasts at no cost to students of all grade levels qualifying for reduced-price meals in all schools participating in the National School Breakfast Program."</i></p>	North Carolina <a href="#">S.B.415</a> (2011)
Lunch Only	<p><i>"Beginning in the 2021-22 school year, school districts with school lunch programs must eliminate lunch copays for students in prekindergarten through 12th grade who qualify for reduced-price lunches, and the superintendent of public instruction must allocate funding for this purpose."</i></p>	Washington <a href="#">H.B.1342</a> (2021)
Breakfast & Lunch	<p><i>"38. School Meals Expansion. Out of this appropriation, \$4,100,000 the first year and \$4,100,000 the second year from the general fund is provided for local school divisions to reduce or eliminate the cost of school breakfast and school lunch for students who are eligible for reduced price meals under the federal National School Lunch Program and School Breakfast Program. The Department of Education is authorized to reduce this amount proportionately so as not to exceed this appropriation."</i></p>	Virginia <a href="#">H.B.30</a> (2022)
<b>Grade Level</b>		
K-12	<p><i>(1) Breakfasts provided to all students eligible for a reduced price breakfast under the federal School Breakfast Program according to the following schedule: ... (III) For fiscal year 2022 and each fiscal year thereafter, the greater of 30 cents per student or the required federal per meal charge to students; and (2) Lunches provided to all students eligible for a reduced price lunch under the National School Lunch Program according to the following schedule: ... (IV) For fiscal year 2023 and each fiscal year thereafter, the greater of 40 cents per student or the required federal per meal charge to students..."</i></p>	Maryland <a href="#">H.B.0315</a> (2018)
Limited Grades	<p><i>"The general assembly shall annually appropriate by separate line item in the annual general appropriation bill...to provide lunches at no charge for children in state-subsidized early childhood education programs administered by public schools or in kindergarten through fifth grade, participating in the school lunch program, who would otherwise be required to pay a reduced price for lunch."</i></p>	Colorado <a href="#">H.B.14-1156</a> (2014)