

BILL: House Bill 704
TITLE: Community Eligibility Provision Expansion Program - Establishment
HEARING DATE: February 17, 2026
POSITION: SUPPORT
COMMITTEE: Appropriations / Ways & Means
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The Maryland Association of Boards of Education (MABE), representing all of the State's local boards of education, **supports House Bill 704, Community Eligibility Provision Expansion Program – Establishment.** This bill aligns with MABE's longstanding resolution to support student health and fitness and preserving the ability of local school systems to participate in the Community Eligibility Provision (CEP) program. Ensuring that students have consistent access to nutritious meals during the school day is foundational to academic success, attendance, and student well-being, and it is one of the most basic moral requirements of a civilized society.

House Bill 704 provides State funding to help cover the difference between the federal paid reimbursement rate and the federal free reimbursement rate for meals served under the CEP. By narrowing this gap, the bill strengthens the fiscal sustainability of universal meal programs and enables more schools to participate without compromising local budgets.

While we strongly support the establishment of this program, we respectfully note that the proposed \$10 million annual allocation is unlikely to fully meet statewide needs. The blended federal reimbursement structure under CEP can leave participating schools absorbing a portion of meal costs, particularly in schools with lower identified student percentages. State support meaningfully reduces that burden, though it may not eliminate it entirely.

Beyond reimbursement mechanics, CEP delivers substantial educational and equity benefits. It allows schools to provide breakfast and lunch to all students at no cost and eliminates the need for individual household meal applications. This reduces administrative burden, eliminates stigma, and ensures that families do not incur school meal debt.

However, when a school adopts CEP, it stops collecting federal meal applications. Those free and reduced-price meal applications have historically been used as a proxy poverty measure for many other essential public school benefits, including:

- State compensatory education funding;

- Federal Title I allocations;
- Accountability subgroup reporting (for federal disaggregated achievement data); and
- Other benefit programs (E-Rate discounts, after-school programs, other federal grant applications, etc.).

In the absence of direct certification for free and reduce-price meal applications, we are very likely undercounting students experiencing economic hardship. This has both state and federal benefit impacts, including an impact on compensatory education funding under the Blueprint. While MABE fully supports the program in this bill, we do want to very clearly note the increasing concern of an unreliable statewide methodology for counting students in poverty in CEP schools. Strengthening reimbursement through House Bill 704 helps mitigate fiscal pressure in CEP schools, but resolving the broader poverty-counting challenge remains essential to ensuring equitable resource allocation.

House Bill 704 takes an important step toward strengthening access to universal school meals, and we appreciate the opportunity this discussion provides to raise the related issue of poverty measurement in CEP schools. For these reasons, **MABE supports House Bill 704 and respectfully requests a favorable report.**