

# How Changes to H.R. 1 Affect Direct Certification and School Districts: Recommendations for District Leaders

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The One Big, Beautiful Bill Act (H.R. 1) made significant changes to SNAP and Medicaid eligibility for adults, which is expected to reduce participation among children in affected households as well. All 50 states use SNAP participation to directly certify students for school meal programs, and 44 states also use Medicaid for direct certification. As enrollment in SNAP and Medicaid declines, the number of students who are directly certified will likely decline as well.

Lower direct certification data could jeopardize districts' ability to participate in the Community Eligibility Provision (CEP). It could also reduce the number of students automatically enrolled in Free and Reduced-Price Lunch (FRPL), increasing reliance on FRPL forms, or resulting in lower FRPL counts if families do not complete them.

Although the eligibility changes went into effect in November 2025, schools have not yet experienced the full impact because once a child is directly certified, that status lasts for the entire school year. As a result, districts should expect the implications of H.R. 1 to begin materializing in SY 2026-27.

## IMPACT ON THE COMMUNITY ELIGIBILITY PROVISION (CEP)

For districts participating in CEP, direct certification affects both eligibility and reimbursement by determining the district's Identified Student Percentage (ISP). Currently, the eligibility threshold for CEP is 25%. If fewer students are directly certified, some schools may be no longer able to meet that threshold.

Even for schools that remain eligible, a lower ISP can reduce reimbursement to a level that makes CEP financially difficult to sustain.

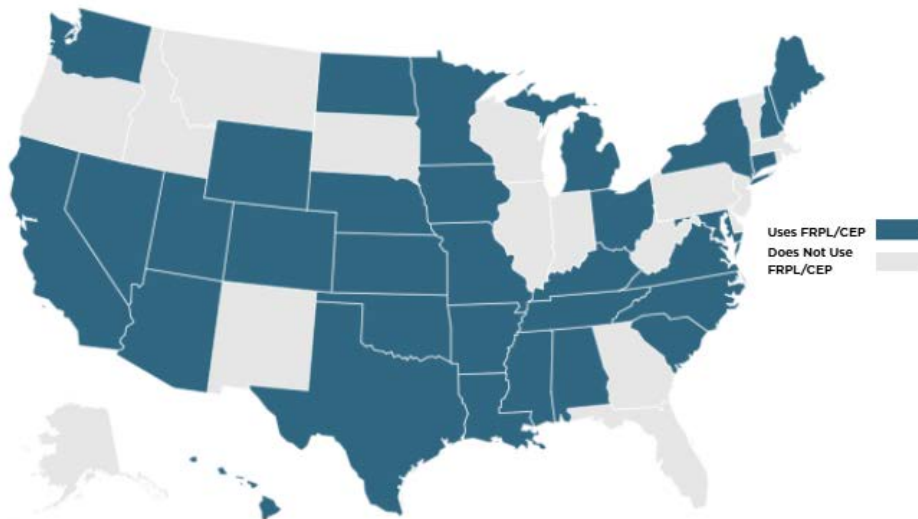
To ensure that your district's ISP truly reflects the needs of your community, ensure that staff understand the full range of eligibility pathways used for direct certification so eligible students are not missed. For example, students participating in TANF may also qualify for direct certification. For additional strategies, see [FRAC's direct certification resource](#). Also see No Kid Hungry's [school meal policy](#) resources for more information about strengthening CEP participation.

## IMPACT ON FREE AND REDUCED-PRICED LUNCH (FRPL) ENROLLMENT AND STATE EDUCATION FUNDING

Changes to direct certification will also affect FRPL enrollment and data. In recent years, direct certification has reduced the need for many families to complete applications for school meal programs because LEAs could enroll students themselves. If fewer students can be verified through direct certification, districts may need to rely more heavily on traditional FRPL applications to ensure students receive the meals they qualify for. Families may face barriers such as time constraints, difficulty navigating paperwork, or confusion about eligibility. Districts should be prepared to provide clear communication and hands-on support to help families complete forms accurately and on time.

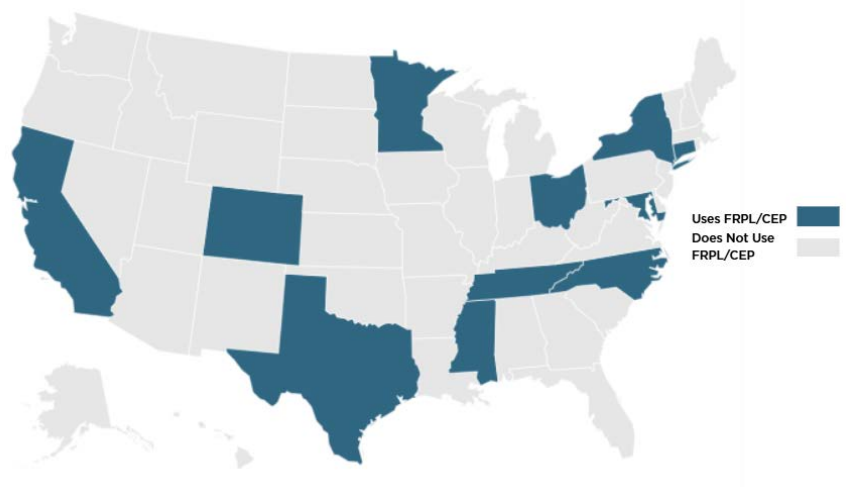
## States Which Use FRPL/CEP as a Poverty Indicator

Source: National Conference of State Legislatures



## States Which Use FRPL/CEP as Their Only Poverty Indicator

Source: National Conference of State Legislatures



Beyond school meals, reduced direct certification and lower FRPL completion could mean these measures no longer accurately reflect a district's level of economic need, creating potential ripple effects for state funding. State education funding formulas rely on multiple indicators, and in 32 states, FRPL enrollment is used as one factor in determining allocations to districts. Districts in these states should plan for the possibility that lower counts could affect need-based funding.

In 11 of those 32 states, the impact is even greater because FRPL is the only poverty indicator the state uses to target resources to economically disadvantaged students. Districts in these states will need to place even greater emphasis on ensuring eligible families complete FRPL forms, so students are properly counted.

To mitigate these impacts, districts should implement [best practices to increase FRPL form completion](#). Helpful guidance by the Food Research and Action Center (FRAC) is also available here. Additional resources include [Healthy Eating Research's guide here](#).

For more information on state funding formulas, see the National Conference of State Legislatures' [interactive public education funding formula map](#).