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Fiscal Note

Drafting Number: LLS 24-0831 Date: March 27, 2024
Prime Sponsors: Rep. Sirota; Taggart Bill Status: House Appropriations
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Bill Topic: COMMUNITY FOOD ASSISTANCE PROVIDER GRANT PROGRAM

Summary of Fiscal Impact: [] State Revenue [] State Transfer [] Local Government
[x] State Expenditure [] TABOR Refund [] Statutory Public Entity

Budget package bill. The bill combines two food assistance programs to create the Community Food Assistance Provider Grant Program in the Department of Human Services. The bill increases state expenditures in FY 2024-25, and may increase expenditures in future years.

Appropriation Summary: For FY 2024-25, the bill includes an appropriation of \$3.0 million to the Department of Human Services.

Fiscal Note Status: The fiscal note reflects the introduced bill. The bill was recommended by the Joint Budget Committee as part of the FY 2024-25 budget package.

Table 1
State Fiscal Impacts Under HB 24-1407

Table with 3 columns: Category, Budget Year FY 2024-25, and Out Year FY 2025-26. Rows include Revenue, Expenditures (General Fund), Transfers, and Other Budget Impacts (General Fund Reserve).

Summary of Legislation

The bill combines the Food Pantry Assistance Program and the Food Bank Assistance Program to create the Community Food Assistance Provider Grant Program in the Department of Human Services (CDHS) to provide grants to food banks and pantries to procure and distribute foods.

The bill outlines the requirements of the program, which combines provisions of the existing programs and aligns the amount grantees may use for administrative expenses at 10 percent. Finally, the bill appropriates \$3.0 million from the General Fund for the program in FY 2024-25, requires the CDHS to report on the program during its SMART Act hearing, and repeals the program on September 1, 2029.

Background

The Food Pantry Assistance Program provides funding to food banks and food pantries to procure and distribute food, and for the operating expenditures of the organizations. Funding for the program has varied since its creation through House Bill 20-1422, with allocations set each fiscal year through legislative action. The program is primarily funded by the General Fund and the average appropriation over the last six fiscal years is approximately \$4.7 million.

The Food Bank Grant Assistance Program, created through HB 23-1158, provides food banks with grants to increase the amount of foods provided to its hunger relief partners. The General Assembly did not provide funding for the program in FY 2023-24.

State Expenditures

The bill increases state expenditures in the CDHS for the Community Food Assistance Provider Grant Program by \$3.0 million in FY 2024-25, paid by the General Fund. The CDHS may use five percent of funding, or \$150,000 for administrative expenditures. As the program combines existing assistance programs, any necessary staff time to administer the program can be accommodated within the appropriation.

Future funding for the program is at the discretion of the General Assembly and subject to available appropriations.

Effective Date

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

State Appropriations

For FY 2024-25, the bill includes a General Fund appropriation of \$3,000,000 to the Department of Human Services.

State and Local Government Contacts

Joint Budget Committee Staff

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).