

**Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 24-0831.01 Chelsea Princell x4335

HOUSE BILL 24-1407

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House Committees
Appropriations

Senate Committees
Appropriations

A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF THE COMMUNITY FOOD ASSISTANCE**
102 **PROVIDER GRANT PROGRAM, AND, IN CONNECTION THEREWITH,**
103 **MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Joint Budget Committee. The bill combines the food pantry assistance program and the food bank assistance program into a single program named the community food assistance provider grant program (grant program) in the department of human services (state department). The purpose of the program is to provide grants to procure and distribute

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

SENATE
3rd Reading Unamended
April 5, 2024

SENATE
2nd Reading Unamended
April 4, 2024

HOUSE
3rd Reading Unamended
April 1, 2024

HOUSE
Amended 2nd Reading
March 28, 2024

nutritious foods that meet the needs of eligible entities' clientele. The state department may contract with a third-party vendor to solicit, vet, award, and monitor grants. The state department shall include information regarding the grant program at its "SMART Act" hearing.

The bill makes an appropriation.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **add** 26-2-145 as
3 follows:

4 **26-2-145. Community food assistance provider grant program**
5 **- creation - grants - definitions - repeal.** (1) AS USED IN THIS SECTION,
6 UNLESS THE CONTEXT OTHERWISE REQUIRES:

7 (a) "COLORADO AGRICULTURAL PRODUCTS" MEANS ALL FRUITS,
8 VEGETABLES, GRAINS, MEATS, AND DAIRY PRODUCTS GROWN OR RAISED
9 IN COLORADO AND MINIMALLY PROCESSED PRODUCTS OR VALUE-ADDED
10 PROCESSED PRODUCTS THAT MEET THE STANDARDS FOR THE COLORADO
11 PROUD DESIGNATION ESTABLISHED BY THE STATE DEPARTMENT OF
12 AGRICULTURE.

13 (b) (I) "ELIGIBLE ENTITY" MEANS EITHER A FOOD BANK OR FOOD
14 PANTRY.

15 (II) "ELIGIBLE ENTITY" INCLUDES A FAITH-BASED ORGANIZATION.

16 (c) "FOOD BANK" MEANS A NONPROFIT CHARITABLE
17 ORGANIZATION THAT IS EXEMPT FROM FEDERAL INCOME TAXATION
18 PURSUANT TO THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS
19 AMENDED, WHOSE PRIMARY PURPOSE IS TO PROCURE FOOD FROM
20 RETAILERS, MANUFACTURERS, FARMERS AND AGRICULTURAL PRODUCERS,
21 INDIVIDUAL DONORS, GROCERY STORES, RESTAURANTS, AND GOVERNMENT
22 CHANNELS AND TO STORE, TRANSPORT, AND DISTRIBUTE THE PROCURED
23 FOOD TO OTHER NONPROFIT CHARITABLE HUNGER RELIEF ORGANIZATIONS,

1 INCLUDING FOOD PANTRIES AND HUNGER RELIEF PARTNER AGENCIES IN A
2 DEFINED GEOGRAPHIC SERVICE AREA.

3 (d) "FOOD PANTRY" MEANS A NONPROFIT CHARITABLE
4 ORGANIZATION THAT IS EXEMPT FROM FEDERAL INCOME TAXATION
5 PURSUANT TO THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS
6 AMENDED, WHOSE PRIMARY PURPOSE IS TO DISTRIBUTE FOOD AT NO COST
7 DIRECTLY TO INDIVIDUALS IN NEED IN THE FOOD PANTRY'S LOCAL
8 COMMUNITY AND THAT TYPICALLY RECEIVES MOST OR ALL OF ITS FOOD
9 FROM A PARTNER FOOD BANK, INCLUDING NONPROFIT PARTNER AGENCIES
10 SUCH AS SOUP KITCHENS AND HOMELESS SHELTERS.

11 (e) "GRANT PROGRAM" MEANS THE COMMUNITY ASSISTANCE
12 PROVIDER GRANT PROGRAM CREATED IN SUBSECTION (2) OF THIS SECTION.

13 (2) THERE IS CREATED IN THE STATE DEPARTMENT THE
14 COMMUNITY FOOD ASSISTANCE PROVIDER GRANT PROGRAM. THE PURPOSE
15 OF THE GRANT PROGRAM IS TO AID ELIGIBLE ENTITIES IN THE
16 PROCUREMENT AND DISTRIBUTION OF NUTRITIOUS FOODS THAT MEET THE
17 NEEDS OF THE ELIGIBLE ENTITY'S CLIENTELE.

18 (3) (a) THE STATE DEPARTMENT MAY CONTRACT WITH A
19 THIRD-PARTY VENDOR TO SOLICIT, VET, AWARD, AND MONITOR GRANTS.
20 THE SELECTION OF ANY VENDOR PURSUANT TO THIS SUBSECTION (3)(a) IS
21 EXEMPT FROM THE REQUIREMENTS OF THE "PROCUREMENT CODE",
22 ARTICLES 101 TO 112 OF TITLE 24.

23 (b) THE STATE DEPARTMENT IS AUTHORIZED TO USE UP TO FIVE
24 PERCENT OF THE TOTAL FUNDS APPROPRIATED TO THE GRANT PROGRAM
25 FOR THE DIRECT AND INDIRECT COSTS OF ADMINISTERING AND
26 MONITORING THE GRANT PROGRAM.

27 (4) (a) THE STATE DEPARTMENT OR A THIRD-PARTY VENDOR SHALL

1 AWARD ONE OR MORE GRANTS TO ELIGIBLE ENTITIES AS SOON AS
2 PRACTICABLE AFTER THE EFFECTIVE DATE OF THIS SECTION USING MONEY
3 APPROPRIATED TO THE GRANT PROGRAM. IN AWARDING GRANTS, THE
4 STATE DEPARTMENT SHALL, AT A MINIMUM, CONSIDER:

5 (I) PROVIDING MONEY TO A WIDE ARRAY OF ELIGIBLE ENTITIES OF
6 DIFFERENT TYPES AND SIZES;

7 (II) ENSURING THAT MONEY GOES DIRECTLY TO ELIGIBLE ENTITIES
8 THAT OPERATE IN A VARIETY OF REGIONS THROUGHOUT THE STATE;

9 (III) THE ABILITY OF EACH ELIGIBLE ENTITY TO RESPONSIBLY
10 DISTRIBUTE THE GRANT MONEY IN A TIMELY MANNER;

11 (IV) THE ELIGIBLE ENTITY'S WILLINGNESS TO ADMINISTER A
12 CLIENT-NEEDS SURVEY AS A VEHICLE FOR COLLECTING INPUT ON THE
13 EFFICACY OF ITS GRANT AWARD; AND

14 (V) THE ABILITY OF THE ELIGIBLE ENTITY TO SOLICIT AND ACCEPT
15 FEEDBACK FROM THE STATE DEPARTMENT TO INFORM IMPLEMENTATION
16 OF THE GRANT PROGRAM IN THE FUTURE.

17 (b) GRANT AWARDS, INCLUDING THOSE TO JOINT APPLICANTS,
18 MUST BE AT LEAST TWO THOUSAND FIVE HUNDRED DOLLARS.

19 (c) (I) TO THE EXTENT PRACTICABLE, FOOD PURCHASED BY A
20 GRANT RECIPIENT USING GRANT MONEY MAY BE EITHER:

21 (A) A COLORADO AGRICULTURAL PRODUCT; OR

22 (B) AN AGRICULTURAL PRODUCT THAT HOLDS CULTURAL
23 SIGNIFICANCE FOR INDIGENOUS PEOPLE, OR FOR OTHER CULTURES OR
24 SUBCULTURAL GROUPS, INCLUDING THE WAYS IN WHICH THOSE
25 AGRICULTURAL PRODUCTS ARE PRODUCED.

26 (II) A GRANT RECIPIENT MAY USE UP TO TEN PERCENT OF THE
27 GRANT AWARD TO COVER THE DIRECT EXPENSES ASSOCIATED WITH THE

1 DISTRIBUTION OF FOOD, INCLUDING:

2 (A) TRANSPORTATION;

3 (B) FOOD DELIVERY;

4 (C) STAFF COSTS;

5 (D) REFRIGERATION; AND

6 (E) STORAGE.

7 (III) A GRANT RECIPIENT SHALL NOT RESELL OR APPLY OTHER
8 ASSOCIATED FEES TO THE DISTRIBUTION OF PRODUCTS PURCHASED WITH
9 MONEY MADE AVAILABLE THROUGH A GRANT.

10 (5) BEGINNING IN STATE FISCAL YEAR 2024-25, AND EACH STATE
11 FISCAL YEAR THEREAFTER, THE STATE DEPARTMENT SHALL INCLUDE AS
12 PART OF ITS "SMART ACT" HEARING REQUIRED BY SECTION 2-7-203 A
13 REPORT THAT INCLUDES, AT A MINIMUM:

14 (a) THE TOTAL NUMBER OF ELIGIBLE ENTITIES THAT APPLIED FOR
15 GRANTS PURSUANT TO THIS SECTION;

16 (b) THE TOTAL NUMBER OF ELIGIBLE ENTITIES THAT RECEIVED A
17 GRANT PURSUANT TO THIS SECTION;

18 (c) THE TOTAL AMOUNT OF MONEY AWARDED TO EACH ELIGIBLE
19 ENTITY THAT RECEIVED A GRANT PURSUANT TO THIS SECTION;

20 (d) THE GEOGRAPHIC LOCATIONS OF THE ELIGIBLE ENTITIES THAT
21 RECEIVED A GRANT PURSUANT TO THIS SECTION; AND

22 (e) THE ESTIMATED AMOUNT OF FOOD PURCHASED AND
23 DISTRIBUTED TO CLIENTELE FOR EACH ELIGIBLE ENTITY THAT RECEIVED A
24 GRANT PURSUANT TO THIS SECTION.

25 (6) THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2029.

26 **SECTION 2.** In Colorado Revised Statutes, 26-1-121, **amend**
27 (1)(a), (2)(a), and (3) as follows:

1 **26-1-121. Appropriations - food distribution programs.**

2 (1) (a) For carrying out the duties and obligations of the state department
3 ~~of human services~~ and county departments pursuant to this title 26 and for
4 matching ~~such~~ federal funds or meeting maintenance of effort
5 requirements as may be available for public assistance and welfare
6 activities in the state, including but not limited to assistance payments,
7 food stamps (except the value of food stamp coupons), ~~the food pantry~~
8 ~~assistance grant program created in section 26-2-139~~, social services,
9 child welfare services, rehabilitation, programs for the aging and for
10 veterans, and related activities, the general assembly, ~~in accordance with~~
11 PURSUANT TO the constitution and laws of the state of Colorado, shall
12 make adequate appropriations for the payment of ~~such~~ THE costs, pursuant
13 to the budget prepared by the executive director.

14 (2) (a) The general assembly shall appropriate from the general
15 fund for the costs of administering assistance payments, food stamps,
16 social services, ~~the food pantry assistance grant program created in~~
17 ~~section 26-2-139~~, and other public assistance and welfare functions of the
18 state department and the state's share of the costs of administering ~~such~~
19 THOSE functions by the county departments amounts sufficient for the
20 proper and efficient performance of the duties imposed upon them by law,
21 including a legal advisor appointed by the attorney general. The general
22 assembly shall make two separate appropriations, one for the
23 administrative costs of the state department and another for the
24 administrative costs of the county departments. Any applicable matching
25 federal funds must be apportioned in accordance with the federal
26 regulations accompanying ~~such~~ THE funds. Any unobligated and
27 unexpended balances of ~~such~~ state funds so appropriated remaining at the

1 end of each fiscal year must be credited to the state general fund.

2 (3) The expenses of training personnel for special skills relating
3 to public assistance and welfare activities, including, but not limited to,
4 assistance payments, food stamps, ~~the food pantry assistance grant~~
5 ~~program created in section 26-2-139~~, social services, child welfare
6 services, rehabilitation, and programs for the aging, as ~~such~~ THE expenses
7 are determined and approved by the state department, may be paid from
8 whatever state and federal funds are available for ~~such~~ training purposes.

9 **SECTION 3.** In Colorado Revised Statutes, **repeal** 26-2-139.

10 **SECTION 4.** In Colorado Revised Statutes, **repeal** 26-2-144.

11 **SECTION 5.** In Colorado Revised Statutes, 26-2-307, **amend**
12 (1)(a) as follows:

13 **26-2-307. Fuel assistance payments - eligibility for federal**
14 **standard utility allowance - supplemental utility assistance fund**
15 **established - definitions - repeal.** (1) (a) On and after July 1, 2024, the
16 state department shall implement a program to make fuel assistance
17 payments by crediting the fuel assistance payments to recipients'
18 electronic benefits transfer service ~~cards~~ ACCOUNTS. IF A RECIPIENT
19 ALREADY RECEIVES CASH ASSISTANCE FROM ANOTHER STATE PUBLIC
20 ASSISTANCE PROGRAM, THEN THE FUEL ASSISTANCE PAYMENT MAY BE
21 ISSUED THROUGH THE SAME PAYMENT MECHANISM AS THE OTHER CASH
22 ASSISTANCE THAT THE RECIPIENT RECEIVES.

23 **SECTION 6. Appropriation.** For the 2024-25 state fiscal year,
24 \$3,000,000 is appropriated to the department of human services for use
25 by the office of economic security. This appropriation is from the general
26 fund. To implement this act, the office of economic security may use this
27 appropriation for the community food assistance provider grant program.

1 **SECTION 7. Effective date.** This act takes effect July 1, 2024.

2 **SECTION 8. Safety clause.** The general assembly finds,
3 determines, and declares that this act is necessary for the immediate
4 preservation of the public peace, health, or safety or for appropriations for
5 the support and maintenance of the departments of the state and state
6 institutions.