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HOUSE BILL 24-1407

BY REPRESENTATIVE(S) Sirota and Taggart, Bird, Amabile, Bacon, Brown, Clifford, deGruy Kennedy, Duran, English, Epps, Froelich, Garcia, Hamrick, Hernandez, Herod, Joseph, Kipp, Lieder, Lindsay, Lindstedt, Lukens, Marshall, Marvin, Mauro, McCormick, McLachlan, Ortiz, Ricks, Snyder, Soper, Story, Valdez, Velasco, Weissman, Willford, Young, McCluskie;

also SENATOR(S) Zenzinger and Kirkmeyer, Bridges, Cutter, Exum, Ginal, Michaelson Jenet, Mullica, Priola, Roberts, Will.

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

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

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

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

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

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

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

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

(c) "FOOD BANK" MEANS A NONPROFIT CHARITABLE ORGANIZATION THAT IS EXEMPT FROM FEDERAL INCOME TAXATION PURSUANT TO THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED, WHOSE PRIMARY PURPOSE IS TO PROCURE FOOD FROM RETAILERS, MANUFACTURERS, FARMERS AND AGRICULTURAL PRODUCERS, INDIVIDUAL DONORS, GROCERY STORES, RESTAURANTS, AND GOVERNMENT CHANNELS AND TO STORE, TRANSPORT, AND DISTRIBUTE THE PROCURED FOOD TO OTHER NONPROFIT CHARITABLE HUNGER RELIEF ORGANIZATIONS, INCLUDING FOOD PANTRIES AND HUNGER RELIEF PARTNER AGENCIES IN A DEFINED GEOGRAPHIC SERVICE AREA.

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

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

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

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

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

(4) (a) THE STATE DEPARTMENT OR A THIRD-PARTY VENDOR SHALL AWARD ONE OR MORE GRANTS TO ELIGIBLE ENTITIES AS SOON AS PRACTICABLE AFTER THE EFFECTIVE DATE OF THIS SECTION USING MONEY APPROPRIATED TO THE GRANT PROGRAM. IN AWARDING GRANTS, THE STATE DEPARTMENT SHALL, AT A MINIMUM, CONSIDER:

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

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

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

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

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

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

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

(A) A COLORADO AGRICULTURAL PRODUCT; OR

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

(II) A GRANT RECIPIENT MAY USE UP TO TEN PERCENT OF THE GRANT AWARD TO COVER THE DIRECT EXPENSES ASSOCIATED WITH THE DISTRIBUTION OF FOOD, INCLUDING:

(A) TRANSPORTATION;

(B) FOOD DELIVERY;

(C) STAFF COSTS;

(D) REFRIGERATION; AND

(E) STORAGE.

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

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

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

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

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

(d) THE GEOGRAPHIC LOCATIONS OF THE ELIGIBLE ENTITIES THAT

RECEIVED A GRANT PURSUANT TO THIS SECTION; AND

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

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 8. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for

the support and maintenance of the departments of the state and state institutions.

Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Steve Fenberg
PRESIDENT OF
THE SENATE

Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO