

CHAPTER 116

HUMAN SERVICES - SOCIAL SERVICES

HOUSE BILL 20-1422

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 also SENATOR(S) Zenzinger and Story, Rankin, Bridges, Danielson, Fenberg, Fields, Foote, Gardner, Ginal, Gonzales, Hisey, Lee, Lundeen, Moreno, Pettersen, Priola, Rodriguez, Smallwood, Tate, Todd, Winter, Woodward, Garcia.

AN ACT

CONCERNING THE CREATION OF THE FOOD PANTRY ASSISTANCE GRANT PROGRAM, AND, IN CONNECTION THEREWITH, AUTHORIZING AN ALLOCATION OF MONEY THE STATE RECEIVES FROM THE FEDERAL CORONAVIRUS RELIEF FUND.

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

SECTION 1. Legislative declaration. (1) The general assembly finds that:

(a) On March 27, 2020, the federal government enacted the "Coronavirus Aid, Relief, and Economic Security Act" (CARES Act), Pub.L. 116-136(2020), pursuant to which Colorado received approximately \$1,674,000,000 from the federal coronavirus relief fund to use for necessary expenditures incurred due to the current COVID-19 public health emergency;

(b) On May 18, 2020, the Colorado governor issued Executive Order 2020 D 070, transferring \$70,000,000 from the state CARES Act fund to the state general fund for eligible expenditures;

(c) The expenditures in the bill are considered an allowable use under the federal CARES Act and are necessary to respond to the COVID-19 public health emergency;

(d) The expenditures in the bill were not accounted for in the Colorado state budget most recently approved as of March 27, 2020, and all of the expenses will be incurred on or before December 30, 2020; and

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.

(e) Any state department that receives expenditures in the bill for community programs and services shall:

(I) Distribute funding in a manner that utilizes existing infrastructure and contracts in the most expedited way possible; and

(II) Consider the needs of underserved populations and communities, including African American communities, indigenous communities, and other communities of people of color.

(2) The general assembly further finds and declares that:

(a) The COVID-19 public health emergency has created an exponential need for emergency food resources for all emergency food providers. Since the beginning of the COVID-19 public health emergency, food pantries across the state have seen 2 to 6 times the number of people coming in for food assistance, with many coming to a food pantry for the first time.

(b) Funding from the federal CARES Act will help more than 100 local food pantries purchase healthy, local food for more than 100,000 Coloradans. Funding for these grants provides critical resources for food pantries to meet the increased demand, while also helping to purchase the types of food their communities need from local food producers. Additionally, small farmers have struggled to stay afloat as their sources of revenue, including restaurants and farmers markets, diminish under the impact of the COVID-19 public health emergency.

(3) Therefore, the general assembly determines that funding from the federal CARES Act will help people in communities throughout Colorado access nutritious food and support local economies as we enter the years-long economic impact of the COVID-19 public health emergency.

SECTION 2. In Colorado Revised Statutes, **add** 26-2-139 as follows:

26-2-139. Food pantry assistance grant program - created - timeline and criteria - grants - definitions - repeal. (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(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) "ELIGIBLE ENTITY" MEANS, FOR THE PURPOSES OF A FOOD GRANT, EITHER A FOOD BANK OR FOOD PANTRY, AS DEFINED IN THIS SUBSECTION (1). HUNGER-RELIEF CHARITABLE ORGANIZATIONS, AS DEFINED IN SECTION 39-22-536 (1), ARE NOT ELIGIBLE ENTITIES FOR PURPOSES OF THIS SECTION.

(c) "FOOD BANK" MEANS A CHARITABLE ORGANIZATION, EXEMPT FROM FEDERAL INCOME TAXATION UNDER THE PROVISIONS OF THE INTERNAL REVENUE CODE, THAT

ACQUIRES AND DISTRIBUTES FOOD AND NONFOOD ESSENTIALS TO OTHER HUNGER RELIEF PROGRAMS.

(d) "FOOD PANTRY" MEANS AN INDIVIDUAL SITE THAT BUYS FOOD OR RECEIVES DONATIONS OF FOODS THAT ARE THEN DIRECTLY DISTRIBUTED TO THOSE IN ITS COMMUNITY.

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

(f) "STATE DEPARTMENT" MEANS THE STATE DEPARTMENT OF HUMAN SERVICES.

(2) THERE IS CREATED IN THE STATE DEPARTMENT THE FOOD PANTRY ASSISTANCE GRANT PROGRAM. THE PURPOSE OF THE GRANT PROGRAM IS TO AID COLORADO FOOD PANTRIES AND FOOD BANKS IN THE PURCHASE OF FOODS THAT BETTER MEET THE NEEDS OF THEIR CLIENTELE, WHICH HAS EXPANDED SIGNIFICANTLY AS A RESULT OF THE COVID-19 PUBLIC HEALTH EMERGENCY. A SECONDARY PURPOSE OF THE GRANT PROGRAM IS TO CREATE NEW MARKET OPPORTUNITIES FOR COLORADO AGRICULTURAL PRODUCTS AND PRODUCERS.

(3) (a) THE STATE DEPARTMENT MAY CREATE A PROCESS FOR SOLICITING, VETTING, AWARDED, AND MONITORING GRANTS, PURSUANT TO THE SOLE SOURCE PROCUREMENT AUTHORITY SPECIFIED IN SECTION 24-103-205.

(b) THE STATE DEPARTMENT IS AUTHORIZED TO USE TWENTY-FIVE THOUSAND DOLLARS OR 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) ON OR BEFORE DECEMBER 30, 2020, BUT AS SOON AS PRACTICABLE AFTER THE EFFECTIVE DATE OF THIS SECTION, THE STATE DEPARTMENT SHALL AWARD ONE OR MORE GRANTS TO ELIGIBLE ENTITIES. IN AWARDED 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 ARE LOCATED IN A VARIETY OF REGIONS THROUGHOUT THE STATE;

(III) THE RELATIVE DIFFERENCE EACH AWARD WOULD MAKE IN THE ELIGIBLE ENTITY'S ABILITY TO MEET THE NEEDS OF ITS CLIENTELE;

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

(V) 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

(VI) THE ABILITY OF THE ELIGIBLE ENTITY TO CREATE A FEEDBACK LOOP WITH THE STATE DEPARTMENT THAT CAN INFORM IMPLEMENTATION OF THE GRANT

PROGRAM IN THE FUTURE.

(b) (I) GRANT AWARDS MUST BE AT LEAST TWO THOUSAND FIVE HUNDRED DOLLARS BUT NOT MORE THAN TWENTY THOUSAND DOLLARS.

(II) FOOD PANTRIES AND FOOD BANKS MAY SUBMIT A JOINT APPLICATION FOR A GRANT AWARD. IF AN APPLICATION IS RECEIVED FROM TWO OR MORE ELIGIBLE ENTITIES, THE GRANT AWARD MUST BE AT LEAST TWO THOUSAND FIVE HUNDRED DOLLARS BUT NOT MORE THAN THIRTY-FIVE THOUSAND DOLLARS.

(c) (I) FOOD PURCHASED BY A GRANT RECIPIENT USING GRANT MONEY MUST BE DESIGNATED AS A COLORADO AGRICULTURAL PRODUCT.

(II) A GRANT RECIPIENT MAY USE UP TO TEN PERCENT OF ITS GRANT AWARD TO COVER THE DIRECT AND INDIRECT COSTS ASSOCIATED WITH THE IMPLEMENTATION OF ITS MISSION, INCLUDING TRANSPORTATION, STAFF COSTS, AND STORAGE. 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) THIS SECTION IS REPEALED, EFFECTIVE JUNE 30, 2022.

SECTION 3. In Colorado Revised Statutes, 26-1-121, **amend** (1)(a), (2), 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 ~~under the provisions of this title~~ 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 the constitution and laws of the state of Colorado, shall make adequate appropriations for the payment of such costs, pursuant to the budget prepared by the executive director.

(2) ~~There shall be appropriated by~~ The general assembly SHALL APPROPRIATE from the general fund for the costs of administering ~~the~~ 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 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 ~~shall~~ MUST be apportioned in accordance with the federal regulations accompanying such funds. Any unobligated and unexpended balances of such state funds so appropriated remaining at the end of each fiscal year ~~shall~~ 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 expenses ~~shall be~~ ARE determined and approved by the state department, may be paid from whatever state and federal funds are available for such training purposes.

SECTION 4. Appropriation. For the 2019-20 state fiscal year, \$500,000 is appropriated to the department of human services from the care subfund in the general fund. The department of human services may use this appropriation for the food pantry assistance grant program created in section 26-2-139, C.R.S. Any money appropriated in this section not expended prior to July 1, 2020, is further appropriated to the department of human services for the period from July 1, 2020, through December 30, 2020, for the same purpose.

SECTION 5. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Approved: June 22, 2020