

Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 22-0441.01 Nicole Myers x4326

HOUSE BILL 22-1356

HOUSE SPONSORSHIP

Herod and Hooton,

SENATE SPONSORSHIP

Gonzales and Rankin,

House Committees

Transportation & Local Government
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF THE SMALL COMMUNITY-BASED**
102 **NONPROFIT INFRASTRUCTURE GRANT PROGRAM TO PROVIDE**
103 **ASSISTANCE TO NONPROFIT ORGANIZATIONS THAT HAVE BEEN**
104 **ECONOMICALLY IMPACTED BY THE COVID-19 PANDEMIC, AND,**
105 **IN CONNECTION THEREWITH, 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>.)

The bill creates the small community-based nonprofit infrastructure grant program (grant program) in the division of local

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

HOUSE
Amended 2nd Reading
April 22, 2022

government in the department of local affairs (division) to provide grants to certain small community-based nonprofit organizations that have been impacted or disproportionately impacted by the COVID-19 public health emergency for infrastructure and capacity building. The division is required to administer the grant program and to contract with no more than 5 nonprofit organizations with specified qualifications (regional access partners) to award and monitor the grants.

To be eligible to receive a grant through the grant program, an organization must be one of the following:

- A small community-based nonprofit organization that operates under section 501 (c)(3) of the federal internal revenue code;
- A small community-based nonprofit organization that does not operate under section 501 (c)(3) of the federal internal revenue code and that works with a fiscal agent; or
- A collaboration of multiple small community-based groups that are not nonprofit organizations and that work with a fiscal sponsor.

The bill specifies the criteria that each small community-based nonprofit organization or each of the small community-based groups that apply for a grant collaboratively are required to satisfy to be considered an eligible recipient for a grant pursuant to the grant program.

The bill specifies that grant recipients may use grant program money for infrastructure and capacity building purposes including data technology needs, professional development for staff and board members, strategic planning and organizational development for capacity building and fundraising, communications, and existing program expansion, development, or evaluation. The bill also specifies that grant money cannot be used for capital improvements, real estate or land acquisition, payment of debt, advocacy or lobbying, organizing, endowments, or reserves.

To receive a grant, an applicant must submit an application to a regional access partner in accordance with the policies and procedures developed by the division. The regional access partner is required to award grants and ensure that:

- The maximum grant award does not exceed \$100,000; and
- A grant award does not exceed 30% of the recipient's annual operating budget.

The general assembly is required to appropriate \$35 million from the economic recovery and relief cash fund to the division for the purposes of the grant program. The regional access partners are required to award the grants for the purposes of the grant program on or before December 30, 2024. The bill specifies that the division and any person that receives money from the division, including a regional access partner, shall comply with the compliance, reporting, record-keeping, and

program evaluation requirements established in current law by the office of state planning and budgeting and the state controller.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-32-132 as
3 follows:

4 **24-32-132. Small community-based nonprofit infrastructure**
5 **grant program - creation - legislative declaration - definitions -**
6 **repeal. (1) Legislative declaration.** THE GENERAL ASSEMBLY HEREBY
7 FINDS AND DECLARES THAT:

8 (a) THROUGHOUT THE COURSE OF THE COVID-19 PUBLIC HEALTH
9 EMERGENCY, SMALL COMMUNITY-BASED NONPROFIT ORGANIZATIONS
10 HAVE PLAYED A CRUCIAL ROLE IN REFERRING INDIVIDUALS TO OR
11 DELIVERING NEEDED, RELEVANT, AND CULTURALLY APPROPRIATE
12 RESOURCES AND SERVICES TO FAMILIES AND COMMUNITIES THAT HAVE
13 BEEN DISPROPORTIONATELY IMPACTED BY THE ONGOING PANDEMIC;

14 (b) GOVERNMENTAL ENTITIES AND SMALL COMMUNITY-BASED
15 NONPROFIT ORGANIZATIONS ARE NATURAL PARTNERS, AS THEY SERVE THE
16 SAME CONSTITUENTS IN THE SAME COMMUNITIES. SMALL
17 COMMUNITY-BASED NONPROFIT ORGANIZATIONS HAVE CLOSE
18 RELATIONSHIPS WITH AND HIGH LEVELS OF TRUST AMONG THE
19 COMMUNITIES THEY SERVE AND ARE IDEALLY POSITIONED TO MAXIMIZE
20 PUBLIC BENEFITS, PARTICULARLY AMONG COMMUNITIES THAT HAVE
21 HISTORICALLY BEEN UNDERREPRESENTED, UNDERSERVED, OR
22 UNDERRESOURCED IN COLORADO.

23 (c) IN ADDITION, SMALL COMMUNITY-BASED NONPROFIT
24 ORGANIZATIONS ARE ABLE TO REFER INDIVIDUALS TO OR FILL THE GAPS IN
25 GOVERNMENT PROGRAMS DUE TO THEIR LOCAL PRESENCE AND STRONG

1 CONNECTIONS TO THE COMMUNITIES THEY SERVE. COMMUNITIES
2 DISPROPORTIONATELY IMPACTED BY THE PANDEMIC HAVE RELIED ON
3 SMALL COMMUNITY-BASED NONPROFIT ORGANIZATIONS TO IDENTIFY AND
4 GENERATE COMMUNITY-LED SOLUTIONS TO THEIR SPECIFIC NEEDS.

5 (d) MANY SMALL COMMUNITY-BASED NONPROFIT ORGANIZATIONS
6 WERE FOUNDED AND ARE OPERATED BY PEOPLE WHOSE LIVED
7 EXPERIENCES IN THE COMMUNITIES THEY SERVE LED TO THE CREATION OF
8 THE ORGANIZATION. THIS GIVES THESE NONPROFIT ORGANIZATIONS A
9 UNIQUE UNDERSTANDING OF THE BEST WAYS TO PROVIDE THE NEEDED
10 SERVICES AND SOLUTIONS IN THEIR COMMUNITIES.

11 (e) IN RESPONSE TO THE COVID-19 PUBLIC HEALTH EMERGENCY,
12 SMALL COMMUNITY-BASED NONPROFIT ORGANIZATIONS HAVE HAD TO
13 RESTRUCTURE TO OPERATE REMOTELY, WORK EXTENDED HOURS, PROVIDE
14 MORE SERVICES TO A GREATER SEGMENT OF THE POPULATION, COLLECT
15 DATA FOR IMPACT AND OUTCOMES, CATALOG INCREASED NEEDS, CREATE
16 CULTURALLY RESPONSIVE SOLUTIONS TO LONGSTANDING PROBLEMS THAT
17 WERE EXACERBATED BY THE PANDEMIC, AND PIVOT FROM PRIOR ROUTINES
18 OR PRACTICES TO REDUCE THE ECONOMIC AND EMOTIONAL TOLL ON
19 DISPROPORTIONATELY IMPACTED COMMUNITIES AS A RESULT OF THE
20 COVID-19 PUBLIC HEALTH EMERGENCY;

21 (f) SMALL COMMUNITY-BASED NONPROFIT ORGANIZATIONS SERVE
22 COMMUNITIES THAT ARE STILL SUFFERING FROM THE LINGERING IMPACTS
23 OF THE PANDEMIC AND HAVE THE KNOWLEDGE, EXPERIENCE, AND
24 RELATIONSHIPS NECESSARY TO ADDRESS THE ONGOING NEGATIVE IMPACTS
25 OF THE COVID-19 PUBLIC HEALTH EMERGENCY IN THEIR COMMUNITIES;

26 (g) THE PRIMARY OBSTACLE THAT SMALL COMMUNITY-BASED
27 NONPROFIT ORGANIZATIONS FACE IN PROVIDING THE NEEDED SERVICES

1 AND SOLUTIONS TO THEIR COMMUNITIES IS A LACK OF FINANCIAL
2 RESOURCES FOR CAPACITY-BUILDING, SUCH AS UPDATING TECHNOLOGY
3 INFRASTRUCTURE, INCREASING STRATEGIC PLANNING, PROVIDING
4 PROFESSIONAL DEVELOPMENT FOR STAFF AND NONPROFIT BOARDS,
5 ADAPTING FUND-RAISING EFFORTS, AND STRENGTHENING
6 COMMUNICATIONS;

7 (h) WHILE THE IMPACTS AND DISPROPORTIONAL IMPACTS OF THE
8 COVID-19 PUBLIC HEALTH EMERGENCY ON THE COMMUNITIES THAT
9 SMALL COMMUNITY-BASED NONPROFIT ORGANIZATIONS SERVE ARE CLEAR,
10 MANY OF THESE ORGANIZATIONS AS ENTITIES HAVE THEMSELVES
11 EXPERIENCED THE NEGATIVE FINANCIAL IMPACTS OF THE COVID-19
12 PUBLIC HEALTH EMERGENCY DUE TO DECREASED REVENUE, INCREASED
13 COSTS, AND THE NEW AND INCREASED NEEDS OF THE COMMUNITIES THEY
14 SERVE;

15 (i) IN ADDITION, MANY SMALL COMMUNITY-BASED NONPROFIT
16 ORGANIZATIONS PROVIDE SERVICES IN QUALIFIED CENSUS TRACTS, WHICH
17 IS DEFINED BY THE UNITED STATES TREASURY AS ANY CENSUS TRACT
18 THAT IS DESIGNATED BY THE SECRETARY OF HOUSING AND URBAN
19 DEVELOPMENT AND, FOR THE MOST RECENT YEAR FOR WHICH CENSUS
20 DATA ARE AVAILABLE ON HOUSEHOLD INCOME IN SUCH TRACT, EITHER IN
21 WHICH FIFTY PERCENT OR MORE OF THE HOUSEHOLDS HAVE AN INCOME
22 THAT IS LESS THAN SIXTY PERCENT OF THE AREA MEDIAN GROSS INCOME
23 FOR SUCH YEAR OR THAT HAS A POVERTY RATE OF AT LEAST TWENTY-FIVE
24 PERCENT. THESE NONPROFIT ORGANIZATIONS ARE PRESUMED BY THE
25 UNITED STATES TREASURY TO BE DISPROPORTIONATELY IMPACTED BY THE
26 COVID-19 PUBLIC HEALTH EMERGENCY.

27 (j) PROVIDING ASSISTANCE IN THE FORM OF GRANTS TO NONPROFIT

1 ORGANIZATIONS THAT HAVE BEEN IMPACTED OR DISPROPORTIONATELY
2 IMPACTED BY THE COVID-19 PUBLIC HEALTH EMERGENCY IS AN
3 ALLOWABLE USE OF THE MONEY RECEIVED BY THE STATE UNDER THE
4 FEDERAL "AMERICAN RESCUE PLAN ACT OF 2021", PUB.L. 117-2;

5 (k) PROVIDING GRANTS TO SMALL COMMUNITY-BASED NONPROFIT
6 ORGANIZATIONS FOR INFRASTRUCTURE FUNDING WILL HELP MITIGATE THE
7 FINANCIAL HARDSHIPS OF THE COVID-19 PUBLIC HEALTH EMERGENCY
8 EXPERIENCED BY SO MANY SMALL COMMUNITY-BASED NONPROFIT
9 ORGANIZATIONS;

10 (l) THESE GRANTS ARE DESIGNED TO RESPOND TO THE HARM
11 EXPERIENCED BY SMALL COMMUNITY-BASED NONPROFIT ORGANIZATIONS
12 AND ARE REASONABLY PROPORTIONAL TO THAT HARM; AND

13 (m) THE GRANT PROGRAM DESCRIBED IN THIS SECTION IS AN
14 IMPORTANT GOVERNMENT SERVICE.

15 (2) **Definitions.** AS USED IN THIS SECTION, UNLESS THE CONTEXT
16 OTHERWISE REQUIRES:

17 (a) "ELIGIBLE RECIPIENT" MEANS A SMALL COMMUNITY-BASED
18 NONPROFIT ORGANIZATION THAT SATISFIES THE ELIGIBILITY CRITERIA
19 SPECIFIED IN SUBSECTION (5) OF THIS SECTION.

20 (b) "FISCAL AGENT" MEANS A TAX-EXEMPT CHARITABLE OR
21 SOCIAL WELFARE ORGANIZATION OPERATING UNDER SECTION 501 (c)(3)
22 OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED,
23 THAT:

24 (I) HAS AN ARRANGEMENT WITH A SMALL COMMUNITY-BASED
25 NONPROFIT ORGANIZATION THAT MAY OR MAY NOT HAVE ITS OWN
26 TAX-EXEMPT STATUS TO PERFORM THE FOLLOWING FUNCTIONS ON BEHALF
27 OF THE ORGANIZATION:

1 (A) RECEIVE GRANTS, CONTRIBUTIONS, AND OTHER MONEY ON
2 BEHALF OF THE SMALL COMMUNITY-BASED NONPROFIT ORGANIZATION;

3 (B) ENSURE THAT THE MONEY OF THE SMALL COMMUNITY-BASED
4 NONPROFIT ORGANIZATION IS SPENT ON THE INTENDED CHARITABLE
5 PURPOSES OF THE ORGANIZATION WITHOUT RETAINING ANY CONTROL
6 OVER HOW THE MONEY IS SPENT;

7 (C) SUPERVISE THE SMALL COMMUNITY-BASED NONPROFIT
8 ORGANIZATION'S FINANCES; AND

9 (D) ENSURE THAT THE SMALL COMMUNITY-BASED NONPROFIT
10 ORGANIZATION'S MONEY IS USED IN A MANNER THAT FURTHERS THE FISCAL
11 AGENT'S OWN CHARITABLE WORK;

12 (II) PERFORMS THE FUNCTIONS SPECIFIED IN SUBSECTION (2)(b)(I)
13 OF THIS SECTION FOR AN ADMINISTRATIVE FEE THAT DOES NOT EXCEED
14 TEN PERCENT OF THE TOTAL AMOUNT OF ANY GRANT, CONTRIBUTION, OR
15 OTHER MONEY THAT THE SMALL COMMUNITY-BASED NONPROFIT
16 ORGANIZATION RECEIVED WITH THE ASSISTANCE OF THE FISCAL AGENT.

17 (c) "FISCAL SPONSOR" MEANS A TAX-EXEMPT CHARITABLE OR
18 SOCIAL WELFARE ORGANIZATION OPERATING UNDER SECTION 501 (c)(3)
19 OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED,
20 THAT:

21 (I) HAS AN ARRANGEMENT WITH MULTIPLE SMALL
22 COMMUNITY-BASED GROUPS THAT ARE NOT REGISTERED NONPROFIT
23 ORGANIZATIONS TO PERFORM THE FOLLOWING FUNCTIONS ON BEHALF OF
24 THE SMALL COMMUNITY-BASED GROUPS:

25 (A) RECEIVE GRANTS, CONTRIBUTIONS, AND OTHER MONEY ON
26 BEHALF OF EACH OF THE SMALL COMMUNITY-BASED GROUPS;

27 (B) ENSURE THAT THE MONEY OF EACH SMALL COMMUNITY-BASED

1 GROUP IS SPENT ON THE INTENDED CHARITABLE PURPOSE OF THE GROUP;

2 (C) DETERMINE HOW AND WHEN THE MONEY OF EACH SMALL
3 COMMUNITY-BASED GROUP IS SPENT;

4 (D) SUPERVISE EACH SMALL COMMUNITY-BASED GROUP'S
5 FINANCES;

6 (E) ENSURE THAT EACH SMALL COMMUNITY-BASED GROUP'S
7 MONEY IS USED IN A MANNER THAT FURTHERS THE FISCAL SPONSOR'S OWN
8 CHARITABLE WORK; AND

9 (F) PROVIDE FINANCIAL AND PROJECT GUIDANCE TO EACH SMALL
10 COMMUNITY-BASED GROUP;

11 (II) PERFORMS THE FUNCTIONS SPECIFIED IN SUBSECTION (2)(c)(I)
12 OF THIS SECTION FOR AN ADMINISTRATIVE FEE THAT DOES NOT EXCEED
13 TEN PERCENT OF THE TOTAL AMOUNT OF ANY GRANT, CONTRIBUTION, OR
14 OTHER MONEY THAT THE SMALL COMMUNITY-BASED GROUP RECEIVED
15 WITH THE ASSISTANCE OF THE FISCAL SPONSOR.

16 (d) "GRANT PROGRAM" MEANS THE SMALL COMMUNITY-BASED
17 NONPROFIT INFRASTRUCTURE GRANT PROGRAM CREATED IN SUBSECTION
18 (3) OF THIS SECTION.

19 (e) "REGIONAL ACCESS PARTNER" MEANS A NONPROFIT
20 ORGANIZATION HEADQUARTERED IN COLORADO THAT HAS EXPERIENCE IN
21 GRANT MANAGEMENT, THAT HAS THE ABILITY TO DISTRIBUTE GRANTS
22 STATEWIDE OR IN REGIONS OF THE STATE, AND THAT:

23 (I) HAS A TRACK RECORD OF PROVIDING TECHNICAL ASSISTANCE
24 AND GRANTS TO SMALL COMMUNITY-BASED NONPROFIT ORGANIZATIONS;

25 (II) STATES A SPECIFIC FOCUS ON HISTORICALLY MARGINALIZED
26 AND UNDER-RESOURCED COMMUNITIES OR FOCUSES AT LEAST FIFTY-ONE
27 PERCENT OF ITS PROGRAMMING ON ENGAGING AND SUPPORTING

1 HISTORICALLY MARGINALIZED AND UNDER-RESOURCED COMMUNITIES;
2 AND

3 (III) HAS A BOARD OF DIRECTORS OR STAFF CONSISTING OF AT
4 LEAST THIRTY PERCENT WHO ARE INDIVIDUALS FROM HISTORICALLY
5 MARGINALIZED AND UNDER-RESOURCED COMMUNITIES.

6 (f) "SMALL COMMUNITY-BASED NONPROFIT ORGANIZATION"
7 MEANS A SMALL COMMUNITY-BASED CHARITABLE OR SOCIAL WELFARE
8 ORGANIZATION THAT HAS BEEN IMPACTED OR DISPROPORTIONATELY
9 IMPACTED BY THE COVID-19 PUBLIC HEALTH EMERGENCY AND THAT:

10 (I) HAS ORGANIZATIONAL LEADERSHIP WHOSE LIVED EXPERIENCES
11 IN THE COMMUNITIES THEY SERVE LEAD TO THE CREATION, MISSION, AND
12 WORK OF THE NONPROFIT ORGANIZATION;

13 (II) HAS AN ANNUAL ORGANIZATIONAL BUDGET OR PROJECTED
14 ANNUAL ORGANIZATIONAL BUDGET OF AT LEAST ONE HUNDRED FIFTY
15 THOUSAND DOLLARS AND NOT MORE THAN TWO MILLION DOLLARS; AND

16 (III) IS ONE OF THE FOLLOWING:

17 (A) A TAX-EXEMPT CHARITABLE OR SOCIAL WELFARE
18 ORGANIZATION OPERATING UNDER SECTION 501 (c)(3) OF THE FEDERAL
19 "INTERNAL REVENUE CODE OF 1986", AS AMENDED;

20 (B) A TAX-EXEMPT CHARITABLE OR SOCIAL WELFARE
21 ORGANIZATION THAT DOES NOT OPERATE UNDER SECTION 501 (c)(3) OF
22 THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED, AND
23 THAT IS WORKING WITH A FISCAL AGENT; OR

24 (C) A COLLABORATION OF SMALL COMMUNITY-BASED GROUPS
25 THAT DO NOT OPERATE AS NONPROFIT ORGANIZATIONS AND THAT ARE
26 WORKING WITH A FISCAL SPONSOR.

27 (3) **Small community-based nonprofit infrastructure grant**

1 **program creation.** (a) THERE IS HEREBY CREATED IN THE DIVISION THE
2 SMALL COMMUNITY-BASED NONPROFIT INFRASTRUCTURE GRANT
3 PROGRAM TO PROVIDE GRANTS TO ELIGIBLE RECIPIENTS FOR
4 INFRASTRUCTURE AND CAPACITY BUILDING.

5 (b) THE DIVISION SHALL ADMINISTER THE GRANT PROGRAM AS
6 SPECIFIED IN SUBSECTION (4) OF THIS SECTION AND SHALL CONTRACT WITH
7 UP TO ~~TEN~~ REGIONAL ACCESS PARTNERS TO AWARD AND MONITOR GRANTS
8 AS PROVIDED IN THIS SECTION, SUBJECT TO AVAILABLE APPROPRIATIONS.
9 A NONPROFIT ORGANIZATION MUST APPLY TO THE DIVISION, IN A FORM
10 AND MANNER TO BE DETERMINED BY THE DIVISION, TO SERVE AS A
11 REGIONAL ACCESS PARTNER. GRANTS SHALL BE PAID FROM THE MONEY
12 APPROPRIATED TO THE DIVISION FOR THE GRANT PROGRAM AS PROVIDED
13 IN SUBSECTION (8) OF THIS SECTION. THE DIVISION SHALL ALLOCATE THE
14 MONEY APPROPRIATED FOR THE GRANT PROGRAM TO THE SELECTED
15 REGIONAL ACCESS PARTNERS FOR DISTRIBUTION TO GRANT RECIPIENTS
16 PURSUANT TO THIS SECTION.

17 (4) **Grant program administration.** (a) THE DIVISION SHALL
18 ENGAGE WITH NONPROFIT ORGANIZATION STAKEHOLDERS THAT HAVE
19 EXPERIENCE WORKING WITH SMALL COMMUNITY-BASED NONPROFIT
20 ORGANIZATIONS AND SATISFY THE CRITERIA TO SERVE AS REGIONAL
21 ACCESS PARTNERS TO DEVELOP POLICIES AND PROCEDURES TO
22 ADMINISTER THE GRANT PROGRAM. AT A MINIMUM, THE POLICIES MUST
23 SPECIFY:

24 (I) THE TIME FRAMES FOR APPLYING, AWARDED, AND DISBURSING
25 GRANTS;

26 (II) THE FORM OF THE GRANT APPLICATION; AND

27 (III) THE RUBRIC TO BE USED TO EVALUATE GRANT APPLICATIONS.

1 (b) IN DEVELOPING THE GRANT APPLICATION PURSUANT TO
2 SUBSECTION (4)(a) OF THIS SECTION, THE DIVISION SHALL ENSURE THAT
3 EACH ELIGIBLE RECIPIENT IS REQUIRED TO INCLUDE IN ITS APPLICATION
4 EVIDENCE THAT THE ELIGIBLE RECIPIENT WAS IMPACTED OR
5 DISPROPORTIONATELY IMPACTED BY THE COVID-19 PUBLIC HEALTH
6 EMERGENCY. SUCH EVIDENCE MAY INCLUDE AND NEED NOT BE LIMITED
7 TO:

8 (I) THE PERCENTAGE BY WHICH THE ELIGIBLE RECIPIENT'S TOTAL
9 OPERATING EXPENSES OVER PROGRAM EXPENSES HAS DECREASED SINCE
10 THE BEGINNING OF THE COVID-19 PUBLIC HEALTH EMERGENCY;

11 (II) EVIDENCE THAT THE ELIGIBLE RECIPIENT HAD TO LAY OFF
12 STAFF DURING THE COVID-19 PUBLIC HEALTH EMERGENCY;

13 (III) EVIDENCE THAT THE ELIGIBLE RECIPIENT HAD TO CLOSE FOR
14 A PERIOD DURING THE COVID-19 PUBLIC HEALTH EMERGENCY; OR

15 (IV) EVIDENCE THAT THE ELIGIBLE RECIPIENT HAD TO ACCESS ITS
16 FINANCIAL RESERVES TO PAY FOR OPERATING COSTS DURING THE
17 COVID-19 PUBLIC HEALTH EMERGENCY.

18 (c) THE DIVISION SHALL DEVELOP AND IMPLEMENT AN OUTREACH
19 STRATEGY FOR POTENTIAL ELIGIBLE RECIPIENTS THAT INCLUDES
20 PARTNERSHIPS AND FUNDING FOR NONPROFIT ORGANIZATIONS WITH
21 DIRECT COMMUNITY EXPERIENCE TO PARTNER WITH THE DIVISION ON
22 OUTREACH REGARDING THE GRANT PROGRAM. THE DIVISION SHALL
23 ENSURE THAT ANY INFORMATION AND MATERIALS IN CONNECTION WITH
24 THE OUTREACH STRATEGY ARE AVAILABLE IN AT LEAST ENGLISH AND
25 SPANISH.

26 (5) **Grant recipient eligibility criteria.** (a) TO BE AN ELIGIBLE
27 RECIPIENT FOR A GRANT PURSUANT TO THIS SECTION, AN ORGANIZATION

1 SHALL BE A SMALL COMMUNITY-BASED NONPROFIT ORGANIZATION THAT
2 SATISFIES THE CRITERIA SPECIFIED IN SUBSECTION (5)(b) OF THIS SECTION,
3 A SMALL COMMUNITY-BASED NONPROFIT ORGANIZATION THAT SATISFIES
4 THE CRITERIA SPECIFIED IN SUBSECTION (5)(c) OF THIS SECTION, OR A
5 COLLABORATION OF MULTIPLE SMALL COMMUNITY-BASED GROUPS THAT
6 SATISFY THE CRITERIA SPECIFIED IN SUBSECTION (5)(d) OF THIS SECTION.

7 (b) A SMALL COMMUNITY-BASED NONPROFIT ORGANIZATION THAT
8 IS A TAX-EXEMPT CHARITABLE OR SOCIAL WELFARE ORGANIZATION
9 OPERATING UNDER SECTION 501 (c)(3) OF THE FEDERAL "INTERNAL
10 REVENUE CODE OF 1986", AS AMENDED, IS AN ELIGIBLE RECIPIENT IF THE
11 ORGANIZATION:

12 (I) HAS A TRACK RECORD OF PROVIDING EFFECTIVE, CULTURALLY
13 APPROPRIATE, AND RELEVANT PROGRAMS AND SERVICES TO COMMUNITIES
14 WHO HAVE HISTORICALLY BEEN UNDERREPRESENTED, UNDERSERVED, OR
15 UNDERRESOURCED IN COLORADO;

16 (II) HAS A GOVERNING BODY AND STAFF THAT CONSISTS OF A
17 MAJORITY OF RESIDENTS WHO LIVE IN THE COMMUNITIES SERVED BY THE
18 SMALL COMMUNITY-BASED NONPROFIT ORGANIZATION;

19 (III) HAS A MISSION OR HISTORY OF PROVIDING SERVICES IN
20 SPECIFIC COMMUNITIES IN THE STATE AND HAS ITS MAIN OFFICES IN ONE OF
21 THE COMMUNITIES THAT THE SMALL COMMUNITY-BASED NONPROFIT
22 ORGANIZATION SERVES;

23 (IV) IDENTIFIES AND DEFINES PRIORITY ISSUE AREAS WITH INPUT
24 FROM RESIDENTS OF THE COMMUNITY;

25 (V) FOCUSES THE SERVICES IT PROVIDES TO SPECIFIC AREAS OF
26 COMMUNITY-IDENTIFIED NEEDS, INCLUDING HEALTH EQUITY, WORKFORCE
27 DEVELOPMENT, COMMUNITY ECONOMIC DEVELOPMENT, EARLY

1 CHILDHOOD CARE, EDUCATION SUPPORT, HOUSING, AND FOOD JUSTICE,
2 AND HAS THE COMMITMENT TO CONNECT THE COMMUNITIES THAT IT
3 SERVES WITH GOVERNMENT AGENCIES AND PROGRAMS, IF AVAILABLE;

4 (VI) SOLICITS AND IMPLEMENTS COMMUNITY-LED SOLUTIONS
5 FROM THE COMMUNITY IT SERVES; AND

6 (VII) IS IN GOOD STANDING WITH THE COLORADO SECRETARY OF
7 STATE.

8 (c) A SMALL COMMUNITY-BASED NONPROFIT ORGANIZATION THAT
9 IS A REGISTERED NONPROFIT ORGANIZATION BUT THAT DOES NOT OPERATE
10 UNDER SECTION 501 (c)(3) OF THE FEDERAL "INTERNAL REVENUE CODE
11 OF 1986", AS AMENDED, IS AN ELIGIBLE RECIPIENT IF:

12 (I) THE SMALL COMMUNITY-BASED NONPROFIT ORGANIZATION
13 SATISFIES ALL OF THE CRITERIA SPECIFIED IN SUBSECTIONS (5)(b)(I)
14 THROUGH (5)(b)(VII) OF THIS SECTION; AND

15 (II) THE SMALL COMMUNITY-BASED NONPROFIT ORGANIZATION
16 WORKS WITH A FISCAL AGENT.

17 (d) A COLLABORATION OF MULTIPLE SMALL COMMUNITY-BASED
18 GROUPS THAT ARE NOT REGISTERED NONPROFIT ORGANIZATIONS ARE
19 ELIGIBLE RECIPIENTS IF:

20 (I) EACH SMALL COMMUNITY-BASED GROUP IN THE
21 COLLABORATION SATISFIES ALL OF THE CRITERIA SPECIFIED IN SUBSECTION
22 (5)(b)(I) THROUGH (5)(b)(VI) OF THIS SECTION;

23 (II) THE COLLABORATION OF MULTIPLE SMALL COMMUNITY-BASED
24 GROUPS WORKS WITH A FISCAL SPONSOR; AND

25 (III) THE FISCAL SPONSOR SATISFIES ALL OF THE CRITERIA
26 SPECIFIED IN SUBSECTIONS (5)(b)(I) THROUGH (5)(b)(VII) OF THIS SECTION
27 AND IS A SMALL COMMUNITY-BASED NONPROFIT ORGANIZATION; EXCEPT

1 THAT THE ANNUAL BUDGET REQUIREMENT SPECIFIED IN SUBSECTION
2 (2)(f)(II) OF THIS SECTION DOES NOT APPLY TO THE FISCAL SPONSOR.

3 **(6) Purposes for which grant program money may be used.**

4 (a) ELIGIBLE RECIPIENTS MAY USE THE MONEY RECEIVED THROUGH THE
5 GRANT PROGRAM FOR THE FOLLOWING INFRASTRUCTURE AND CAPACITY
6 BUILDING PURPOSES:

7 (I) DATA TECHNOLOGY NEEDS INCLUDING DATA COLLECTION AND
8 TECHNOLOGY INFRASTRUCTURE;

9 (II) PROFESSIONAL DEVELOPMENT FOR STAFF AND BOARD
10 MEMBERS;

11 (III) STRATEGIC PLANNING AND ORGANIZATIONAL DEVELOPMENT
12 FOR CAPACITY BUILDING, FUNDRAISING, AND OTHER SERVICES;

13 (IV) COMMUNICATIONS; AND

14 (V) EXISTING PROGRAM EXPANSION, DEVELOPMENT, OR
15 EVALUATION.

16 (b) ELIGIBLE RECIPIENTS SHALL NOT USE THE MONEY RECEIVED
17 THROUGH THE GRANT PROGRAM FOR THE FOLLOWING PURPOSES:

18 (I) CAPITAL IMPROVEMENTS. FOR PURPOSES OF THIS SECTION,
19 "CAPITAL IMPROVEMENT" DOES NOT INCLUDE INFORMATION TECHNOLOGY
20 INFRASTRUCTURE;

21 (II) REAL ESTATE OR LAND ACQUISITION;

22 (III) PAYMENT OF DEBT;

23 (IV) ADVOCACY OR LOBBYING;

24 (V) ORGANIZING; OR

25 (VI) ENDOWMENTS OR RESERVES.

26 **(7) Grant applications and awards.** (a) TO RECEIVE A GRANT,
27 AN ELIGIBLE RECIPIENT MUST SUBMIT AN APPLICATION TO A REGIONAL

1 ACCESS PARTNER IN ACCORDANCE WITH THE POLICIES AND PROCEDURES
2 DEVELOPED BY THE DIVISION. THE APPLICATION MUST INCLUDE ANY
3 CRITERIA OR INFORMATION DETERMINED BY THE DIVISION.

4 (b) IN AWARDING GRANTS PURSUANT TO THIS SECTION, A
5 REGIONAL ACCESS PARTNER SHALL ENSURE THAT:

6 (I) THE MAXIMUM GRANT AWARD TO AN ELIGIBLE RECIPIENT DOES
7 NOT EXCEED ONE HUNDRED THOUSAND DOLLARS. IF AN ELIGIBLE
8 RECIPIENT IS A COLLABORATION OF MULTIPLE SMALL COMMUNITY-BASED
9 GROUPS, THE DIVISION SHALL ENSURE THAT THE MAXIMUM GRANT AWARD
10 TO EACH INDIVIDUAL SMALL COMMUNITY-BASED GROUP DOES NOT EXCEED
11 ONE HUNDRED THOUSAND DOLLARS.

12 (II) AN ELIGIBLE RECIPIENT'S GRANT AWARD DOES NOT EXCEED
13 THIRTY PERCENT OF THE RECIPIENT'S ANNUAL OPERATING BUDGET. IF AN
14 ELIGIBLE RECIPIENT IS A COLLABORATION OF MULTIPLE SMALL
15 COMMUNITY-BASED GROUPS, THE DIVISION SHALL ENSURE THAT THE
16 GRANT AWARD TO AN INDIVIDUAL SMALL COMMUNITY-BASED GROUP DOES
17 NOT EXCEED THIRTY PERCENT OF THAT INDIVIDUAL SMALL
18 COMMUNITY-BASED GROUP'S ANNUAL OPERATING BUDGET.

19 (c) SUBJECT TO AVAILABLE APPROPRIATIONS, THE REGIONAL
20 ACCESS PARTNER SHALL AWARD GRANTS FOR THE PURPOSES SPECIFIED IN
21 THIS SECTION ON OR BEFORE DECEMBER 30, 2024.

22 (d) UPON A REGIONAL ACCESS PARTNER AWARDING A GRANT TO
23 AN ELIGIBLE RECIPIENT PURSUANT TO THIS SECTION, THE REGIONAL
24 ACCESS PARTNER AND THE ELIGIBLE RECIPIENT SHALL ENTER INTO A
25 CONTRACT IN CONNECTION WITH THE GRANT AWARD. THE REGIONAL
26 ACCESS PARTNER MAY DISPENSE UP TO FIFTY PERCENT OF THE TOTAL
27 VALUE OF THE PAYMENTS UNDER THE CONTRACT TO THE ELIGIBLE

1 RECIPIENT IMMEDIATELY UPON THE EXECUTION OF THE CONTRACT.

2 (e) AN ELIGIBLE RECIPIENT THAT RECEIVES A GRANT PURSUANT TO
3 THIS SECTION SHALL EXPEND ALL GRANT MONEY BY DECEMBER 30, 2026.

4 (8) **Source of grant money.** (a) FOR THE 2022-23 STATE FISCAL
5 YEAR, THE GENERAL ASSEMBLY SHALL APPROPRIATE THIRTY-FIVE MILLION
6 DOLLARS FROM THE ECONOMIC RECOVERY AND RELIEF CASH FUND
7 CREATED IN SECTION 24-75-228 (2)(a) TO THE DIVISION TO AWARD
8 GRANTS TO ELIGIBLE RECIPIENTS FOR THE PURPOSES OF THE GRANT
9 PROGRAM. ANY MONEY APPROPRIATED IN THE 2022-23 STATE FISCAL
10 YEAR THAT IS NOT ENCUMBERED OR EXPENDED AT THE END OF THAT
11 STATE FISCAL YEAR REMAINS AVAILABLE FOR EXPENDITURE BY THE
12 DIVISION IN SUBSEQUENT STATE FISCAL YEARS WITHOUT FURTHER
13 APPROPRIATION, SUBJECT TO THE REQUIREMENTS FOR OBLIGATING AND
14 EXPENDING MONEY RECEIVED UNDER THE FEDERAL "AMERICAN RESCUE
15 PLAN ACT OF 2021", PUB.L. 117-2, AS SPECIFIED IN SECTION 24-75-226
16 (4)(d).

17 (b) (I) THE DIVISION MAY USE UP TO FIVE PERCENT OF THE
18 AMOUNT APPROPRIATED PURSUANT TO THIS SECTION FOR COSTS
19 ASSOCIATED WITH IMPLEMENTING AND ADMINISTERING THE GRANT
20 PROGRAM.

21 (II) EACH REGIONAL ACCESS PARTNER SELECTED BY THE DIVISION
22 TO AWARD AND MONITOR GRANTS PURSUANT TO SUBSECTION (3)(b) OF
23 THIS SECTION MAY USE UP TO FIVE PERCENT OF THE AMOUNT AWARDED TO
24 RECIPIENTS FOR COSTS ASSOCIATED WITH AWARDING AND MONITORING
25 THE GRANTS.

26 (9) **Reporting requirement.** THE DIVISION AND ANY PERSON THAT
27 RECEIVES MONEY FROM THE DIVISION, INCLUDING A REGIONAL ACCESS

1 PARTNER, SHALL COMPLY WITH THE COMPLIANCE, REPORTING,
2 RECORD-KEEPING, AND PROGRAM EVALUATION REQUIREMENTS
3 ESTABLISHED BY THE OFFICE OF STATE PLANNING AND BUDGETING AND
4 THE STATE CONTROLLER IN ACCORDANCE WITH SECTION 24-75-226 (5).

5 (10) **Repeal.** THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2027.

6 **SECTION 2. Appropriation.** (1) For the 2022-23 state fiscal
7 year, \$35,000,000 is appropriated to the department of local affairs for
8 use by the division of local government. This appropriation is from the
9 economic recovery and relief cash fund created in section 24-75-228
10 (2)(a), C.R.S., is of money the state received from the federal coronavirus
11 state fiscal recovery fund, and is based on an assumption that the division
12 will require an additional 0.5 FTE. To implement this act, the division
13 may use this appropriation for small community-based nonprofit
14 infrastructure grants. Any money appropriated in this section not
15 expended prior to July 1, 2023, is further appropriated to the division
16 from July 1, 2023, through December 30, 2024, for the same purpose.

17 **SECTION 3. Safety clause.** The general assembly hereby finds,
18 determines, and declares that this act is necessary for the immediate
19 preservation of the public peace, health, or safety.