

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

ENGROSSED

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

LLS NO. 20-1128.02 Jane Ritter x4342

HOUSE BILL 20-1422

HOUSE SPONSORSHIP

Esgar and Cutter, McCluskie

SENATE SPONSORSHIP

Zenzinger and Story, Rankin

House Committees

State, Veterans, & Military Affairs
Appropriations

Senate Committees

A BILL FOR AN ACT

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

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 food pantry assistance grant program (grant program) to aid Colorado food pantries and food banks in the purchase of foods to meet the needs of their clientele, which has expanded

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
2nd Reading Unamended
June 10, 2020

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's agricultural producers. Food purchased by a grant recipient using grant money from the grant program must be designated as a Colorado agricultural product.

The department of human services (department) is directed to administer and monitor the grant program. The bill repeals the grant program, effective September 1, 2026.

The bill authorizes an allocation of money from the "Coronavirus Aid, Relief, and Economic Security Act" (CARES Act) subfund in the general fund to the department for the grant program to meet expenses not approved as of March 27, 2020, and are necessary to respond to the COVID-19 public health emergency. The appropriations must be expended on or before December 30, 2020.

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

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

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

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

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

16 (d) The expenditures in the bill were not accounted for in the
17 Colorado state budget most recently approved as of March 27, 2020, and

1 all of the expenses will be incurred on or before December 30, 2020; and

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

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

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

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

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

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

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

1 emergency.

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

4 **26-2-139. Food pantry assistance grant program - created -**
5 **timeline and criteria - grants - definitions - repeal.** (1) AS USED IN
6 THIS SECTION, 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) "ELIGIBLE ENTITY" MEANS, FOR THE PURPOSES OF A FOOD
14 GRANT, EITHER A FOOD BANK OR FOOD PANTRY, AS DEFINED IN THIS
15 SUBSECTION (1). HUNGER-RELIEF CHARITABLE ORGANIZATIONS, AS
16 DEFINED IN SECTION 39-22-536 (1), ARE NOT ELIGIBLE ENTITIES FOR
17 PURPOSES OF THIS SECTION.

18 (c) "FOOD BANK" MEANS A CHARITABLE ORGANIZATION, EXEMPT
19 FROM FEDERAL INCOME TAXATION UNDER THE PROVISIONS OF THE
20 INTERNAL REVENUE CODE, THAT ACQUIRES AND DISTRIBUTES FOOD AND
21 NONFOOD ESSENTIALS TO OTHER HUNGER RELIEF PROGRAMS.

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

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

27 (f) "STATE DEPARTMENT" MEANS THE STATE DEPARTMENT OF

1 HUMAN SERVICES.

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

10 (3) (a) THE STATE DEPARTMENT MAY CREATE A PROCESS FOR
11 SOLICITING, VETTING, AWARDING, AND MONITORING GRANTS, PURSUANT
12 TO THE SOLE SOURCE PROCUREMENT AUTHORITY SPECIFIED IN SECTION
13 24-103-205.

14 (b) THE STATE DEPARTMENT IS AUTHORIZED TO USE TWENTY-FIVE
15 THOUSAND DOLLARS OR UP TO FIVE PERCENT OF THE TOTAL FUNDS
16 APPROPRIATED TO THE GRANT PROGRAM FOR THE DIRECT AND INDIRECT
17 COSTS OF ADMINISTERING AND MONITORING THE GRANT PROGRAM.

18 (4) (a) ON OR BEFORE DECEMBER 30, 2020, BUT AS SOON AS
19 PRACTICABLE AFTER THE EFFECTIVE DATE OF THIS SECTION, THE STATE
20 DEPARTMENT SHALL AWARD ONE OR MORE GRANTS TO ELIGIBLE ENTITIES.
21 IN AWARDING GRANTS, THE STATE DEPARTMENT SHALL, AT A MINIMUM,
22 CONSIDER:

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

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

27 (III) THE RELATIVE DIFFERENCE EACH AWARD WOULD MAKE IN

1 THE ELIGIBLE ENTITY'S ABILITY TO MEET THE NEEDS OF ITS CLIENTELE;

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

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

7 (VI) THE ABILITY OF THE ELIGIBLE ENTITY TO CREATE A FEEDBACK
8 LOOP WITH THE SATE DEPARTMENT THAT CAN INFORM IMPLEMENTATION
9 OF THE GRANT PROGRAM IN THE FUTURE.

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

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

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

19 (II) A GRANT RECIPIENT MAY USE UP TO TEN PERCENT OF ITS
20 GRANT AWARD TO COVER THE DIRECT AND INDIRECT COSTS ASSOCIATED
21 WITH THE IMPLEMENTATION OF ITS MISSION, INCLUDING TRANSPORTATION,
22 STAFF COSTS, AND STORAGE. A GRANT RECIPIENT SHALL NOT RESELL OR
23 APPLY OTHER ASSOCIATED FEES TO THE DISTRIBUTION OF PRODUCTS
24 PURCHASED WITH MONEY MADE AVAILABLE THROUGH A GRANT.

25 (5) THIS SECTION IS REPEALED, EFFECTIVE JUNE 30, 2022.

26 **SECTION 3.** In Colorado Revised Statutes, 26-1-121, **amend**
27 (1)(a), (2), 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 ~~under the provisions of this~~
4 ~~title~~ PURSUANT TO THIS TITLE 26 and for matching such federal funds or
5 meeting maintenance of effort requirements as may be available for
6 public assistance and welfare activities in the state, including but not
7 limited to assistance payments, food stamps (except the value of food
8 stamp coupons), THE FOOD PANTRY ASSISTANCE GRANT PROGRAM
9 CREATED IN SECTION 26-2-139, social services, child welfare services,
10 rehabilitation, programs for the aging and for veterans, and related
11 activities, the general assembly, in accordance with the constitution and
12 laws of the state of Colorado, shall make adequate appropriations for the
13 payment of such costs, pursuant to the budget prepared by the executive
14 director.

15 (2) ~~There shall be appropriated by~~ The general assembly SHALL
16 APPROPRIATE from the general fund for the costs of administering ~~the~~
17 assistance payments, food stamps, social services, THE FOOD PANTRY
18 ASSISTANCE GRANT PROGRAM CREATED IN SECTION 26-2-139, and other
19 public assistance and welfare functions of the state department and the
20 state's share of the costs of administering such functions by the county
21 departments amounts sufficient for the proper and efficient performance
22 of the duties imposed upon them by law, including a legal advisor
23 appointed by the attorney general. The general assembly shall make two
24 separate appropriations, one for the administrative costs of the state
25 department and another for the administrative costs of the county
26 departments. Any applicable matching federal funds ~~shall~~ MUST be
27 apportioned in accordance with the federal regulations accompanying

1 such funds. Any unobligated and unexpended balances of such state funds
2 so appropriated remaining at the end of each fiscal year ~~shall~~ MUST be
3 credited to the state general fund.

4 (3) The expenses of training personnel for special skills relating
5 to public assistance and welfare activities, including but not limited to
6 assistance payments, food stamps, THE FOOD PANTRY ASSISTANCE GRANT
7 PROGRAM CREATED IN SECTION 26-2-139, social services, child welfare
8 services, rehabilitation, and programs for the aging, as such expenses
9 ~~shall be~~ ARE determined and approved by the state department, may be
10 paid from whatever state and federal funds are available for such training
11 purposes.

12 **SECTION 4. Appropriation.** For the 2019-20 state fiscal year,
13 \$500,000 is appropriated to the department of human services from the
14 care subfund in the general fund. The department of human services may
15 use this appropriation for the food pantry assistance grant program
16 created in section 26-2-139, C.R.S. Any money appropriated in this
17 section not expended prior to July 1, 2020, is further appropriated to the
18 department of human services for the period from July 1, 2020, through
19 December 30, 2020, for the same purpose.

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