

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

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 22-0441.01 Nicole Myers x4326

**HOUSE BILL 22-1356**

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**HOUSE SPONSORSHIP**

**Herod and Hooton,**

**SENATE SPONSORSHIP**

**Gonzales and Rankin,**

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**House Committees**

Transportation & Local Government  
Appropriations

**Senate Committees**

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**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.**

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**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.

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.

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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 FIVE 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.