First Extraordinary Session Seventy-second General Assembly STATE OF COLORADO

PREAMENDED

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

LLS NO. 20B-0034.01 Jane Ritter x4342

HOUSE BILL 20B-1003

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A BILL FOR AN ACT

101	CONCERNING CHANGES TO THE FOOD PANTRY ASSISTANCE GRANT
102	PROGRAM, AND, IN CONNECTION THEREWITH, MAKING AN
103	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 expands and extends the provisions of the food pantry assistance grant program (grant program) that is currently in law. Current law states that all grants from the grant program must be made on or before December 30, 2020, and allows for grants to food banks and food pantries. The bill extends this date to February 28, 2021, and also allows

3rd Reading Unamended

food delivery organizations to apply for a grant. The bill states that it is the intent of the general assembly that food purchased through an award from the grant program be purchased and distributed on or before June 30, 2021.

Currently, grant awards through the grant program range from \$2,500 to \$35,000. The bill no longer caps the grant awards at \$35,000. The amount a grant recipient may use for direct and indirect costs is increased from 10% to 50%.

The repeal date is extended one year, to June 30, 2023.

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) Since March 2020, the state of Colorado has been dealing with
5	the health and economic impacts of the COVID-19 public health
6	emergency;
7	(b) The expenditures in the bill are necessary to respond to the
8	COVID-19 public health emergency;
9	(c) The expenditures in the bill were not accounted for in the
10	Colorado state budget most recently approved as of March 27, 2020, and
11	all of the expenses will be incurred on or before August 2021; and
12	(d) Any state department that receives expenditures in the bill for
13	community programs and services shall:
14	(I) Distribute funding in a manner that utilizes existing
15	infrastructure and contracts in the most expedited way possible; and
16	(II) Consider the needs of underserved populations and
17	communities, including African American communities, indigenous
18	communities, and other communities of people of color.
19	(2) The general assembly further finds and declares that:
20	(a) The COVID-19 public health emergency has created an

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1 exponential need for emergency food resources for all emergency food 2 providers. The COVID-19 public health emergency has upended many 3 Colorado families' economic security and resulted in hunger insecurity, 4 which has increased by three times the pre-pandemic level. Since the 5 beginning of the COVID-19 public health emergency, food pantries 6 across the state have seen two to six times the number of people coming 7 in for food assistance, with many coming to a food pantry for the first 8 time.

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- (b) Funding from this legislation will help more than 150 local food pantries purchase healthy, local food for more than 300,000 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.
- (c) Food banks and food pantries need to have additional funding to allow for the increased indirect costs they are facing, such as increased capacity, need for refrigeration, decreased numbers of elderly volunteers, heating for people waiting outside, and increased delivery needs.
- (3) Therefore, the general assembly determines that funding from this legislation 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, 26-2-139, amend (1)(b), (2), (3)(b), (4)(a) introductory portion, (4)(b), (4)(c), and (5) as 24 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:

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2	ASSISTANCE grant, either a food bank or food pantry, as defined in this
3	subsection (1). Hunger-relief charitable organizations, as defined in
4	section 39-22-536 (1), are not eligible entities for purposes of this section.
5	(II) "ELIGIBLE ENTITY" FOR THE PURPOSES OF A FOOD PANTRY
6	ASSISTANCE GRANT INCLUDES A FAITH-BASED ORGANIZATION.
7	
8	(2) There is created in the state department the food pantry
9	assistance grant program. The purpose of the grant program is to aid
10	Colorado food pantries and food banks in the purchase of foods that
11	better meet the needs of their clientele, which has expanded significantly
12	as a result of the COVID-19 public health emergency. A secondary
13	purpose of the grant program is to create new market opportunities for
14	Colorado agricultural products and producers IT IS THE INTENT OF THE
15	GENERAL ASSEMBLY THAT ALL MONEY AWARDED BY THE GRANT PROGRAM
16	IS EXPENDED BY $\underline{JULY 31}$, 2021.
17	(3) (b) The state department is authorized to use twenty-five
18	SEVENTY thousand dollars or up to five percent of the total funds
19	appropriated to the grant program for the direct and indirect costs of
20	administering and monitoring the grant program.
21	(4) (a) On or before December 30, 2020, but as soon as
22	practicable after the effective date of this section, the state department
23	shall award one or more grants OUT OF THE FEDERAL CARES ACT to
24	eligible entities. On or before March 31, 2021, but as soon as
25	PRACTICABLE AFTER THE EFFECTIVE DATE OF THIS SECTION, THE STATE
26	DEPARTMENT SHALL AWARD ONE OR MORE GRANTS TO ELIGIBLE ENTITIES
27	USING STATE MONEY APPROPRIATED TO THE GRANT PROGRAM. In

(b) (I) "Eligible entity" means, for the purposes of a food PANTRY

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1	awarding grants, the state department shall, at a minimum, consider:
2	(b) (I) Grant awards, INCLUDING THOSE TO JOINT APPLICANTS,
3	must be at least two thousand five hundred dollars; but not more than
4	twenty thousand dollars.
5	(II) Food pantries and food banks may submit a joint application
6	for a grant award. If an application is received from two or more eligible
7	entities, the grant award must be at least two thousand five hundred
8	dollars but not more than thirty-five thousand dollars.
9	(c) (I) TO THE EXTENT PRACTICABLE, food purchased by a grant
10	recipient using grant money must be designated as a Colorado agricultural
11	product.
12	(II) A grant recipient may use up to ten TWENTY percent of its
13	grant award to cover the direct and indirect costs EXPENSES associated
14	with the implementation of its mission DISTRIBUTION OF FOOD, including:
15	(A) Transportation;
16	(B) FOOD DELIVERY;
17	(C) EXPANDING staff costs;
18	(D) REFRIGERATION; and
19	(E) Storage.
20	(III) A grant recipient shall not resell or apply other associated
21	fees to the distribution of products purchased with money made available
22	through a grant.
23	
24	(5) This section is repealed, effective June 30, 2022 JUNE 30,
25	2023.
26	SECTION 3. Appropriation. For the 2020-21 state fiscal year,
27	\$5,000,000 is appropriated to the department of human services. This

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- appropriation is from the general fund and is based on an assumption that
 the department will require an additional 0.5 FTE. To implement this act,
 the department may use this appropriation for the food pantry assistance
 grant program created in section 26-2-139, C.R.S.

 SECTION 4. Safety clause. The general assembly hereby finds,
 determines, and declares that this act is necessary for the immediate
- determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

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