

**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. 22-0489.02 Jane Ritter x4342

HOUSE BILL 22-1380

HOUSE SPONSORSHIP

Gonzales-Gutierrez and Pelton, Kennedy, McCormick

SENATE SPONSORSHIP

Bridges and Coram,

House Committees

Public & Behavioral Health & Human Services
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING CREATING COMPREHENSIVE, STATEWIDE SYSTEMS TO**
102 **PROVIDE IMPROVED ACCESS TO CRITICAL PROGRAM SERVICES**
103 **THAT SUPPORT LOW-INCOME HOUSEHOLDS, AND, IN**
104 **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 requires the department of human services to implement a work management system across all counties to interface with the Colorado benefits management system used to process and approve

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.

applications for essential state public assistance programs such as the supplemental nutrition assistance program (SNAP), medicaid, and Colorado works.

The bill integrates eligibility and enrollment for SNAP with eligibility criteria for the Colorado low-income energy assistance program to increase access.

The bill creates a community food access program (food program) in the department of agriculture (department). The purpose of the food program is to improve access to and lower prices for healthy foods in low-income and underserved areas of the state by supporting small grocery retailers. The small food business recovery and resilience grant program (grant program) is established, to be overseen by the food program. An advisory committee is established to assist the department with the grant program. One-time grants not to exceed \$25,000 will be provided to small grocery retailers to help support infrastructure and other necessary items to make fresh, healthy food more accessible to low-income and underserved communities. The department is granted authority to promulgate rules as necessary to implement the food program.

The food program is repealed, effective September 1, 2027.

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

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

4 (a) Colorado is ranked as one of the most expensive states to live
5 in. On a scale of one to fifty, with fifty meaning highest costs, Colorado
6 ranks forty-eighth for housing affordability and thirty-sixth for cost of
7 living.

8 (b) Nutrition insecurity rates are at record highs in Colorado, and
9 the rising cost of food exacerbates this. Today, thirty-three percent of
10 Coloradans report some degree of food insecurity, up from just less than
11 ten percent before the COVID-19 pandemic began.

12 (c) Housing affordability and accessibility are at crisis levels in
13 Colorado; when a family becomes burdened by rent costs, the family
14 often begins to spend less on other items, such as healthy food;

1 (d) Long-standing disparities in access to healthy food have
2 increased dramatically as a result of the COVID-19 pandemic; forty-three
3 percent of non-White and Latino Coloradans now struggle to put food on
4 the table, compared with twenty-nine percent of White Coloradans;

5 (e) More than two hundred fifty thousand Colorado households
6 receive supplemental nutrition assistance program (SNAP) benefits;

7 (f) More than sixty percent of food retailers in Colorado that
8 accept SNAP benefits are small, corner, or convenience stores. These
9 stores often struggle to provide a balanced and healthy selection of food.

10 (g) In response to the COVID-19 public health emergency,
11 obstacles that small food retailers face in providing healthy, affordable
12 food to local communities include a lack of financial resources for
13 capacity-building, such as updating technology, paying for pallet fees, and
14 technical assistance with negotiating and contracting;

15 (h) To help bring down the cost of essential, fresh, and perishable
16 food for lower-income households and to maximize the amount and
17 quality of food they can purchase, it is essential to assist small food
18 retailers;

19 (i) Small food retailers tend to have higher prices for fresh and
20 perishable foods compared to large food retailers. Small food retailers
21 face pallet break fees charged by distributors because they cannot meet
22 minimum purchase quotas; small food retailers also lack cold storage or
23 other storage space to store higher quantities of perishable foods; and

24 (j) Therefore, the general assembly declares that it is in the best
25 interest of Coloradans to establish a community food access program to
26 improve access to and lower prices for healthy foods in low-income and
27 underserved areas of the state by supporting small food retailers with

1 technical assistance, subsidies for pallet, pallet break, distribution,
2 delivery, and other fees, and one-time grants to strengthen infrastructure.

3 (2) The general assembly further finds that:

4 (a) A high-quality work management system will have further
5 interoperability to interface with the Colorado benefits management
6 system (CBMS) and other human services technology systems used to
7 process and approve applications for essential programs like SNAP,
8 medicaid, and Colorado works;

9 (b) Work management systems are tools that help county offices
10 triage and manage caseloads, which allows for more time to provide
11 critical services;

12 (c) Currently, work management systems are not standardized
13 across the state, with many rural and frontier counties lacking access to
14 fully optimized tools to better manage workload; and

15 (d) Investing in a universal high-quality work management system
16 will reduce administrative costs and streamline the application process for
17 programs like SNAP, medicaid, and Colorado works; and allow for better
18 case management and improved access to program services that help
19 low-income households purchase healthy food, pay for medical expenses,
20 and achieve economic stability.

21 (3) (a) The general assembly further declares that the federal
22 government enacted the "American Rescue Plan Act of 2021", Pub.L.
23 117-2, as amended, to help state, local, and tribal governments respond
24 to the impact and effects of the COVID-19 public health emergency on
25 their communities, residents, and businesses. Under the federal act, the
26 state of Colorado has received over three billion dollars to be used for the
27 purposes identified in the federal act.

1 (b) The general assembly further determines that establishing a
2 community food program, a high-quality work management system, and
3 a database connection to issue payments to recipients' electronic benefits
4 transfer cards, as funded by this act, are appropriate uses of the money
5 transferred to Colorado under the federal act and constitute critical
6 government services.

7 **SECTION 2.** In Colorado Revised Statutes, **add** 26-2-141 as
8 follows:

9 **26-2-141. High-quality work management system -**
10 **implementation - funding - repeal.** (1) BEGINNING JULY 1, 2022, THE
11 STATE DEPARTMENT SHALL BEGIN WORK TOWARD IMPLEMENTATION OF A
12 SINGLE, HIGH-QUALITY COUNTY WORK MANAGEMENT SYSTEM DESIGNED
13 TO PROVIDE A UNIFIED APPROACH TO EFFICIENTLY AND EFFECTIVELY
14 SERVE COUNTY DEPARTMENTS AND CLIENTS OF THE STATE DEPARTMENT
15 AND COUNTY DEPARTMENTS. THE PURPOSE OF THE WORK MANAGEMENT
16 SYSTEM IS TO REDUCE ADMINISTRATIVE COST, STREAMLINE THE
17 APPLICATION PROCESS FOR VARIOUS BENEFIT PROGRAMS, AND PROVIDE
18 MORE TIME FOR BETTER CASE MANAGEMENT AND IMPROVED ACCESS TO
19 PROGRAM SERVICES THAT ASSIST LOW-INCOME HOUSEHOLDS IN
20 PURCHASING HEALTHY FOOD, PAYING FOR MEDICAL EXPENSES, AND
21 ACHIEVING ECONOMIC STABILITY.

22 (2) (a) FOR THE 2022-23 STATE FISCAL YEAR, THE GENERAL
23 ASSEMBLY SHALL APPROPRIATE THREE MILLION DOLLARS FROM THE
24 ECONOMIC RECOVERY AND RELIEF CASH FUND CREATED IN SECTION
25 24-75-228 TO THE STATE DEPARTMENT FOR THE PURPOSES OF
26 IMPLEMENTING THIS SECTION.

27 (b) MONEY SPENT PURSUANT TO THIS SUBSECTION (2) MUST

1 CONFORM WITH THE ALLOWABLE PURPOSES SET FORTH IN THE FEDERAL
2 "AMERICAN RESCUE PLAN ACT OF 2021", PUB.L. 117-2, AS AMENDED.
3 THE STATE DEPARTMENT SHALL EITHER SPEND OR OBLIGATE SUCH
4 APPROPRIATION PRIOR TO DECEMBER 30, 2024, AND EXPEND THE
5 APPROPRIATION ON OR BEFORE DECEMBER 31, 2026.

6 (3) THE STATE DEPARTMENT SHALL COMPLY WITH THE
7 COMPLIANCE, REPORTING, RECORD-KEEPING, AND PROGRAM EVALUATION
8 REQUIREMENTS ESTABLISHED BY THE OFFICE OF STATE PLANNING AND
9 BUDGETING AND THE STATE CONTROLLER IN ACCORDANCE WITH SECTION
10 24-75-226 (5).

11 (4) THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2027.

12 **SECTION 3.** In Colorado Revised Statutes, 26-2-307, **amend**
13 (1)(a), (1)(b) introductory portion, (1)(b)(V) introductory portion,
14 (1)(b)(V)(B), and (1)(d) introductory portion; **repeal** (1)(b)(III),
15 (1)(b)(IV), (1)(c), and (1)(e); and **add** (1)(b)(III.5) and (1)(d.1) as
16 follows:

17 **26-2-307. Fuel assistance payments - eligibility for federal**
18 **standard utility allowance - supplemental utility assistance fund**
19 **established - definitions - repeal.** (1) (a) On and after ~~January 1, 2024~~
20 JULY 1, 2024, the state department shall implement a program to make
21 fuel assistance payments by crediting the fuel assistance payments to
22 recipients' electronic benefits transfer service cards.

23 (b) Except as provided in ~~subsections (1)(c) and~~ SUBSECTION
24 (1)(d) of this section:

25 (III) ~~The state department may seek, accept, and expend outside~~
26 ~~funds to finance its work to develop the database connection. The state~~
27 ~~department shall transmit any outside funds received pursuant to this~~

1 ~~subsection (1)(b)(III) to the state treasurer who shall credit the outside~~
2 ~~funds to the supplemental utility assistance fund.~~

3 (III.5) (A) FOR THE 2022-23 STATE FISCAL YEAR, THE GENERAL
4 ASSEMBLY SHALL APPROPRIATE TWO MILLION DOLLARS FROM THE
5 ECONOMIC RECOVERY AND RELIEF CASH FUND CREATED IN SECTION
6 24-75-228 TO THE STATE DEPARTMENT FOR THE PURPOSES OF
7 IMPLEMENTING THIS SECTION.

8 (B) MONEY SPENT PURSUANT TO THIS SUBSECTION (1)(b)(III.5)
9 MUST CONFORM WITH THE ALLOWABLE PURPOSES SET FORTH IN THE
10 FEDERAL "AMERICAN RESCUE PLAN ACT OF 2021", PUB.L. 117-2, AS
11 AMENDED. THE STATE DEPARTMENT SHALL EITHER SPEND OR OBLIGATE
12 SUCH APPROPRIATION PRIOR TO DECEMBER 30, 2024, AND EXPEND THE
13 APPROPRIATION ON OR BEFORE DECEMBER 31, 2026.

14 (C) THIS SUBSECTION (1)(b)(III.5) IS REPEALED, EFFECTIVE
15 SEPTEMBER 1, 2027.

16 (IV) ~~The state department shall use outside funds received to~~
17 ~~process the EBT card payments and for other administrative costs~~
18 ~~incurred in implementing the program. If insufficient funds are available~~
19 ~~to cover the administrative costs, the state department shall request that~~
20 ~~the organization allocate, as part of its budget prepared pursuant to~~
21 ~~section 40-8.7-108 (3), money to the state department from the energy~~
22 ~~assistance system benefit charge collected pursuant to section 40-8.7-104~~
23 ~~(2.5) for this purpose.~~

24 (V) On or before April 1, 2022 2024, and on or before April 1 of
25 each year thereafter, the state department shall submit a budget to the
26 organization and the commission to include the state department's
27 administrative costs to implement the program, INCLUDING THE COST TO

1 ISSUE PAYMENTS TO RECIPIENTS' ELECTRONIC BENEFITS TRANSFER CARDS
2 FOR PAYMENTS MADE PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION,
3 and the projected number of eligible households that the state department
4 identifies as receiving SNAP benefits but that are not receiving assistance
5 under LEAP, including an estimated number of new SNAP cases that the
6 state department will approve during the upcoming federal fiscal year.
7 Based on the budget that the state department submits, the organization
8 shall:

9 (B) Transmit the money to the state department on or before July
10 1, 2022 2024, and on or before July 1 of each year thereafter.

11 ~~(c) If, by January 1, 2022, the state department does not receive~~
12 ~~outside funds pursuant to subsection (1)(b)(III) of this section or does not~~
13 ~~receive sufficient outside funds to develop the database connection, the~~
14 ~~state department shall notify the joint technology committee created in~~
15 ~~section 2-3-1702 that outside funds were not received or that insufficient~~
16 ~~outside funds were received.~~

17 (d) If insufficient outside funds to develop the database
18 connection are received by ~~January 1, 2022~~ SEPTEMBER 1, 2022, the state
19 department need not commence work on developing the database
20 connection pursuant to subsection (1)(b)(II) of this section, but shall:

21 (d.1) SUBSECTION (1)(d) OF THIS SECTION AND THIS SUBSECTION
22 (1)(d.1) ARE REPEALED, EFFECTIVE SEPTEMBER 1, 2022.

23 ~~(e) If, after January 1, 2022, the state department receives~~
24 ~~sufficient outside funds for the purpose of developing the database~~
25 ~~connection, the state department shall, as soon as practicable, develop the~~
26 ~~database connection and transition to implementing the program in~~
27 ~~accordance with subsection (1)(b) of this section.~~

1 **SECTION 4.** In Colorado Revised Statutes, 26-2-308, **amend** (4)
2 and (5) as follows:

3 **26-2-308. Colorado employment first - supplemental nutrition**
4 **assistance program - federal match - legislative declaration -**
5 **definition - repeal.** (4) For the 2020-21 state fiscal year, the general
6 assembly shall appropriate three million dollars from the general fund to
7 the state department for the purposes described in subsection (3) of this
8 section. If any unexpended or unencumbered money appropriated for the
9 fiscal year remains at the end of the fiscal year, the state department may
10 expend the money for the same purposes ~~in the next fiscal year~~ without
11 further appropriation.

12 (5) This section is repealed, effective ~~July 1, 2023~~ JULY 1, 2024.

13 **SECTION 5.** In Colorado Revised Statutes, **add** 35-1-116 as
14 follows:

15 **35-1-116. Community food access program - creation - purpose**
16 **- duties and responsibilities - grant program - funding - reporting -**
17 **rules - definitions - repeal.** (1) THERE IS CREATED IN THE DEPARTMENT
18 A COMMUNITY FOOD ACCESS PROGRAM. THE PURPOSE OF THE PROGRAM IS
19 TO IMPROVE ACCESS TO AND LOWER PRICES FOR HEALTHY FOODS IN
20 LOW-INCOME AND UNDERSERVED AREAS OF THE STATE BY SUPPORTING
21 SMALL FOOD RETAILERS.

22 (2) (a) AS PART OF THE PROGRAM, THE DEPARTMENT SHALL
23 CREATE A COMMUNITY FOOD CONSORTIUM FOR SMALL FOOD RETAILERS
24 AND COLORADO-OWNED AND COLORADO-OPERATED FARMS THAT HAS THE
25 FOLLOWING DUTIES AND RESPONSIBILITIES:

26 (I) PROVIDING TECHNICAL ASSISTANCE IN PURCHASING AND
27 NEGOTIATIONS;

1 (II) PROVIDING SUBSIDIES FOR PALLET, PALLET BREAK,
2 DISTRIBUTION, AND DELIVERY FEES;

3 (III) ASSISTING WITH CONNECTING SMALL FOOD PRODUCERS TO
4 SMALL FOOD RETAILERS, WHICH ULTIMATELY SUPPORTS THE FARM,
5 RETAILER, AND CONSUMER;

6 (IV) OPERATING AS A FOOD VALUE CHAIN COORDINATOR TO
7 CONNECT SMALL FOOD RETAILERS TO COLORADO-OWNED AND
8 COLORADO-OPERATED FARMS AND SMALL- AND LARGE-SCALE
9 DISTRIBUTORS; AND

10 (V) PROVIDING TECHNICAL SUPPORT TO SMALL FOOD RETAILERS
11 WHO CHOOSE TO PARTICIPATE IN THE CONSORTIUM WITH NEGOTIATING
12 PALLET, PALLET BREAK, PRICING, DISTRIBUTION, AND DELIVERY FEES FOR
13 BETTER PRICES ON WHOLESALE PRODUCTS.

14 (b) (I) FOR THE 2022-23 STATE FISCAL YEAR, THE GENERAL
15 ASSEMBLY SHALL APPROPRIATE ONE MILLION DOLLARS FROM THE
16 ECONOMIC RECOVERY AND RELIEF CASH FUND CREATED IN SECTION
17 24-75-228 TO THE DEPARTMENT FOR THE PURPOSES OF IMPLEMENTING
18 THIS SECTION.

19 (II) THE DEPARTMENT IS AUTHORIZED TO USE UP TO SEVEN
20 PERCENT OF THE TOTAL MONEY APPROPRIATED TO THE PROGRAM FOR THE
21 DIRECT AND INDIRECT COSTS OF ADMINISTERING THE PROGRAM.

22 (III) MONEY SPENT PURSUANT TO THIS SUBSECTION (2) MUST
23 CONFORM WITH THE ALLOWABLE PURPOSES SET FORTH IN THE FEDERAL
24 "AMERICAN RESCUE PLAN ACT OF 2021", PUB.L. 117-2, AS AMENDED.
25 THE DEPARTMENT SHALL EITHER SPEND OR OBLIGATE SUCH
26 APPROPRIATION PRIOR TO DECEMBER 30, 2024, AND EXPEND THE
27 APPROPRIATION ON OR BEFORE DECEMBER 31, 2026.

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

6 (V) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE SEPTEMBER 1,
7 2027.

8 (3) (a) AS PART OF THE PROGRAM, THE DEPARTMENT SHALL
9 CREATE AND MANAGE THE SMALL FOOD BUSINESS RECOVERY AND
10 RESILIENCE GRANT PROGRAM. THE DEPARTMENT SHALL AWARD ONE-TIME
11 GRANTS, NOT TO EXCEED TWENTY-FIVE THOUSAND DOLLARS, OUT OF THE
12 GRANT PROGRAM, TO PARTICIPATING SMALL FOOD RETAILERS AND SMALL
13 FAMILY FARMS FOR:

14 (I) ASSISTING WITH THE NECESSARY COSTS OF OPERATING;

15 (II) PURCHASING COSTLY EQUIPMENT, INCLUDING BUT NOT
16 LIMITED TO COLD STORAGE, DISPLAY SHELVING, AND CALIBRATED AND
17 CERTIFIED PRODUCE SCALES;

18 (III) PROVIDING ACCOUNTING AND BOOK MANAGEMENT SUPPORT;

19 AND

20 (IV) PURCHASING OR UPDATING POINT OF SALES SYSTEMS OR
21 EQUIPMENT TO ALLOW PARTICIPATING SMALL FOOD RETAILERS TO ACCEPT
22 PAYMENT FROM ANY FOOD INCENTIVE PROGRAM.

23 (b) (I) THE DEPARTMENT SHALL CREATE AN ADVISORY COMMITTEE
24 CONSISTING OF NO MORE THAN SEVEN MEMBERS TO ASSIST WITH THE
25 GRANT PROGRAM. THE ADVISORY COMMITTEE MAY INCLUDE BUT NEED
26 NOT BE LIMITED TO MEMBERS THAT REFLECT COMMUNITY AND NONPROFIT
27 ORGANIZATIONS THAT HAVE EXPERIENCE RELEVANT TO SUBSECTION (4)(a)

1 OF THIS SECTION, SMALL FOOD RETAILERS, AND SMALL FAMILY FARMS
2 THAT ARE NOT APPLYING FOR GRANT FUNDING, AN INDIVIDUAL WHO HAS
3 PARTICIPATED IN A SUPPLEMENTAL FOOD ASSISTANCE BENEFIT PROGRAM,
4 AND DEPARTMENT STAFF WITH EXPERIENCE IN GRANT-MAKING. THE
5 COMMISSIONER SHALL SELECT THE MEMBERS OF THE ADVISORY
6 COMMITTEE.

7 (II) THE ADVISORY COMMITTEE'S ROLE IS TO MAKE
8 RECOMMENDATIONS ON AND ASSIST WITH:

9 (A) THE DEVELOPMENT OF THE GRANT APPLICATION;

10 (B) A DISBURSEMENT TIMELINE FOR THE GRANTS;

11 (C) A RUBRIC TO EVALUATE GRANT APPLICATIONS;

12 (D) THE EVALUATION OF GRANT APPLICATIONS; AND

13 (E) AWARDED GRANT MONEY TO ELIGIBLE RECIPIENTS.

14 (III) THE DEPARTMENT AND ADVISORY COMMITTEE SHALL AWARD
15 AT LEAST THIRTY PERCENT OF THE GRANTS TO APPLICANTS LOCATED IN
16 RURAL AREAS.

17 (c) (I) FOR THE 2022-23 STATE FISCAL YEAR, THE GENERAL
18 ASSEMBLY SHALL APPROPRIATE SEVEN MILLION DOLLARS FROM THE
19 ECONOMIC RECOVERY AND RELIEF CASH FUND CREATED IN SECTION
20 24-75-228 TO THE DEPARTMENT FOR THE PURPOSES OF IMPLEMENTING
21 THIS SUBSECTION (3) AND SUBSECTION (4) OF THIS SECTION.

22 (II) THE DEPARTMENT IS AUTHORIZED TO USE UP TO TEN PERCENT
23 OF THE TOTAL MONEY APPROPRIATED TO THE PROGRAM FOR THE DIRECT
24 AND INDIRECT COSTS OF ADMINISTERING THE PROGRAM.

25 (III) MONEY SPENT PURSUANT TO THIS SUBSECTION (3) MUST
26 CONFORM WITH THE ALLOWABLE PURPOSES SET FORTH IN THE FEDERAL
27 "AMERICAN RESCUE PLAN ACT OF 2021", PUB.L. 117-2, AS AMENDED.

1 THE DEPARTMENT SHALL EITHER SPEND OR OBLIGATE SUCH
2 APPROPRIATION PRIOR TO DECEMBER 30, 2024, AND EXPEND THE
3 APPROPRIATION ON OR BEFORE DECEMBER 31, 2026.

4 (IV) THE STATE DEPARTMENT SHALL COMPLY WITH THE
5 COMPLIANCE, REPORTING, RECORD-KEEPING, AND PROGRAM EVALUATION
6 REQUIREMENTS ESTABLISHED BY THE OFFICE OF STATE PLANNING AND
7 BUDGETING AND THE STATE CONTROLLER IN ACCORDANCE WITH SECTION
8 24-75-226 (5).

9 (V) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE SEPTEMBER 1,
10 2027.

11 (4) THE DEPARTMENT SHALL DEVELOP A STRATEGY FOR OUTREACH
12 TO COLORADO-OWNED AND COLORADO-OPERATED FARMS AND FOOD
13 RETAILERS AND SMALL FARMS THAT ARE INTERESTED IN PARTICIPATING IN
14 THE CONSORTIUM OR APPLYING FOR A GRANT THROUGH THE GRANT
15 PROGRAM. THE OUTREACH STRATEGY MUST INCLUDE:

16 (a) FUNDING FOR PARTNERSHIPS WITH NONPROFIT ORGANIZATIONS
17 TO ENSURE APPLICANTS FOR THE CONSORTIUM AND GRANT PROGRAM
18 REFLECT THE IDENTITY AND NEEDS OF THEIR INDIVIDUAL COMMUNITIES.
19 THE OUTREACH STRATEGY MUST INCLUDE FUNDING FOR PARTNERSHIPS
20 WITH NONPROFIT ORGANIZATIONS THAT HAVE:

21 (I) EXPERIENCE WORKING WITH SMALL FOOD RETAILERS AND
22 SMALL FAMILY FARMS THAT CURRENTLY ACCEPT PAYMENT FROM ANY
23 INCENTIVE PROGRAM;

24 (II) EXPERIENCE RUNNING AND SUPPORTING SMALL FOOD
25 RETAILERS AND SMALL FAMILY FARMS OR ANY OTHER FOOD INCENTIVE
26 PROGRAM;

27 (III) EXPERIENCE WITH GRANT-MAKING;

1 (IV) COMMUNITY RELATIONSHIPS THAT WILL ENSURE THAT
2 OUTREACH TO SMALL FOOD RETAILERS AND SMALL FARMS REFLECTS THE
3 IDENTITY AND NEEDS OF INDIVIDUAL COMMUNITIES; OR

4 (V) A DEMONSTRATED TRACK RECORD OF WORKING IN FOOD
5 ACCESS AND FOOD JUSTICE; AND

6 (b) WORKING WITH LOCAL GOVERNMENTS, COUNTIES, TOWNS, AND
7 OTHER MUNICIPALITIES.

8 (5) ON OR BEFORE JANUARY 30, 2027, THE DEPARTMENT SHALL
9 SUBMIT A REPORT TO THE AGRICULTURE, LIVESTOCK, AND WATER
10 COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND THE AGRICULTURE
11 AND NATURAL RESOURCES COMMITTEE OF THE SENATE, OR ANY
12 SUCCESSOR COMMITTEES, ON THE GRANT PROGRAM AND CONSORTIUM,
13 INCLUDING INFORMATION ON GRANTEES, USE OF GRANT FUNDS, SNAP
14 SALES, AND PRODUCE AND STOCKING DATA.

15 (6) (a) FOR THE 2022-23 STATE FISCAL YEAR, THE GENERAL
16 ASSEMBLY SHALL APPROPRIATE ONE MILLION DOLLARS FROM THE
17 ECONOMIC RECOVERY AND RELIEF CASH FUND CREATED IN SECTION
18 24-75-228 TO THE DEPARTMENT OF HUMAN SERVICES. THE DEPARTMENT
19 OF HUMAN SERVICES SHALL USE THE APPROPRIATION FOR ELECTRONIC
20 BENEFITS TRANSFER BACK-END PROGRAMMATIC UPDATES. THE
21 APPROPRIATION MUST ALSO BE USED FOR NEW FUNCTIONALITY WITH THE
22 CONTRACTED FINANCIAL TECHNOLOGY VENDOR AND ELIGIBILITY SYSTEM
23 THAT MAKES IT POSSIBLE TO DEPOSIT TIME-LIMITED INCENTIVE FUNDS
24 BASED ON QUALIFYING PURCHASES BACK INTO AN ACCOUNT BY AN
25 AUTHORIZED ELECTRONIC BENEFITS TRANSFER RETAILER WITH THE
26 APPROPRIATE MIDDLEWARE.

27 (b) THE DEPARTMENT OF HUMAN SERVICES IS AUTHORIZED TO USE

1 UP TO TEN PERCENT OF THE TOTAL MONEY APPROPRIATED TO THE
2 PROGRAM FOR THE DIRECT AND INDIRECT COSTS OF ADMINISTERING THE
3 PROGRAM.

4 (c) MONEY SPENT PURSUANT TO THIS SUBSECTION (6) MUST
5 CONFORM WITH THE ALLOWABLE PURPOSES SET FORTH IN THE FEDERAL
6 "AMERICAN RESCUE PLAN ACT OF 2021", PUB.L. 117-2, AS AMENDED.
7 THE DEPARTMENT OF HUMAN SERVICES SHALL EITHER SPEND OR OBLIGATE
8 SUCH APPROPRIATION PRIOR TO DECEMBER 30, 2024, AND EXPEND THE
9 APPROPRIATION ON OR BEFORE DECEMBER 31, 2026.

10 (d) THE DEPARTMENT OF HUMAN SERVICES SHALL COMPLY WITH
11 THE COMPLIANCE, REPORTING, RECORD-KEEPING, AND PROGRAM
12 EVALUATION REQUIREMENTS ESTABLISHED BY THE OFFICE OF STATE
13 PLANNING AND BUDGETING AND THE STATE CONTROLLER IN ACCORDANCE
14 WITH SECTION 24-75-226 (5).

15 (e) THIS SUBSECTION (6) IS REPEALED, EFFECTIVE SEPTEMBER 1,
16 2027.

17 (7) THE DEPARTMENT SHALL PROMULGATE RULES AS NECESSARY
18 FOR THE IMPLEMENTATION OF THIS SECTION.

19 (8) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
20 REQUIRES:

21 (a) "CONSORTIUM" MEANS THE COMMUNITY FOOD CONSORTIUM
22 CREATED IN SUBSECTION (2) OF THIS SECTION.

23 (b) "GRANT PROGRAM" MEANS THE SMALL FOOD BUSINESS
24 RECOVERY AND RESILIENCE GRANT PROGRAM CREATED IN SUBSECTION (3)
25 OF THIS SECTION.

26 (c) "PROGRAM" MEANS THE COMMUNITY FOOD ACCESS PROGRAM
27 CREATED IN SUBSECTION (1) OF THIS SECTION.

1 (d) "SMALL FAMILY FARM" MEANS A FARM THAT IS
2 COLORADO-OWNED AND COLORADO-OPERATED AND HAS AN ANNUAL
3 GROSS REVENUE BELOW THREE HUNDRED FIFTY THOUSAND DOLLARS.

4 (e) "SMALL FOOD RETAILER" MEANS:

5 (I) AN INDEPENDENT OR NONPROFIT-MANAGED,
6 COLORADO-OWNED, AND COLORADO-OPERATED SMALL FOOD RETAIL
7 BUSINESS, DEFINED AS A FOOD RETAILER WITH LESS THAN FIVE THOUSAND
8 SQUARE FEET OF RETAIL SPACE THAT CARRIES AT LEAST THREE
9 CATEGORIES OF FEDERALLY DEFINED STAPLE FOODS, AS DESCRIBED IN THE
10 FEDERAL "FOOD AND NUTRITION ACT OF 2008", SECTIONS 3 AND 9, THE
11 "CONSOLIDATED APPROPRIATIONS ACT OF 2017", SEC. 76, AND THE
12 FEDERAL "ENHANCING RETAILER STANDARDS IN THE SUPPLEMENTAL
13 NUTRITION ASSISTANCE PROGRAM", 81 FED. REG. 90675, AND BE
14 LOCATED IN OR PROVIDE FOOD TO LOCAL, STATE, OR FEDERALLY DEFINED
15 LOW-INCOME, LOW-ACCESS NEIGHBORHOODS; OR

16 (II) A FARMER'S MARKET OR FARM-DIRECT OPERATION THAT IS
17 ALREADY OR DEMONSTRATES AN INTENT TO BECOME SNAP AND WIC
18 -AUTHORIZED WHERE ALLOWED.

19 (f) "SNAP" MEANS THE SUPPLEMENTAL NUTRITION ASSISTANCE
20 PROGRAM, ESTABLISHED IN PART 3 OF ARTICLE 2 OF TITLE 26.

21 (g) "WIC" MEANS THE SPECIAL SUPPLEMENTAL NUTRITION
22 PROGRAM FOR WOMEN, INFANTS, AND CHILDREN, CREATED PURSUANT TO
23 42 U.S.C. SEC. 1786.

24 (8) THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2027.

25 **SECTION 6. Appropriation.** (1) For the 2022-23 state fiscal
26 year, \$3,000,000 is appropriated to the department of human services for
27 use by administration and finance. This appropriation is from the

1 economic recovery and relief cash fund created in section 24-75-228
2 (2)(a), C.R.S., and is of money the state received from the federal
3 coronavirus state fiscal recovery fund. To implement this act,
4 administration and finance may use this appropriation for IT systems
5 interoperability.

6 (2) For the 2022-23 state fiscal year, \$2,000,000 is appropriated to
7 the department of human services for use by the office of economic
8 security. This appropriation is from the economic recovery and relief cash
9 fund created in section 24-75-228 (2)(a), C.R.S., and is of money the state
10 received from the federal coronavirus state fiscal recovery fund. To
11 implement this act, the office of economic security may use this
12 appropriation for fuel assistance payments related to food and energy
13 assistance.

14 (3) For the 2022-23 state fiscal year, \$1,000,000 is appropriated to
15 the department of human services for use by the office of economic
16 security. This appropriation is from the economic recovery and relief cash
17 fund created in section 24-75-228 (2)(a), C.R.S., and is of money the state
18 received from the federal coronavirus state fiscal recovery fund. To
19 implement this act, the office of economic security may use this
20 appropriation for electronic benefits transfer programming related to food
21 and energy assistance.

22 (4) For the 2022-23 state fiscal year, \$1,000,000 is appropriated to
23 the department of agriculture for use by agricultural services. This
24 appropriation is from the economic recovery and relief cash fund created
25 in section 24-75-228 (2)(a), C.R.S., is of money the state received from
26 the federal coronavirus state fiscal recovery fund, and is based on an
27 assumption that agricultural services will require an additional 1.8 FTE.

1 To implement this act, agricultural services may use this appropriation for
2 the community food access program. Any money appropriated in this
3 section not expended prior to July 1, 2023, is further appropriated to
4 agricultural services from July 1, 2023, through December 30, 2024, for
5 the same purpose.

6 (5) For the 2022-23 state fiscal year, \$7,000,000 is appropriated to
7 the department of agriculture for use by agricultural services. This
8 appropriation is from the economic recovery and relief cash fund created
9 in section 24-75-228 (2)(a), C.R.S., and is of money the state received
10 from the federal coronavirus state fiscal recovery fund. To implement this
11 act, agricultural services may use this appropriation for the small food
12 business recovery and resilience grant program and outreach. Any money
13 appropriated in this section not expended prior to July 1, 2023, is further
14 appropriated to agricultural services from July 1, 2023, through December
15 30, 2024, for the same purpose.

16 **SECTION 7. Safety clause.** The general assembly hereby finds,
17 determines, and declares that this act is necessary for the immediate
18 preservation of the public peace, health, or safety.