

CHAPTER 424

HUMAN SERVICES - SOCIAL SERVICES

HOUSE BILL 23-1158

BY REPRESENTATIVE(S) Willford and Taggart, Amabile, Bacon, Bird, Boesenecker, Brown, Daugherty, deGruy Kennedy, Dickson, Duran, English, Epps, Froelich, Hamrick, Herod, Jodeh, Joseph, Kipp, Lieder, Lindsay, Lindstedt, Lukens, Mabrey, McCormick, Michaelson Jenet, Sirota, Snyder, Story, Titone, Valdez, Velasco, Vigil, Weissman, Young, McCluskie, Gonzales-Gutierrez, Ortiz, Ricks, Sharbini, Woodrow;
also SENATOR(S) Mullica, Buckner, Coleman, Exum, Fields, Ginal, Hansen, Hinrichsen, Marchman, Moreno, Priola, Roberts, Sullivan, Winter F., Zenzinger, Fenberg.

AN ACT

CONCERNING THE CREATION OF THE COLORADO COMMODITY SUPPLEMENTAL FOOD GRANT PROGRAM, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

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

(a) The commodity supplemental food program (CSFP) is a federal food support program that is administered by the Colorado department of human services that provides low-income older Colorado adults with a monthly food package containing a \$50 value in nutritional food staples such as cereals, grains, canned goods, and peanut butter;

(b) In Colorado, food packages are distributed by trusted community partners, such as food banks and county departments of human or social services (county department), that often include additional food in the packages including fresh produce, meat, and dairy;

(c) Currently, Colorado's caseload for CSFP is around 14,000 adults who are 60 years of age or older, but the need is much higher. According to the federal census, there are roughly five times that many older Coloradans living in poverty who may be eligible for CSFP.

(d) CSFP is a critical program that helps Colorado's older adults but the program

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

can be difficult and costly for food banks and county departments to operate due to a lack of funding to distribute the food and promote the program to eligible Coloradans;

(e) Food banks and county departments receive about \$6 in federal reimbursement per food package but it costs about \$9 to distribute each package, meaning food banks and county departments operate the program at a net loss; and

(f) Feeding Colorado reports that the annual program deficit is over \$360,000 for the five Feeding American food banks that serve every county in Colorado and distribute approximately 84% of the CSFP caseload for the state.

(2) Therefore, the general assembly declares it is necessary to create a state-funded commodity supplemental food program to provide state money in addition to the federal money received for the distribution of food packages for low-income older Coloradans.

SECTION 2. In Colorado Revised Statutes, **add** 26-2-143 as follows:

26-2-143. Colorado commodity supplemental food grant program - creation - appropriation - rules - definitions. (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "ELIGIBLE ENTITY" MEANS A COUNTY PUBLIC HEALTH AGENCY, A DISTRICT PUBLIC HEALTH AGENCY, A COUNTY DEPARTMENT OF HUMAN OR SOCIAL SERVICES, OR A FOOD BANK THAT HAS A CONTRACT WITH THE STATE DEPARTMENT, BUT DOES NOT INCLUDE A HUNGER-RELIEF CHARITABLE ORGANIZATION, AS DEFINED IN SECTION 39-22-536 (1).

(b) "FOOD BANK" MEANS A CHARITABLE ORGANIZATION, EXEMPT FROM FEDERAL INCOME TAXATION UNDER THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED, THAT ACQUIRES AND DISTRIBUTES FOOD AND NONFOOD ESSENTIALS TO OTHER HUNGER-RELIEF PROGRAMS.

(c) "GRANT PROGRAM" MEANS THE COLORADO COMMODITY SUPPLEMENTAL FOOD GRANT PROGRAM CREATED IN SUBSECTION (2) OF THIS SECTION.

(d) "QUALIFYING LOW-INCOME OLDER COLORADO ADULT" MEANS AN ADULT WHO IS SIXTY YEARS OF AGE OR OLDER AND WHOSE HOUSEHOLD INCOME IS NOT MORE THAN ONE HUNDRED THIRTY PERCENT OF THE FEDERAL POVERTY LEVEL.

(2) THERE IS CREATED IN THE STATE DEPARTMENT THE COLORADO COMMODITY SUPPLEMENTAL FOOD GRANT PROGRAM. THE PURPOSE OF THE GRANT PROGRAM IS TO PROVIDE MONEY TO ELIGIBLE ENTITIES FOR THE COST OF ADDING ADDITIONAL FOOD TO THE FOOD PACKAGES AND THE COST OF STORING, TRANSPORTING, AND DISTRIBUTING FOOD PACKAGES TO QUALIFYING LOW-INCOME OLDER COLORADO ADULTS.

(3) THE STATE DEPARTMENT SHALL ADMINISTER THE GRANT PROGRAM. SUBJECT TO AVAILABLE APPROPRIATIONS, THE STATE DEPARTMENT SHALL PAY GRANTS OUT OF MONEY ANNUALLY APPROPRIATED TO THE STATE DEPARTMENT FOR THE GRANT

PROGRAM PURSUANT TO SUBSECTION (4) OF THIS SECTION. THE STATE BOARD SHALL ADOPT RULES AS NECESSARY TO IMPLEMENT THE GRANT PROGRAM, INCLUDING:

(a) TIMELINES FOR APPLICATION FOR, CONSIDERATION OF, AND AWARDING GRANTS;

(b) CRITERIA FOR AWARDING GRANTS; AND

(c) ANY OTHER MATTERS NECESSARY FOR SUCCESSFUL OPERATION OF THE GRANT PROGRAM.

(4) FOR THE 2023-24 STATE FISCAL YEAR, THE GENERAL ASSEMBLY SHALL APPROPRIATE ONE MILLION DOLLARS FROM THE GENERAL FUND TO THE STATE DEPARTMENT FOR THE GRANT PROGRAM. ANY UNEXPENDED OR UNENCUMBERED MONEY APPROPRIATED PURSUANT TO THIS SUBSECTION (4) REMAINS AVAILABLE FOR EXPENDITURE FOR THE SAME PURPOSE IN THE 2024-25 STATE FISCAL YEAR WITHOUT FURTHER APPROPRIATION.

SECTION 3. In Colorado Revised Statutes, add 26-2-144 as follows:

26-2-144. Food bank assistance grant program - creation - rules - definition.

(1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "FOOD BANK" MEANS A NONPROFIT CHARITABLE ORGANIZATION, EXEMPT FROM FEDERAL INCOME TAXATION UNDER THE PROVISIONS OF THE INTERNAL REVENUE CODE, WHOSE PRIMARY PURPOSE IS TO PROCURE FOOD FROM RETAILERS, MANUFACTURERS, FARMERS AND AGRICULTURAL PRODUCERS, INDIVIDUAL DONORS, GROCERY STORES, RESTAURANTS, AND GOVERNMENT CHANNELS; AND STORE, TRANSPORT, AND DISTRIBUTE THE FOOD TO OTHER NONPROFIT CHARITABLE HUNGER RELIEF ORGANIZATIONS, INCLUDING FOOD PANTRIES AND HUNGER RELIEF PARTNER AGENCIES IN A DEFINED GEOGRAPHIC SERVICE AREA.

(b) "FOOD PANTRY" MEANS A NONPROFIT CHARITABLE ORGANIZATION, EXEMPT FROM FEDERAL INCOME TAXATION UNDER THE PROVISIONS OF THE INTERNAL REVENUE CODE, WHOSE PRIMARY PURPOSE IS TO DISTRIBUTE FOOD AT NO COST DIRECTLY TO INDIVIDUALS IN NEED IN THE FOOD PANTRY'S LOCAL COMMUNITY AND TYPICALLY RECEIVES MOST OR ALL OF ITS FOOD FROM A PARTNER FOOD BANK, INCLUDING NONPROFIT PARTNER AGENCIES SUCH AS SOUP KITCHENS AND HOMELESS SHELTERS.

(c) "GRANT PROGRAM" MEANS THE FOOD BANK ASSISTANCE GRANT PROGRAM CREATED IN SUBSECTION (2) OF THIS SECTION.

(2) THERE IS CREATED IN THE STATE DEPARTMENT THE FOOD BANK ASSISTANCE GRANT PROGRAM. THE PURPOSE OF THE GRANT PROGRAM IS TO INCREASE THE AMOUNT OF NUTRITIOUS FOOD THAT FOOD BANKS ARE ABLE TO PROVIDE TO THE FOOD BANK'S HUNGER RELIEF PARTNERS.

(3) SUBJECT TO AVAILABLE APPROPRIATIONS, THE STATE DEPARTMENT MAY PROVIDE GRANTS OF MONEY TO FOOD BANKS TO ENHANCE THE FOOD BANK'S

CAPACITY TO DISTRIBUTE QUALITY FOODS TO HUNGER RELIEF PARTNERS. A FOOD BANK SHALL USE THE GRANT MONEY TO:

(a) INCREASE THE VOLUME OF FOOD THAT IS DISTRIBUTED TO THE FOOD BANK'S HUNGER RELIEF PARTNERS, INCLUDING COLORADO AGRICULTURAL PRODUCTS; AND

(b) EXPAND CAPACITY TO DELIVER FOOD PRODUCTS TO HUNGER RELIEF PARTNERS, INCLUDING COLORADO AGRICULTURAL PRODUCTS.

(4) THE STATE DEPARTMENT MAY AWARD GRANTS TO ONE OR MORE FOOD BANKS OR FOOD BANK ASSOCIATIONS. IN DETERMINING AWARD AMOUNTS, THE STATE DEPARTMENT SHALL:

(a) CONSIDER THE FOOD BANK'S OR FOOD BANK ASSOCIATION'S ABILITY TO DISTRIBUTE QUALITY FOOD IN OPTIMAL CONDITION; AND

(b) ENSURE THAT THE FOOD BANK OR FOOD BANK ASSOCIATION IS SERVING ALL REGIONS OF COLORADO, EITHER THROUGH THE FOOD BANK'S OR FOOD BANK ASSOCIATION'S DISTRIBUTION NETWORK OR THROUGH SUB-AGREEMENTS WITH ENTITIES WHO SERVE OR WILL SERVE UNDER-RESOURCED COMMUNITIES.

(5) (a) THE STATE DEPARTMENT SHALL MONITOR THE GRANTS AWARDED. THE STATE DEPARTMENT MAY USE UP TO FIVE PERCENT OF THE TOTAL FUNDS APPROPRIATED FOR THE GRANT PROGRAM FOR DIRECT AND INDIRECT COSTS OF ADMINISTERING AND MONITORING THE GRANT PROGRAM.

(b) A FOOD BANK OR FOOD BANK ASSOCIATION MAY USE UP TO TEN PERCENT OF THE GRANT AWARD TO COVER THE FOOD BANK'S DIRECT COSTS IN DISTRIBUTING FOOD.

(6) A FOOD BANK OR FOOD BANK ASSOCIATION THAT RECEIVES A GRANT SHALL NOT RESELL OR APPLY OTHER ASSOCIATED FEES TO THE DISTRIBUTION OF FOOD PURCHASED WITH THE MONEY RECEIVED FROM THE GRANT.

SECTION 4. Appropriation. For the 2023-24 state fiscal year, \$1,000,000 is appropriated to the department of human services for use by the office of economic security. This appropriation is from the general fund. To implement this act, the office may use this appropriation for the Colorado commodity supplemental food grant program related to food and energy assistance. Any money appropriated in this section not expended prior to July 1, 2024, is further appropriated to the office for the 2024-25 state fiscal year for the same purpose.

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

Approved: June 7, 2023