First Regular Session Seventy-fourth General Assembly STATE OF COLORADO

PREAMENDED

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

LLS NO. 23-0788.01 Shelby Ross x4510

HOUSE BILL 23-1158

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Public & Behavioral Health & Human Services Appropriations

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A BILL FOR AN ACT

101	CONCERNING THE CREATION OF THE COLORADO COMMODITY
102	SUPPLEMENTAL FOOD GRANT PROGRAM, AND, IN CONNECTION
103	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 creates the Colorado commodity supplemental food grant program to provide grants of money to aid county departments of human or social services, food banks, and food pantries in purchasing and distributing food packages to qualifying low-income older Colorado adults.

HOUSE rd Reading Unamended April 15, 2023

HOUSE Amended 2nd Reading April 14, 2023

Shading denotes HOUSE amendment. <u>Double underlining denotes SENATE amendment.</u>

Capital letters or bold & italic numbers indicate new material to be added to existing law.

Dashes through the words or numbers indicate deletions from existing law.

For the 2023-24 state fiscal year and each state fiscal year thereafter, the bill annually appropriates \$1 million from the general fund to the department of human services for the grant program.

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) The commodity supplemental food program (CSFP) is a 5 federal food support program that is administered by the Colorado 6 department of human services that provides low-income older Colorado 7 adults with a monthly food package containing a \$50 value in nutritional 8 food staples such as cereals, grains, canned goods, and peanut butter; 9 (b) In Colorado, food packages are distributed by trusted 10 community partners, such as food banks and county departments of 11 human or social services (county department), that often include 12 additional food in the packages including fresh produce, meat, and dairy; 13 (c) Currently, Colorado's caseload for CSFP is around 14,000 14 adults who are 60 years of age or older, but the need is much higher. 15 According to the federal census, there are roughly five times that many 16 older Coloradans living in poverty who may be eligible for CSFP. 17 (d) CSFP is a critical program that helps Colorado's older adults 18 but the program can be difficult and costly for food banks and county 19 departments to operate due to a lack of funding to distribute the food and 20 promote the program to eligible Coloradans; 21 (e) Food banks and county departments receive about \$6 in federal 22 reimbursement per food package but it costs about \$9 to distribute each 23 package, meaning food banks and county departments operate the 24 program at a net loss; and

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1	(f) Feeding Colorado reports that the annual program deficit is
2	over \$360,000 for the five Feeding American food banks that serve every
3	county in Colorado and distribute approximately 84% of the CSFP
4	caseload for the state.
5	(2) Therefore, the general assembly declares it is necessary to
6	create a state-funded commodity supplemental food program to provide
7	state money in addition to the federal money received for the distribution
8	of food packages for low-income older Coloradans.
9	SECTION 2. In Colorado Revised Statutes, add 26-2-143 as
10	follows:
11	26-2-143. Colorado commodity supplemental food grant
12	program - creation - appropriation - rules - definitions. (1) AS USED
13	IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:
14	(a) "ELIGIBLE ENTITY" MEANS A COUNTY PUBLIC HEALTH AGENCY,
15	A DISTRICT PUBLIC HEALTH AGENCY, A COUNTY DEPARTMENT OF HUMAN
16	OR SOCIAL SERVICES OR A FOOD BANK THAT HAS A CONTRACT WITH THE
17	STATE DEPARTMENT, BUT DOES NOT INCLUDE A HUNGER-RELIEF
18	CHARITABLE ORGANIZATION, AS DEFINED IN SECTION 39-22-536 (1).
19	(b) "FOOD BANK" MEANS A CHARITABLE ORGANIZATION, EXEMPT
20	FROM FEDERAL INCOME TAXATION UNDER THE FEDERAL "INTERNAL
21	REVENUE CODE OF 1986", AS AMENDED, THAT ACQUIRES AND
22	DISTRIBUTES FOOD AND NONFOOD ESSENTIALS TO OTHER HUNGER-RELIEF
23	PROGRAMS.
24	
25	(c) "GRANT PROGRAM" MEANS THE COLORADO COMMODITY
26	SUPPLEMENTAL FOOD GRANT PROGRAM CREATED IN SUBSECTION (2) OF
27	THIS SECTION

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1	$(2) \ There is created in the state department the Colorado$
2	COMMODITY SUPPLEMENTAL FOOD GRANT PROGRAM. THE PURPOSE OF THE
3	GRANT PROGRAM IS TO PROVIDE MONEY TO ELIGIBLE ENTITIES FOR THE
4	COST OF ADDING ADDITIONAL FOOD TO THE FOOD PACKAGES AND THE
5	COST OF STORING, TRANSPORTING, AND DISTRIBUTING FOOD PACKAGES TO
6	QUALIFYING LOW-INCOME OLDER COLORADO ADULTS.
7	(3) The state department shall administer the grant
8	PROGRAM. SUBJECT TO AVAILABLE APPROPRIATIONS, THE STATE
9	DEPARTMENT SHALL PAY GRANTS OUT OF MONEY ANNUALLY
10	APPROPRIATED TO THE STATE DEPARTMENT FOR THE GRANT PROGRAM
11	PURSUANT TO SUBSECTION (4) OF THIS SECTION. THE STATE BOARD SHALL
12	ADOPT RULES AS NECESSARY TO IMPLEMENT THE GRANT PROGRAM,
13	INCLUDING:
14	(a) TIMELINES FOR APPLICATION FOR, CONSIDERATION OF, AND
15	AWARDING GRANTS;
16	(b) CRITERIA FOR AWARDING GRANTS; AND
17	(c) ANY OTHER MATTERS NECESSARY FOR SUCCESSFUL OPERATION
18	OF THE GRANT PROGRAM.
19	(4) For the 2023-24 state fiscal year, the general
20	ASSEMBLY SHALL APPROPRIATE ONE MILLION DOLLARS FROM THE
21	GENERAL FUND TO THE STATE DEPARTMENT FOR THE GRANT PROGRAM.
22	ANY UNEXPENDED OR UNENCUMBERED MONEY APPROPRIATED PURSUANT
23	TO THIS SUBSECTION (4) REMAINS AVAILABLE FOR EXPENDITURE FOR THE
24	SAME PURPOSE IN THE $2024-25$ STATE FISCAL YEAR WITHOUT FURTHER
25	APPROPRIATION.
26	SECTION 3. In Colorado Revised Statutes, add 26-2-144 as
27	<u>follows:</u>

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1	26-2-144. Food bank assistance grant program - creation -
2	rules - definition. (1) As used in this section, unless the context
3	OTHERWISE REQUIRES:
4	(a) "FOOD BANK" MEANS A NONPROFIT CHARITABLE
5	ORGANIZATION, EXEMPT FROM FEDERAL INCOME TAXATION UNDER THE
6	PROVISIONS OF THE INTERNAL REVENUE CODE, WHOSE PRIMARY PURPOSE
7	IS TO PROCURE FOOD FROM RETAILERS, MANUFACTURERS, FARMERS AND
8	AGRICULTURAL PRODUCERS, INDIVIDUAL DONORS, GROCERY STORES.
9	RESTAURANTS, AND GOVERNMENT CHANNELS; AND STORE, TRANSPORT.
10	AND DISTRIBUTE THE FOOD TO OTHER NONPROFIT CHARITABLE HUNGER
11	RELIEF ORGANIZATIONS, INCLUDING FOOD PANTRIES AND HUNGER RELIEF
12	PARTNER AGENCIES IN A DEFINED GEOGRAPHIC SERVICE AREA.
13	(b) "FOOD PANTRY" MEANS A NONPROFIT CHARITABLE
14	ORGANIZATION, EXEMPT FROM FEDERAL INCOME TAXATION UNDER THE
15	PROVISIONS OF THE INTERNAL REVENUE CODE, WHOSE PRIMARY PURPOSE
16	IS TO DISTRIBUTE FOOD AT NO COST DIRECTLY TO INDIVIDUALS IN NEED IN
17	THE FOOD PANTRY'S LOCAL COMMUNITY AND TYPICALLY RECEIVES MOST
18	OR ALL OF ITS FOOD FROM A PARTNER FOOD BANK, INCLUDING NONPROFIT
19	PARTNER AGENCIES SUCH AS SOUP KITCHENS AND HOMELESS SHELTERS.
20	(c) "Grant Program" means the food bank assistance
21	GRANT PROGRAM CREATED IN SUBSECTION (2) OF THIS SECTION.
22	(2) THERE IS CREATED IN THE STATE DEPARTMENT THE FOOD BANK
23	ASSISTANCE GRANT PROGRAM. THE PURPOSE OF THE GRANT PROGRAM IS
24	TO INCREASE THE AMOUNT OF NUTRITIOUS FOOD THAT FOOD BANKS ARE
25	ABLE TO PROVIDE TO THE FOOD BANK'S HUNGER RELIEF PARTNERS.
26	(3) SUBJECT TO AVAILABLE APPROPRIATIONS, THE STATE
27	DEPARTMENT MAY PROVIDE GRANTS OF MONEY TO FOOD BANKS TO

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1	ENHANCE THE FOOD BANK'S CAPACITY TO DISTRIBUTE QUALITY FOODS TO
2	HUNGER RELIEF PARTNERS. A FOOD BANK SHALL USE THE GRANT MONEY
3	<u>TO:</u>
4	(a) INCREASE THE VOLUME OF FOOD THAT IS DISTRIBUTED TO THE
5	FOOD BANK'S HUNGER RELIEF PARTNERS, INCLUDING COLORADO
6	AGRICULTURAL PRODUCTS; AND
7	(b) EXPAND CAPACITY TO DELIVER FOOD PRODUCTS TO HUNGER
8	RELIEF PARTNERS, INCLUDING COLORADO AGRICULTURAL PRODUCTS.
9	(4) The state department may award grants to one or
10	MORE FOOD BANKS OR FOOD BANK ASSOCIATIONS. IN DETERMINING
11	AWARD AMOUNTS, THE STATE DEPARTMENT SHALL:
12	(a) Consider the food bank's or food bank associations
13	ABILITY TO DISTRIBUTE QUALITY FOOD IN OPTIMAL CONDITION; AND
14	(b) Ensure that the food bank or food bank association is
15	SERVING ALL REGIONS OF COLORADO, EITHER THROUGH THE FOOD BANK'S
16	OR FOOD BANK ASSOCIATIONS' DISTRIBUTION NETWORK OR THROUGH
17	SUB-AGREEMENTS WITH ENTITIES WHO SERVE OR WILL SERVE
18	UNDER-RESOURCED COMMUNITIES.
19	(5) (a) The state department shall monitor the grants
20	AWARDED. THE STATE DEPARTMENT MAY USE UP TO FIVE PERCENT OF THE
21	TOTAL FUNDS APPROPRIATED FOR THE GRANT PROGRAM FOR DIRECT AND
22	INDIRECT COSTS OF ADMINISTERING AND MONITORING THE GRANT
23	PROGRAM.
24	(b) A FOOD BANK OR FOOD BANK ASSOCIATION MAY USE UP TO TEN
25	PERCENT OF THE GRANT AWARD TO COVER THE FOOD BANK'S DIRECT
26	COSTS IN DISTRIBUTING FOOD.
7	(6) A FOOD BANK OF FOOD BANK ASSOCIATION THAT RECEIVES A

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1	GRANT SHALL NOT RESELL OR APPLY OTHER ASSOCIATED FEES TO THE
2	DISTRIBUTION OF FOOD PURCHASED WITH THE MONEY RECEIVED FROM THE
3	<u>GRANT.</u>
4	SECTION <u>4.</u> Appropriation. For the 2023-24 state fiscal year,
5	\$1,000,000 is appropriated to the department of human services for use
6	by the office of economic security. This appropriation is from the general
7	fund. To implement this act, the office may use this appropriation for the
8	Colorado commodity supplemental food grant program related to food
9	and energy assistance. Any money appropriated in this section not
10	expended prior to July 1, 2024, is further appropriated to the office for the
11	2024-25 state fiscal year for the same purpose.
12	SECTION 5. Safety clause. The general assembly hereby finds,
13	determines, and declares that this act is necessary for the immediate
14	preservation of the public peace, health, or safety.

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