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Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number: LLS 23-0495
Prime Sponsors: Sen. Cutter

Date: January 17, 2023
Bill Status: Senate Health & Human Services
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Bill Topic: **FOOD PANTRY ASSISTANCE GRANT PROGRAM**

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill extends funding for the food pantry assistance grant program in the Department of Human Services through FY 2026-27 and repeals the program on July 1, 2028. This bill will increase expenditures through FY 2026-27.

Appropriation Summary: For FY 2023-24, the bill requires an appropriation of \$3,000,000 to the Department of Human Services.

Fiscal Note Status: The fiscal note reflects the introduced bill.

**Table 1
State Fiscal Impacts Under SB 23-027**

		Budget Year FY 2023-24	Out Year FY 2024-25
Revenue		-	-
Expenditures	General Fund	\$3,000,000	\$3,000,000
Transfers		-	-
Other Budget Impacts	General Fund Reserve	\$450,000	\$450,000

Summary of Legislation

From FY 2023-24 to FY 2026-27, this bill requires the General Assembly to appropriate \$3 million annually from the General Fund to the Food Pantry Assistance Grant Program in the Department of Human Services (DHS). It also repeals the grant program on July 1, 2028.

Background

House Bill 20-1422 established the Food Pantry Assistance Grant Program in the DHS with the goal of supporting Colorado food pantries and food banks in purchasing food. House Bill 22-1364 extended the program indefinitely and provided an additional \$3 million in funding from the General Fund for FY 2022-23.

State Expenditures

This bill increases General Fund expenditures for the Food Pantry Assistance Grant Program in the DHS by \$3 million annually from FY 2023-24 to FY 2026-27. The grant program has already been established and does not require any additional implementation costs. As allowed under current law, the DHS will continue to retain 5 percent of the total funds (\$150,000) for administrative expenses and to contract a third party to administer the grant program. The Department of Agriculture will also continue to provide technical assistance and coordination to grant program administrators. The workload in the Department of Agriculture can be absorbed within existing appropriations.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, decreasing the amount of General Fund available for other purposes.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2023-24, the bill requires a General Fund appropriation of \$3,000,000 to the Department of Human Services.

State and Local Government Contacts

Agriculture
Information Technology

Counties

Human Services