

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Drafting Number: Prime Sponsors:	LLS 24-0831 Rep. Sirota; Taggart Sen. Zenzinger; Kirkmeyer	Date: Bill Status: Fiscal Analyst:	May 28, 2024 Signed into Law Shukria Maktabi 303-866-4720 shukria.maktabi@coleg.gov		
Bill Topic:	COMMUNITY FOOD ASSISTANCE PROVIDER GRANT PROGRAM				
Summary of Fiscal Impact:	Community Food Assistance	e Provider Grant Prog tate expenditures in	☐ Local Government ☐ Statutory Public Entity od assistance programs to create the gram in the Department of Human FY 2024-25, and may increase		
Appropriation Summary:	For FY 2024-25, the bill requires and includes an appropriation of \$3.0 million to the Department of Human Services.				
Fiscal Note Status:	The final fiscal note reflects the enacted bill. The bill was recommended by the Joint Budget Committee as part of the FY 2024-25 budget package.				

Table 1 State Fiscal Impacts Under HB 24-1407

		Budget Year FY 2024-25	Out Year FY 2025-26
Revenue		-	-
Expenditures	General Fund	\$3,000,000	-
Transfers		-	-
Other Budget Impacts	General Fund Reserve	\$450,000	-

Summary of Legislation

The bill combines the Food Pantry Assistance Program and the Food Bank Assistance Program to create the Community Food Assistance Provider Grant Program in the Department of Human Services (CDHS) to provide grants to food banks and pantries to procure and distribute foods.

The bill outlines the requirements of the program, which combines provisions of the existing programs and aligns the amount grantees may use for administrative expenses at 10 percent. The bill also appropriates \$3.0 million from the General Fund for the program in FY 2024-25, requires the CDHS to report on the program during its SMART Act hearing, and repeals the program on September 1, 2029. Finally, the bill clarifies payment methods for the Fuel Assistance Program.

Background

The Food Pantry Assistance Program provides funding to food banks and food pantries to procure and distribute food, and for the operating expenditures of the organizations. Funding for the program has varied since its creation through House Bill 20-1422, with allocations set each fiscal year through legislative action. The program is primarily funded by the General Fund and the average appropriation over the last six fiscal years is approximately \$4.7 million.

The Food Bank Grant Assistance Program, created through HB 23-1158, provides food banks with grants to increase the amount of food provided to its hunger relief partners. The General Assembly did not provide funding for the program in FY 2023-24.

State Expenditures

The bill increases state expenditures in the CDHS for the Community Food Assistance Provider Grant Program by \$3.0 million in FY 2024-25, paid by the General Fund. The CDHS may use five percent of funding, or \$150,000 for administrative expenditures. As the program combines existing assistance programs, any necessary staff time to administer the program can be accommodated within the appropriation.

Future funding for the program is at the discretion of the General Assembly and subject to available appropriations.

Effective Date

This bill was signed into law by the Governor and took effect on April 18, 2024.

State Appropriations

For FY 2024-25, the bill requires and includes a General Fund appropriation of \$3,000,000 to the Department of Human Services.

State and Local Government Contacts

Joint Budget Committee Staff

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the <u>General Assembly website</u>.