A BILL FOR AN ACT

CONCERNING CHANGES TO THE FOOD PANTRY ASSISTANCE GRANT PROGRAM, AND, IN 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 expands and extends the provisions of the food pantry assistance grant program (grant program) that is currently in law. Current law states that all grants from the grant program must be made on or before December 30, 2020, and allows for grants to food banks and food pantries. The bill extends this date to February 28, 2021, and also allows...
food delivery organizations to apply for a grant. The bill states that it is the intent of the general assembly that food purchased through an award from the grant program be purchased and distributed on or before June 30, 2021.

Currently, grant awards through the grant program range from $2,500 to $35,000. The bill no longer caps the grant awards at $35,000. The amount a grant recipient may use for direct and indirect costs is increased from 10% to 50%.

The repeal date is extended one year, to June 30, 2023.

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

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

(a) Since March 2020, the state of Colorado has been dealing with the health and economic impacts of the COVID-19 public health emergency;

(b) The expenditures in the bill are necessary to respond to the COVID-19 public health emergency;

(c) The expenditures in the bill were not accounted for in the Colorado state budget most recently approved as of March 27, 2020, and all of the expenses will be incurred on or before August 2021; and

(d) Any state department that receives expenditures in the bill for community programs and services shall:

(I) Distribute funding in a manner that utilizes existing infrastructure and contracts in the most expedited way possible; and

(II) Consider the needs of underserved populations and communities, including African American communities, indigenous communities, and other communities of people of color.

(2) The general assembly further finds and declares that:

(a) The COVID-19 public health emergency has created an
exponential need for emergency food resources for all emergency food
providers. The COVID-19 public health emergency has upended many
Colorado families' economic security and resulted in hunger insecurity,
which has increased by three times the pre-pandemic level. Since the
beginning of the COVID-19 public health emergency, food pantries
across the state have seen two to six times the number of people coming
in for food assistance, with many coming to a food pantry for the first
time.

(b) Funding from this legislation will help more than 150 local
food pantries purchase healthy, local food for more than 300,000
Coloradans. Funding for these grants provides critical resources for food
pantries to meet the increased demand, while also helping to purchase the
types of food their communities need from local food producers.

(c) Food banks, food pantries, and food delivery organizations
need to have additional funding to allow for the increased indirect costs
they are facing, such as increased capacity, need for refrigeration,
decreased numbers of elderly volunteers, heating for people waiting
outside, and increased delivery needs.

(3) Therefore, the general assembly determines that funding from
this legislation will help people in communities throughout Colorado
access nutritious food and support local economies as we enter the
years-long economic impact of the COVID-19 public health emergency.

SECTION 2. In Colorado Revised Statutes, 26-2-139, amend
(1)(b), (2), (3)(b), (4)(a) introductory portion, (4)(b), (4)(c), and (5); and
add (1)(c.5) as follows:

26-2-139. Food pantry assistance grant program - created -
timeline and criteria - grants - definitions - repeal. (1) As used in this
section, unless the context otherwise requires:

(b) "Eligible entity" means, for the purposes of a food PANTRY
ASSISTANCE grant, either a food bank, or food pantry, OR FOOD DELIVERY
ORGANIZATION, as defined in this subsection (1). Hunger-relief charitable
organizations, as defined in section 39-22-536 (1), are not eligible entities
for purposes of this section.

c(5) "FOOD DELIVERY ORGANIZATION" MEANS AN INDIVIDUAL
CHARITABLE ORGANIZATION WITH A PRIMARY MISSION OF DELIVERING
FOOD TO INDIVIDUALS WHO ARE UNABLE TO SHOP FOR FOOD ON THEIR
OWN.

(2) There is created in the state department the food pantry
assistance grant program. The purpose of the grant program is to aid
Colorado food pantries, and food banks, AND FOOD DELIVERY
ORGANIZATIONS in the purchase of foods that better meet the needs of
their clientele, which has expanded significantly as a result of the
COVID-19 public health emergency. A secondary purpose of the grant
program is to create new market opportunities for Colorado agricultural
products and producers. IT IS THE INTENT OF THE GENERAL ASSEMBLY
THAT THE FOOD PURCHASED BY THE GRANT PROGRAM IS DISTRIBUTED ON
OR BEFORE JUNE 30, 2021.

(3) (b) The state department is authorized to use twenty-five FIFTY
thousand dollars or up to five percent of the total funds appropriated to
the grant program for the direct and indirect costs of administering and
monitoring the grant program.

(4) (a) On or before December 30, 2020, but as soon as
practicable after the effective date of this section, the state department
shall award one or more grants OUT OF THE FEDERAL CARES ACT to
eligible entities. On or before February 28, 2021, but as soon as practicable after the effective date of this section, the State Department shall award one or more grants to eligible entities using state money appropriated to the grant program. In awarding grants, the state department shall, at a minimum, consider:

(b) (I) Grant awards, including those to joint applicants, must be at least two thousand five hundred dollars; but not more than twenty thousand dollars.

(II) Food pantries and food banks may submit a joint application for a grant award. If an application is received from two or more eligible entities, the grant award must be at least two thousand five hundred dollars but not more than thirty-five thousand dollars.

(c) (I) It is strongly recommended that food purchased by a grant recipient using grant money must be designated as a Colorado agricultural product.

(II) A grant recipient may use up to ten FIFTY percent of its grant award to cover the direct and indirect costs associated with the implementation of its mission, including:

(A) Transportation;
(B) Expanding capacity;
(C) Expanding staff costs;
(D) Refrigeration; and
(E) Storage.

(III) A grant recipient shall not resell or apply other associated fees to the distribution of products purchased with money made available through a grant.

(5) This section is repealed, effective June 30, 2022.
SECTION 3. Appropriation. For the 2020-21 state fiscal year, $3,000,000 is appropriated to the department of human services. This appropriation is from the general fund. To implement this act, the department may use this appropriation for the food pantry assistance grant program created in section 26-2-139, C.R.S.

SECTION 4. 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.