AN ACT ESTABLISHING THE HISPANIC AND FELLOW COMMUNITIES OF COLOR NONPROFIT STABILIZATION AND GROWTH FUND.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (Effective from passage) (a) For purposes of this section, (1) "eligible community-based organization" means an organization that (A) has tax-exempt status under Section 501(c)(3) of the Internal Revenue Code, (B) has been an incorporated nonprofit organization for not less than three years, (C) is based in the state and is a direct provider of human services, (D) serves a population that is comprised of fifty-one per cent or more Hispanic persons or non-Hispanic communities of color, (E) (i) is led by a chief executive officer who is Hispanic, African-American or Asian Pacific-American, or (ii) is governed by a board with a majority of members who are Hispanic, African-American or Asian Pacific-American, and (F) has an annual operating budget of at least one hundred fifty thousand dollars; (2) "fellow communities of color" means communities comprised of persons whose racial or ethnic background is nonwhite Hispanic, African-American or Asian Pacific-American; (3) "culturally
competent" means the ability to effectively deliver services that meet
the social, cultural, and linguistic needs of the recipient; and (4)
"language accessible" means services delivered in the primary
language of the recipient.

(b) There is established a fund to be known as the "Hispanic and
Fellow Communities of Color Nonprofit Stabilization and Growth
Fund". The fund, within available appropriations, shall contain (1)
moneys from the General Fund traditionally appropriated to the
Department of Social Services for human resources development
contracts serving Hispanic persons and communities of color, and (2)
any moneys required by law to be deposited into the fund. The fund
shall be used to build the capacity of eligible community-based
organizations to provide services by helping such organizations
improve operational efficiencies through performance-based metrics
and the adoption of strategies for long-term fiscal sustainability. Any
balance remaining in the fund at the end of any fiscal year shall be
carried forward in the fund for the fiscal year next succeeding. The
fund may be used to make grants-in-aid authorized under subsections
(e) and (f) of this section and for expenses related to the administration
of the fund authorized under subsections (c) and (d) of this section.

(c) The Commissioner of Social Services may contract with a
nonprofit organization to administer the fund, provided such
organization has (1) not less than fifteen years of experience
coordinating advocacy, service and outreach efforts for Hispanic
charitable organizations that support Hispanic persons, and (2) a
proven track record of establishing networks with non-Hispanic
organizations that provide services to fellow communities of color. The
commissioner may give preference to an organization with experience
successfully administering a similar fund.

(d) In contracting with a nonprofit organization to administer the
fund, the commissioner shall require such organization to: (1) Establish
a competitive procurement process through annual requests for
proposals to eligible community-based organizations, (2) establish a
results-based contract evaluation system, that includes goals that eligible community-based organizations shall meet in order to be considered for contract renewal, and (3) meet goals established by the commissioner for successful administration of the fund, including, but not limited to, annual reporting to the commissioner on fund expenditures and complying with limitations set by the commissioner on administrative expenses. Requests for proposals issued by the nonprofit organization administering the fund shall state that preference shall be given to eligible community-based organizations that (A) satisfy both conditions described in subparagraph (E) of subdivision (1) of subsection (a) of this section and have annual budgets not exceeding one million dollars, and (B) offer culturally competent, language accessible services.

(e) The fund shall be used to provide grants to eligible community-based organizations to support capacity building, training and technical assistance opportunities in the following areas: (1) Financial management, including, but not limited to, financial planning, budget development, fiscal monitoring and cash flow analysis, (2) board development, including, but not limited to, establishing board committees, a fund-raising board and conducting professional board meetings, (3) fund development, including, but not limited to, gift solicitation and event planning, (4) nonprofit management and leadership training, (5) information technology, (6) collaborations and merger planning, and (7) results-oriented outcome training, including development of progress metrics and performance tracking tools.

(f) Allocation panels of at least seven members that include representatives from the Department of Social Services, the nonprofit organization chosen by the commissioner to administer the fund, and at least two members of the communities to be served by the grant proposal shall determine which community-based organizations are eligible for a grant. The executive director of the legislative Commission on Equity and Opportunity may name a representative from the commission to any allocation panel. The nonprofit organization chosen to administer the fund shall forward information
on community-based organizations that are eligible for a grant to the Commissioner of Social Services, who shall have final approval over the awarding of a grant contract to an eligible community-based organization. Eligible community-based organizations awarded grants from the fund shall, within the grant period, (1) submit progress reports as required to the commissioner, (2) assign a person in a position of leadership at the community-based organization and at least two staff members to annually attend three seminars on organizational topics presented by the nonprofit organization administering the fund, and (3) agree to site visits as scheduled by the organization administering the fund.

(g) Not later than September 1, 2020, the Commissioner of Social Services shall submit a report in accordance with the provisions of section 11-4a to the joint standing committees of the General Assembly having cognizance of matters relating to human services and appropriations and the budgets of state agencies on (1) the number of community-based organizations awarded grant contracts under the fund, (2) whether and how the fund has improved the capacity of community-based organizations to meet needs, (3) the performance of the nonprofit organization administering the fund, and (4) a recommendation on whether the fund should continue and any appropriations that may be necessary for the fund.

(h) Nothing in this section shall be construed as infringing upon any contract in effect on the effective date of this section between the Department of Social Services and a community-based organization providing services to Hispanic persons and fellow communities of color.

Sec. 2. (Effective from passage) The sum of one million five hundred thousand dollars is appropriated to the Hispanic and Fellow Communities of Color Nonprofit Stabilization and Growth Fund established pursuant to section 1 of this act from the General Fund, for the fiscal years ending June 30, 2020, and June 30, 2021, for the purposes described in section 1 of this act.
This act shall take effect as follows and shall amend the following sections:

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**Statement of Purpose:**
To redirect state funds previously distributed by the Department of Social Services to a new fund managed by a nonprofit organization that will disburse grants in a competitive procurement process to community organizations that serve Hispanic persons and communities of color.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]