



General Assembly

Substitute Bill No. 898

January Session, 2019



**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:

1 Section 1. (NEW) (*Effective from passage*) (a) For purposes of this
2 section, (1) "eligible community-based organization" means an
3 organization that (A) has tax-exempt status under Section 501(c)(3) of
4 the Internal Revenue Code of 1986, or any subsequent corresponding
5 internal revenue code of the United States, as amended from time to
6 time, (B) has been an incorporated nonprofit organization for not less
7 than three years, (C) is based in the state and is a direct provider of
8 human services, (D) serves a population that is comprised of fifty-one
9 per cent or more Hispanic persons or non-Hispanic communities of
10 color, (E) (i) is led by a chief executive officer who is Hispanic, African-
11 American or Asian Pacific-American, or (ii) is governed by a board
12 with a majority of members who are Hispanic, African-American or
13 Asian Pacific-American, and (F) has an annual operating budget of at
14 least one hundred fifty thousand dollars; (2) "fellow communities of
15 color" means communities comprised of persons whose racial or ethnic
16 background is nonwhite Hispanic, African-American or Asian Pacific-
17 American; (3) "culturally competent" means the ability to effectively
18 deliver services that meet the social, cultural, and linguistic needs of
19 the recipient; and (4) "language accessible" means services delivered in
20 the primary language of the recipient.

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

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

46 (d) In contracting with a nonprofit organization to administer the
47 fund, the commissioner shall require such organization to: (1) Establish
48 a competitive procurement process through annual requests for
49 proposals to eligible community-based organizations, (2) establish a
50 results-based contract evaluation system, that includes goals that
51 eligible community-based organizations shall meet in order to be
52 considered for contract renewal, and (3) meet goals established by the
53 commissioner for successful administration of the fund, including, but

54 not limited to, annual reporting to the commissioner on fund
55 expenditures and complying with limitations set by the commissioner
56 on administrative expenses. Requests for proposals issued by the
57 nonprofit organization administering the fund shall state that
58 preference shall be given to eligible community-based organizations
59 that (A) satisfy both conditions described in subparagraph (E) of
60 subdivision (1) of subsection (a) of this section and have annual
61 budgets not exceeding one million dollars, and (B) offer culturally
62 competent, language accessible services.

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

75 (f) An allocation panel of at least seven members, including, but not
76 limited to, representatives from the Department of Social Services, the
77 nonprofit organization chosen by the commissioner to administer the
78 fund, and at least two members of the communities to be served by the
79 grant proposal shall determine which community-based organizations
80 are eligible for a grant. The executive director of the legislative
81 Commission on Equity and Opportunity may name a representative
82 from the commission to the allocation panel. The nonprofit
83 organization chosen to administer the fund shall forward information
84 on community-based organizations that are eligible for a grant to the
85 Commissioner of Social Services, who shall have final approval over
86 the awarding of a grant contract to an eligible community-based

87 organization. Eligible community-based organizations awarded grants
88 from the fund shall, within the grant period, (1) submit progress
89 reports as required to the commissioner, (2) assign a person in a
90 position of leadership at the community-based organization and at
91 least two staff members to annually attend three seminars on
92 organizational topics presented by the nonprofit organization
93 administering the fund, and (3) agree to site visits as scheduled by the
94 organization administering the fund.

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

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

111 Sec. 2. (*Effective from passage*) The sum of one million five hundred
112 thousand dollars is appropriated to the Hispanic and Fellow
113 Communities of Color Nonprofit Stabilization and Growth Fund
114 established pursuant to section 1 of this act from the General Fund, for
115 the fiscal years ending June 30, 2020, and June 30, 2021, for the
116 purposes described in section 1 of this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section

Statement of Legislative Commissioners:

In Section 1(a), "Internal Revenue Code" was changed to "Internal Revenue Code of 1986, as amended from time to time" for accuracy; in Section 1(f), "Allocation panels" was changed to "An allocation panel" and "that includes" was changed to "including, but not limited to," for accuracy and consistency with statutory drafting conventions.

HS *Joint Favorable Subst. -LCO*