



General Assembly

January Session, 2025

Committee Bill No. 5579

LCO No. 4222



Referred to Committee on HUMAN SERVICES

Introduced by:
(HS)

**AN ACT CONCERNING THE ESTABLISHMENT OF A HISPANIC AND
COMMUNITIES OF COLOR NONPROFIT GROWTH AND
STABILIZATION FUND.**

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

1 Section 1. (NEW) (*Effective July 1, 2025*) (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) is an incorporated nonprofit organization operating for not less
7 than three consecutive years prior to July 1, 2025, (C) is based in the state
8 and is a direct provider of human services, (D) serves a population that
9 is comprised of fifty-one per cent or more Hispanic persons or
10 communities of color, (E) (i) is led by a chief executive officer who is
11 Hispanic, African-American or Asian Pacific-American, and (ii) is
12 governed by a board with a majority of members who are Hispanic,
13 African-American or Asian Pacific-American, and (F) has an annual
14 operating budget of at least one hundred fifty thousand dollars; (2)
15 "communities of color" means communities comprised of persons
16 whose racial or ethnic background is nonwhite Hispanic, African-

17 American or Asian Pacific-American; (3) "culturally competent" means
18 the ability to effectively deliver services that meet the social, cultural,
19 and linguistic needs of the recipient; and (4) "language accessible"
20 means services delivered in the primary language of the recipient.

21 (b) There is established a fund to be known as the "Hispanic and
22 Communities of Color Nonprofit Stabilization and Growth Fund". The
23 fund, within available appropriations, shall contain (1) moneys from the
24 General Fund traditionally appropriated to the Department of Social
25 Services for human resources development contracts serving Hispanic
26 persons and communities of color, and (2) any moneys required by law
27 to be deposited into the fund. The fund shall be used to build the
28 capacity of eligible community-based organizations to provide services
29 by helping such organizations improve operational efficiencies through
30 performance-based metrics and the adoption of strategies for long-term
31 fiscal sustainability. Any balance remaining in the fund at the end of any
32 fiscal year shall be carried forward in the fund for the fiscal year next
33 succeeding. The fund may be used to make grants-in-aid authorized
34 under subsections (e) and (f) of this section and for expenses related to
35 the administration of the fund authorized under subsections (c) and (d)
36 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 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 eligible
51 community-based organizations shall meet in order to be considered for
52 contract renewal, and (3) meet goals established by the commissioner
53 for successful administration of the fund, including, but not limited to,
54 annual reporting to the commissioner on fund expenditures and
55 complying with limitations set by the commissioner on administrative
56 expenses. Requests for proposals issued by the nonprofit organization
57 administering the fund shall state that preference shall be given to
58 eligible community-based organizations that (A) satisfy both conditions
59 described in subparagraph (E) of subdivision (1) of subsection (a) of this
60 section and have annual budgets not exceeding one million dollars, and
61 (B) offer culturally competent, language accessible services.

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

74 (f) An allocation panel of at least seven members, including, but not
75 limited to, representatives from the Department of Social Services, the
76 nonprofit organization chosen by the commissioner to administer the
77 fund and at least two members of the communities to be served by the
78 grant proposal, shall determine which community-based organizations
79 are eligible for a grant. The executive director of the Commission on
80 Women, Children, Seniors, Equity and Opportunity may name a
81 representative from the commission to the allocation panel. The

82 nonprofit organization chosen to administer the fund shall forward
83 information on community-based organizations that are eligible for a
84 grant to the Commissioner of Social Services, who shall have final
85 approval over the awarding of a grant contract to an eligible
86 community-based organization. Eligible community-based
87 organizations awarded grants from the fund shall, within the grant
88 period, (1) submit progress reports as required to the commissioner, (2)
89 assign a person in a position of leadership at the community-based
90 organization and at least two staff members to annually attend three
91 seminars on organizational topics presented by the nonprofit
92 organization administering the fund, and (3) agree to site visits as
93 scheduled by the organization administering the fund.

94 (g) Not later than January 1, 2027, the Commissioner of Social
95 Services shall submit a report, in accordance with the provisions of
96 section 11-4a of the general statutes, to the joint standing committees of
97 the General Assembly having cognizance of matters relating to
98 appropriations and the budgets of state agencies and human services on
99 (1) the number of community-based organizations awarded grant
100 contracts under the fund, (2) whether and how the fund has improved
101 the capacity of community-based organizations to meet needs, (3) the
102 performance of the nonprofit organization administering the fund, and
103 (4) a recommendation on whether the fund should continue and any
104 appropriations that may be necessary for the fund.

105 (h) Nothing in this section shall be construed as infringing upon any
106 contract in effect on July 1, 2025, between the Department of Social
107 Services and a community-based organization providing services to
108 Hispanic persons and communities of color.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2025	New section

Statement of Purpose:

To improve services for 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.]

Co-Sponsors: REP. CANDELARIA J., 95th Dist.

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