

Second Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 20-1061.01 Ed DeCecco x4216

HOUSE BILL 20-1338

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HOUSE SPONSORSHIP

Arndt,

SENATE SPONSORSHIP

Donovan,

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House Committees

Rural Affairs & Agriculture  
Appropriations

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING THE TRANSFER OF MONEY FROM THE SEVERANCE TAX  
102 OPERATIONAL FUND TO THE AGRICULTURE VALUE-ADDED CASH  
103 FUND TO BE USED TO PROMOTE AGRICULTURAL  
104 ENERGY-RELATED PROJECTS.

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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>.)*

If there is money in the severance tax operational fund (operational fund) after funding core departmental programs and a reserve requirement, then the state treasurer makes transfers to the natural

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.

resources and energy grant programs (grant programs). The agriculture value-added cash fund (cash fund), which was used to promote agricultural energy-related projects, was one of these grant programs in prior fiscal years.

The bill recreates the agriculture value-added cash fund as a grant program by requiring the state treasurer to transfer \$500,000, or so much as may be available, for the next 9 state fiscal years, from the operational fund to the cash fund to be used to promote agricultural energy-related projects. The transferred money in the cash fund is continuously appropriated to the department of agriculture for allocation to the Colorado agricultural value-added development board for this purpose only.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-29-109.3,  
3 **recreate and reenact, with amendments, (2)(h)** as follows:

4 **39-29-109.3. Severance tax operational fund - core reserve -**  
5 **grant program reserve - definitions - repeal.** (2) Subject to the  
6 requirements of subsections (3) and (3.5) of this section, if the general  
7 assembly chooses not to spend up to one hundred percent of the money  
8 in the operational fund on core departmental programs, the state treasurer  
9 shall transfer the following amounts:

10 (h) (I) FOR THE STATE FISCAL YEAR COMMENCING JULY 1, 2020,  
11 THROUGH THE STATE FISCAL YEAR COMMENCING JULY 1, 2028, FIVE  
12 HUNDRED THOUSAND DOLLARS PER YEAR TO THE AGRICULTURE  
13 VALUE-ADDED CASH FUND CREATED IN SECTION 35-75-205 (1) TO  
14 PROMOTE AGRICULTURAL ENERGY-RELATED PROJECTS.

15 (II) THIS SUBSECTION (2)(h) IS REPEALED, EFFECTIVE SEPTEMBER  
16 1, 2029.

17 **SECTION 2.** In Colorado Revised Statutes, 35-75-205, **recreate**  
18 **and reenact, with amendments, (1.5)** as follows:

19 **35-75-205. Grants, loans and loan guarantees, and equity**

1 **investments - agriculture value-added cash fund - created - repeal.**

2 (1.5) (a) THE AGRICULTURE VALUE-ADDED CASH FUND INCLUDES MONEY  
3 TRANSFERRED THERETO IN ACCORDANCE WITH SECTION 39-29-109.3. THIS  
4 MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE  
5 DEPARTMENT ONLY FOR ALLOCATION TO THE BOARD TO PROMOTE THE  
6 FEASIBILITY AND DEVELOPMENT OF AGRICULTURAL ENERGY-RELATED  
7 PROJECTS.

8 (b) THIS SUBSECTION (1.5) IS REPEALED, EFFECTIVE JULY 1, 2032.

9 **SECTION 3. Act subject to petition - effective date.** This act  
10 takes effect at 12:01 a.m. on the day following the expiration of the  
11 ninety-day period after final adjournment of the general assembly (August  
12 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a  
13 referendum petition is filed pursuant to section 1 (3) of article V of the  
14 state constitution against this act or an item, section, or part of this act  
15 within such period, then the act, item, section, or part will not take effect  
16 unless approved by the people at the general election to be held in  
17 November 2020 and, in such case, will take effect on the date of the  
18 official declaration of the vote thereon by the governor.