

**First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 23-0486.02 Pierce Lively x2059

HOUSE BILL 23-1008

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A BILL FOR AN ACT

101 **CONCERNING TAX POLICIES RELATED TO THE ACCESSIBILITY OF FOOD,**
102 **AND, IN CONNECTION THEREWITH, REQUIRING ADDITIONS TO**
103 **COLORADO TAXABLE INCOME IN AMOUNTS EQUAL TO THE**
104 **BUSINESS MEALS FEDERAL ITEMIZED DEDUCTION, CREATING A**
105 **TAX CREDIT TO SUPPORT THE SMALL BUSINESS RECOVERY AND**
106 **RESILIENCE GRANT PROGRAM, PROVIDING FUNDING FOR**
107 **HEALTHY EATING PROGRAM INCENTIVES, AND MAKING AN**
108 **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

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

HOUSE
3rd Reading Unamended
March 20, 2023

HOUSE
Amended 2nd Reading
March 17, 2023

<http://leg.colorado.gov>.)

Section 2 of the bill requires the general assembly, for fiscal year 2023-24 through fiscal year 2030-31, to annually transfer \$1 million to the prevention services division (division) within the department of public health and environment. The bill requires the division to use this money to partner with a statewide nonprofit organization to provide healthy eating program incentives among Colorado's low-income populations.

Section 3 requires individual taxpayers to add an amount of federal taxable income equal to their federal deduction for business meals to their state income tax liability for the 2024 through 2030 income tax years. **Section 4** requires the same of corporate taxpayers. **Section 6** requires the general assembly to transfer the following amounts from the general fund to the department of agriculture to implement the small business recovery and resilience grant program (grant program):

- For fiscal years 2023-24 and 2030-31, \$2.5 million; and
- For fiscal years 2024-25 through 2029-30, \$5 million.

Section 6 also extends the repeal date of the grant program from September 1, 2027 to September 1, 2031.

Section 5 creates a tax credit for small food retailers and small family farms that purchase certain systems or equipment. The tax credit is equal to 75% of the cost of those systems or equipment. Purchasers may assign the tax credit to the seller who sells them the qualifying systems or equipment. The tax credit is available for the 2024 through 2030 tax years.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds and declares that:

4 (a) A recent survey found that one in three Coloradans are "food
5 insecure", that is, lacking reliable access to nutritious food;

6 (b) In addition, more than one in three adults living with children
7 have reported regularly cutting back or skipping meals to allow their
8 children to have enough to eat;

9 (c) Childhood hunger can have lifetime impacts, such as
10 interfering with developmental and educational progress;

11 (d) Certain communities, including communities of color, seniors,

1 and lower-income Coloradans, are prone to higher-than-average rates of
2 food insecurity;

3 (e) Food security and housing security are closely related issues,
4 because both are basic needs that a family must account for, and the two
5 can become competing priorities on a limited budget. That is, a family's
6 ability to pay for their food is directly related to their ability to pay for
7 their housing, and improving one will necessarily improve the other.

8 (f) Improving the capacity of existing small, local retailers to store
9 and sell nutritious food can improve access, lower prices, and reduce food
10 insecurity, particularly for Colorado families most at risk of it, while
11 keeping more of the proceeds of economic activity in the local
12 community;

13 (g) Expanding the number of retailers selling fresh produce may
14 also create new market opportunities for Colorado agricultural producers;

15 (h) Therefore, the general assembly determines that enacting this
16 legislation to further support existing nutrition access efforts will improve
17 access to nutritious food for Coloradans, assist small businesses, and
18 foster Colorado's agricultural industry.

19 

20 **SECTION 2.** In Colorado Revised Statutes, 25-20.5-104, **add**
21 **(2.5) as follows:**

22 **25-20.5-104. Functions of division. (2.5) (a) FOR STATE FISCAL**
23 **YEAR 2023-24, THE GENERAL ASSEMBLY SHALL APPROPRIATE TWO**
24 **HUNDRED AND FIFTY THOUSAND DOLLARS TO THE DIVISION FOR THE**
25 **DIVISION TO PARTNER WITH A STATEWIDE NONPROFIT ORGANIZATION TO**
26 **PROVIDE HEALTHY EATING PROGRAM INCENTIVES AMONG COLORADO'S**
27 **LOW-INCOME POPULATIONS. THESE PROGRAM INCENTIVES MUST ATTEMPT**

1 TO IMPROVE ACCESS TO FRESH COLORADO-GROWN FRUITS AND
2 VEGETABLES AMONG COLORADO'S LOW-INCOME POPULATIONS.

3 (b) THE STATEWIDE NONPROFIT ORGANIZATION SELECTED BY THE
4 DIVISION FOR THE PARTNERSHIP DESCRIBED IN THIS SUBSECTION (2.5)
5 SHALL HAVE EXPERIENCE IN SUPPORTING HEALTHY EATING INCENTIVES
6 PROGRAMS, SUCH AS PROGRAMS AT LOCAL FARMERS MARKETS, AND
7 EXPERIENCE WITH COORDINATING HEALTHY EATING PROGRAMS AND
8 FUNDING BETWEEN LOCAL, STATE, AND FEDERAL PROGRAMS.

9 (c) IN PROVIDING THE PROGRAM INCENTIVES DESCRIBED IN THIS
10 SUBSECTION (2.5), BOTH THE DIVISION AND THE NONPROFIT SHALL
11 MINIMIZE THEIR ADMINISTRATIVE EXPENSES. THE DIVISION SHALL NOT USE
12 MORE THAN TEN THOUSAND DOLLARS AND THE NONPROFIT SHALL NOT USE
13 MORE THAN FIVE PERCENT OF THE AMOUNT TRANSFERRED PURSUANT TO
14 SUBSECTION (2.5)(a) OF THIS SECTION FOR THEIR ADMINISTRATIVE
15 EXPENSES.

16 (d) THE DIVISION SHALL USE THE FUNDING PROVIDED IN
17 SUBSECTION (2.5)(a) OF THIS SECTION TO SUPPLEMENT, NOT SUPPLANT,
18 OTHER GENERAL FUND APPROPRIATIONS TO THE DIVISION.

19 (e) ALL BUT SEVENTY-SEVEN THOUSAND SEVEN HUNDRED AND
20 FIFTY TWO DOLLARS OF THE AMOUNT TRANSFERRED PURSUANT TO
21 SUBSECTION (2.5)(a) OF THIS SECTION MUST BE EXPEND FOR HEALTHY
22 EATING PROGRAM INCENTIVES AMONG COLORADO'S LOW-INCOME
23 POPULATIONS.

24 (f) THIS SUBSECTION (2.5) IS REPEALED, EFFECTIVE SEPTEMBER 1,
25 2025.

26 **SECTION 3.** In Colorado Revised Statutes, 39-22-104, **add** (3)(s)
27 as follows:

1 **39-22-104. Income tax imposed on individuals, estates, and**
2 **trusts - single rate - report - legislative declaration - definitions -**
3 **repeal.** (3) There shall be added to the federal taxable income:

4 (s) (I) FOR INCOME TAX YEARS COMMENCING ON OR AFTER
5 JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2031, AN AMOUNT EQUAL TO
6 A FEDERAL DEDUCTION CLAIMED FOR A BUSINESS MEAL PURSUANT TO
7 SECTION 274 (k) OF THE INTERNAL REVENUE CODE.

8 (II) THIS SUBSECTION (3)(s) IS REPEALED, EFFECTIVE DECEMBER
9 31, 2035.

10 **SECTION 4.** In Colorado Revised Statutes, 39-22-304, **add**
11 (2)(k) as follows:

12 **39-22-304. Net income of corporation - legislative declaration**
13 **- definitions - repeal.** (2) There shall be added to federal taxable income:

14 (k) (I) FOR INCOME TAX YEARS COMMENCING ON OR AFTER
15 JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2031, AN AMOUNT EQUAL TO
16 A FEDERAL DEDUCTION CLAIMED FOR A BUSINESS MEAL PURSUANT TO
17 SECTION 274 (k) OF THE INTERNAL REVENUE CODE.

18 (II) THIS SUBSECTION (2)(k) IS REPEALED, EFFECTIVE DECEMBER
19 31, 2035.

20 **SECTION 5.** In Colorado Revised Statutes, **add** 39-22-549 as
21 follows:

22 **39-22-549. Credit against tax - small food business recovery**
23 **and resilience grant program equipment - community food**
24 **consortium duties and responsibilities - tax preference performance**
25 **statement - legislative declaration - definitions - repeal.** (1) (a) THE
26 GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT, IN ACCORDANCE
27 WITH SECTION 39-21-304 (1), WHICH REQUIRES EACH BILL THAT CREATES

1 A NEW TAX EXPENDITURE TO INCLUDE A TAX PREFERENCE PERFORMANCE
2 STATEMENT AS PART OF A STATUTORY LEGISLATIVE DECLARATION, THE
3 GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT THE PURPOSES
4 OF THE TAX EXPENDITURE CREATED IN SUBSECTION (3) OF THIS SECTION
5 ARE TO:

6 (I) INDUCE CERTAIN DESIGNATED BEHAVIOR BY TAXPAYERS,
7 SPECIFICALLY THE PURCHASE AND USE OF SMALL FOOD BUSINESS
8 RECOVERY AND RESILIENCE GRANT PROGRAM EQUIPMENT AND THE
9 INCREASE OF ACTIVITIES OF THE COMMUNITY FOOD CONSORTIUM FOR
10 SMALL FOOD RETAILERS AND COLORADO-OWNED AND
11 COLORADO-OPERATED FARMS; AND

12 (II) CONTRIBUTE TO THE STATE'S EFFORT TO IMPROVE ACCESS TO
13 AND LOWER PRICES FOR HEALTHY FOODS IN LOW-INCOME AND
14 UNDERSERVED AREAS OF THE STATE BY SUPPORTING SMALL FOOD
15 RETAILERS AND SMALL FAMILY FARMS.

16 (b) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL
17 MEASURE THE EFFECTIVENESS OF THE TAX CREDITS IN ACHIEVING THE
18 PURPOSES SPECIFIED IN SUBSECTION (1)(a)(I) OF THIS SECTION BASED ON
19 THE NUMBER OF THE TAX CREDITS CREATED IN THIS SECTION THAT
20 TAXPAYERS CLAIM. THE DEPARTMENT OF AGRICULTURE AND THE
21 DEPARTMENT OF REVENUE SHALL PROVIDE THE STATE AUDITOR WITH ANY
22 AVAILABLE INFORMATION THAT WOULD ASSIST THE STATE AUDITOR IN
23 THIS MEASUREMENT.

24 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
25 REQUIRES:

26 (a) "AMOUNT CERTAIN SPENT BY THE MEMBER OF THE
27 CONSORTIUM ON COMPLETING ITS DUTIES AND RESPONSIBILITIES" MEANS

1 THE AMOUNT SPENT ON PALLET, PALLET BREAK, DISTRIBUTION, AND
2 DELIVERY FEES THAT IS ELIGIBLE FOR A SUBSIDY FROM THE CONSORTIUM
3 BUT IS NOT OTHERWISE COVERED BY THE CONSORTIUM.

4 (b) "DUTIES AND RESPONSIBILITIES" MEANS THE DUTIES AND
5 RESPONSIBILITIES OF THE MEMBERS OF CONSORTIUM PURSUANT TO
6 SECTION 35-1-117 (2)(a).

7 (c) "MEMBER OF THE CONSORTIUM" MEANS ANY MEMBER OF THE
8 COMMUNITY FOOD CONSORTIUM FOR SMALL FOOD RETAILERS AND
9 COLORADO-OWNED AND COLORADO-OPERATED FARMS CREATED IN
10 SECTION 35-1-117 (2)(a).

11 (d) "PURCHASE PRICE" MEANS THE AMOUNT ACTUALLY PAID BY
12 THE PURCHASER FOR THE SMALL FOOD BUSINESS RECOVERY AND
13 RESILIENCE GRANT PROGRAM EQUIPMENT, INCLUDING CHARGES FOR SALES
14 TAX AND FREIGHT, BUT NOT INCLUDING ANY CHARGES FOR ASSEMBLY,
15 INSTALLATION, OTHER CONSTRUCTION SERVICES, OR PERMIT FEES.

16 (e) "PURCHASER" MEANS A SMALL FOOD RETAILER OR SMALL
17 FAMILY FARM THAT PURCHASES SMALL FOOD BUSINESS RECOVERY AND
18 RESILIENCE GRANT PROGRAM EQUIPMENT.

19
20 (f) "SMALL FAMILY FARM" HAS THE SAME MEANING AS SET FORTH
21 IN SECTION 35-1-117 (8)(d).

22 (g) "SMALL FOOD BUSINESS RECOVERY AND RESILIENCE GRANT
23 PROGRAM EQUIPMENT" MEANS THE ITEMS LISTED IN SECTION 35-1-117
24 (3)(a)(II) AND (3)(a)(IV).

25 (h) "SMALL FOOD RETAILER" HAS THE SAME MEANING AS SET
26 FORTH IN SECTION 35-1-117 (8)(e).

27 (3) (a) SUBJECT TO THE PROVISIONS OF SUBSECTION (4) OF THIS

1 SECTION, FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
2 1, 2024, BUT BEFORE JANUARY 1, 2031:

3 (I) ANY MEMBER OF THE FOOD CONSORTIUM IS ALLOWED A CREDIT
4 AGAINST THE TAX IMPOSED BY THIS ARTICLE 22 IN AN AMOUNT EQUAL TO
5 SEVENTY-FIVE PERCENT OF THE AMOUNT CERTAIN SPENT BY THE MEMBER
6 OF THE CONSORTIUM ON COMPLETING ITS DUTIES AND RESPONSIBILITIES
7 MINUS ANY AMOUNT AWARDED TO THE MEMBER OF THE CONSORTIUM
8 PURSUANT TO SECTION 35-1-117 (2) FOR THE COMPLETION OF ITS DUTIES
9 AND RESPONSIBILITIES; AND

10 (II) ANY PURCHASER OF SMALL FOOD BUSINESS RECOVERY AND
11 RESILIENCE GRANT PROGRAM EQUIPMENT IS ALLOWED A CREDIT AGAINST
12 THE TAX IMPOSED BY THIS ARTICLE 22 IN AN AMOUNT EQUAL TO
13 SEVENTY-FIVE PERCENT OF THE PURCHASE PRICE OF THE RELEVANT SMALL
14 FOOD BUSINESS RECOVERY AND RESILIENCE GRANT PROGRAM EQUIPMENT
15 MINUS THE AMOUNT OF ANY GRANT AWARDED UNDER THE SMALL FOOD
16 BUSINESS RECOVERY AND RESILIENCE GRANT PROGRAM FOR THE
17 PURCHASE OF THE SAME SMALL FOOD BUSINESS RECOVERY AND
18 RESILIENCE GRANT PROGRAM EQUIPMENT.

19
20 (b) THE CREDIT ALLOWED PURSUANT TO THIS SECTION IS FOR THE
21 INCOME TAX YEAR IN WHICH A MEMBER OF THE CONSORTIUM SPENT AN
22 AMOUNT CERTAIN ON COMPLETING ITS DUTIES AND RESPONSIBILITIES OR
23 A PURCHASER PURCHASES THE RELEVANT SMALL FOOD BUSINESS
24 RECOVERY AND RESILIENCE GRANT PROGRAM EQUIPMENT.

25
26 (4) (a) A MEMBER OF THE CONSORTIUM OR A PURCHASER OF SMALL
27 FOOD BUSINESS RECOVERY GRANT PROGRAM EQUIPMENT MAY SUBMIT AN

1 APPLICATION TO THE DEPARTMENT OF AGRICULTURE FOR THE ISSUANCE OF
2 A LETTER OF ELIGIBILITY FOR A TAX CREDIT CERTIFICATE ALLOWED IN THIS
3 SECTION BY THE DEADLINES ESTABLISHED IN THE RULES PROMULGATED BY
4 THE DEPARTMENT OF AGRICULTURE. THE APPLICATION MUST INCLUDE:

5 (I) A CERTIFICATION THAT THE APPLICANT IS EITHER:

6 (A) A PURCHASER WHO IS A SMALL FOOD RETAILER OR SMALL
7 FAMILY FARM THAT PURCHASED SMALL FOOD BUSINESS RECOVERY AND
8 RESILIENCE GRANT PROGRAM EQUIPMENT; OR

9 (B) A MEMBER OF THE CONSORTIUM THAT SPENT AN AMOUNT
10 CERTAIN ON COMPLETING ITS DUTIES AND RESPONSIBILITIES; AND

11 (II) DETAILED INFORMATION REGARDING:

12 (A) THE PURCHASE PRICE THAT WOULD BE INCURRED BY A
13 PURCHASER OF SMALL FOOD BUSINESS RECOVERY AND RESILIENCE GRANT
14 PROGRAM EQUIPMENT AND THE DATE ON WHICH THE PURCHASE WOULD BE
15 MADE; OR

16 (B) AN ITEMIZED TOTAL OF THE AMOUNT CERTAIN THAT WOULD
17 BE SPENT BY A MEMBER OF THE CONSORTIUM ON COMPLETING ITS DUTIES
18 AND RESPONSIBILITIES, AND THE DATE OR DATES ON WHICH THE MEMBER
19 OF THE CONSORTIUM WOULD SPEND THE AMOUNTS.

20 (b) IF THE DEPARTMENT OF AGRICULTURE DETERMINES THAT THE
21 APPLICATION FILED PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION IS
22 COMPLETE, THE DEPARTMENT OF AGRICULTURE SHALL DETERMINE
23 WHETHER THE APPLICANT WOULD QUALIFY FOR THE CREDIT ALLOWED
24 PURSUANT TO THIS SECTION IF THE APPLICANT MADE THE PURCHASE
25 DESCRIBED IN THE APPLICATION AND THE DEPARTMENT OF AGRICULTURE
26 HAD NOT ISSUED TAX CREDIT CERTIFICATES IN EXCESS OF A TOTAL OF TEN
27 MILLION DOLLARS FOR THE INCOME TAX YEAR. IF THE DEPARTMENT OF

1 AGRICULTURE APPROVES THE APPLICATION, THE DEPARTMENT OF
2 AGRICULTURE SHALL ISSUE A LETTER OF ELIGIBILITY TO THE APPLICANT
3 THAT INDICATES THE AMOUNT OF THE TAX CREDIT THAT THE PURCHASER
4 OR MEMBER OF THE CONSORTIUM COULD CLAIM FOR THE SPECIFIED
5 INCOME TAX YEAR IF THEY WERE TO MAKE THE PURCHASE DESCRIBED IN
6 THE APPLICATION AND IF THE DEPARTMENT OF AGRICULTURE HAS NOT
7 ISSUED TAX CREDIT CERTIFICATES IN EXCESS OF A TOTAL OF TEN MILLION
8 DOLLARS FOR THE INCOME TAX YEAR.

9 (5) (a) A MEMBER OF THE CONSORTIUM OR A PURCHASER OF SMALL
10 FOOD BUSINESS RECOVERY GRANT PROGRAM EQUIPMENT SHALL SUBMIT
11 AN APPLICATION TO THE DEPARTMENT OF AGRICULTURE FOR THE
12 ISSUANCE OF A TAX CREDIT CERTIFICATE ALLOWED IN THIS SECTION BY
13 THE DEADLINES ESTABLISHED IN THE RULES PROMULGATED BY THE
14 DEPARTMENT OF AGRICULTURE. THE APPLICATION MUST INCLUDE:

15 (I) A CERTIFICATION THAT THE APPLICANT IS EITHER:

16 (A) A PURCHASER WHO IS A SMALL FOOD RETAILER OR SMALL
17 FAMILY FARM THAT PURCHASED SMALL FOOD BUSINESS RECOVERY AND
18 RESILIENCE GRANT PROGRAM EQUIPMENT; OR

19 (B) A MEMBER OF THE CONSORTIUM THAT SPENT AN AMOUNT
20 CERTAIN ON COMPLETING ITS DUTIES AND RESPONSIBILITIES; AND

21 (II) DETAILED INFORMATION REGARDING:

22 (A) THE PURCHASE PRICE INCURRED BY A PURCHASER OF SMALL
23 FOOD BUSINESS RECOVERY AND RESILIENCE GRANT PROGRAM EQUIPMENT
24 AND THE DATE THAT THE PURCHASE WAS MADE; OR

25 (B) AN ITEMIZED TOTAL OF THE AMOUNT CERTAIN SPENT BY A
26 MEMBER OF THE CONSORTIUM ON COMPLETING ITS DUTIES AND
27 RESPONSIBILITIES, AND THE DATE OR DATES THAT THE MEMBER OF THE

1 CONSORTIUM SPENT THE AMOUNTS.

2 (b) IF THE DEPARTMENT OF AGRICULTURE DETERMINES THAT THE
3 APPLICATION FILED PURSUANT TO SUBSECTION (5)(a) OF THIS SECTION IS
4 COMPLETE, THE DEPARTMENT OF AGRICULTURE SHALL DETERMINE
5 WHETHER THE APPLICANT QUALIFIES FOR THE CREDIT ALLOWED PURSUANT
6 TO THIS SECTION. IF THE DEPARTMENT OF AGRICULTURE APPROVES THE
7 APPLICATION, THE DEPARTMENT OF AGRICULTURE SHALL ISSUE A TAX
8 CREDIT CERTIFICATE TO THE APPLICANT THAT INDICATES THE AMOUNT OF
9 THE TAX CREDIT THAT THE PURCHASER OR MEMBER OF THE CONSORTIUM
10 MAY CLAIM FOR THE SPECIFIED INCOME TAX YEAR; EXCEPT THAT THE
11 TOTAL AMOUNT OF TAX CREDIT CERTIFICATES ISSUED BY THE
12 DEPARTMENT OF AGRICULTURE IN A GIVEN INCOME TAX YEAR MUST NOT
13 EXCEED A TOTAL OF TEN MILLION DOLLARS.

14 (c) THE DEPARTMENT OF AGRICULTURE SHALL ISSUE TAX CREDIT
15 CERTIFICATES ALLOWED IN THIS SECTION IN AN ORDER THAT ACCORDS
16 WITH THE RULES PROMULGATED BY THE DEPARTMENT OF AGRICULTURE.
17 THE DEPARTMENT OF AGRICULTURE SHALL REVIEW AND APPROVE OR
18 DISAPPROVE AN APPLICATION FILED PURSUANT TO SUBSECTION (5)(a) OF
19 THIS SECTION WITHIN A REASONABLE TIME, NOT TO EXCEED NINETY DAYS
20 AFTER THE FILING OF A COMPLETED APPLICATION.

21 (6) TO CLAIM THE INCOME TAX CREDIT ALLOWED PURSUANT TO
22 THIS SECTION, THE PURCHASER OR MEMBER OF THE CONSORTIUM SHALL
23 ATTACH A COPY OF THE TAX CREDIT CERTIFICATE TO ITS STATE INCOME
24 TAX RETURN. NO TAX CREDIT IS ALLOWED PURSUANT TO THIS SECTION
25 UNLESS THE PURCHASER OR MEMBER OF THE CONSORTIUM PROVIDES A
26 COPY OF THE TAX CREDIT CERTIFICATE WITH ITS FILED STATE INCOME TAX
27 RETURN. THE AMOUNT OF THE CREDIT THAT THE PURCHASER OR MEMBER

1 OF THE CONSORTIUM MAY CLAIM PURSUANT TO THIS SECTION IS THE
2 AMOUNT STATED ON THE TAX CREDIT CERTIFICATE.

3 (7) IN A SUFFICIENTLY TIMELY MANNER TO ALLOW THE
4 DEPARTMENT OF REVENUE TO PROCESS RETURNS CLAIMING THE INCOME
5 TAX CREDIT ALLOWED PURSUANT TO THIS SECTION, THE DEPARTMENT OF
6 AGRICULTURE SHALL PROVIDE THE DEPARTMENT OF REVENUE WITH AN
7 ELECTRONIC REPORT OF EACH PURCHASER OR MEMBER OF THE
8 CONSORTIUM THAT THE DEPARTMENT OF AGRICULTURE APPROVED FOR
9 THE INCOME TAX CREDIT ALLOWED PURSUANT TO THIS SECTION FOR THE
10 PRECEDING CALENDAR YEAR THAT INCLUDES THE FOLLOWING
11 INFORMATION:

12 (a) THE TAXPAYER'S NAME; AND

13 (b) THE TAXPAYER'S SOCIAL SECURITY NUMBER, COLORADO
14 ACCOUNT NUMBER, OR FEDERAL EMPLOYER IDENTIFICATION NUMBER.

15 (8) IF A CREDIT AUTHORIZED IN THIS SECTION EXCEEDS THE
16 INCOME TAX DUE ON THE INCOME OF THE MEMBER OF THE CONSORTIUM OR
17 PURCHASER FOR THE TAXABLE YEAR, THE EXCESS CREDIT MAY NOT BE
18 CARRIED FORWARD AND IS REFUNDABLE TO THE MEMBER OF THE
19 CONSORTIUM OR PURCHASER.

20 (9) THE DEPARTMENT OF AGRICULTURE AND THE DEPARTMENT OF
21 REVENUE MAY PROMULGATE RULES IN ACCORDANCE WITH ARTICLE 4 OF
22 TITLE 24 AS MAY BE NECESSARY TO EFFECTUATE THE PURPOSES OF THIS
23 SECTION.

24 (10) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2035.

25 **SECTION 6.** In Colorado Revised Statutes, 35-1-117, **amend**
26 (2)(b)(III), (3)(a) introductory portion, (3)(c)(I), (3)(c)(III), (8)(e)(I), and
27 (9); and **repeal** (2)(b)(V) as follows:

1 **35-1-117. Community food access program - creation -**
2 **purpose - duties and responsibilities - grant program - funding -**
3 **reporting - rules - definitions - repeal.** (2) (b) (III) Money spent
4 pursuant to this subsection ~~(2)~~ (2)(b) must conform with the allowable
5 purposes set forth in the federal "American Rescue Plan Act of 2021",
6 Pub.L. 117-2, as amended. The department shall either spend or obligate
7 such appropriation prior to December 30, 2024, and expend the
8 appropriation on or before December 31, 2026.

9 (V) This subsection ~~(2)~~ is repealed, effective September 1, 2027.

10 (3) (a) As part of the program, the department shall create and
11 manage the small food business recovery and resilience grant program.
12 The department shall award ~~one-time~~ grants, not to exceed ~~twenty-five~~
13 ~~FIFTY~~ thousand dollars, out of the grant program, to participating small
14 food retailers and small family farms. ~~THE DEPARTMENT MAY AWARD THE~~
15 ~~OWNER OF A SMALL FOOD RETAILER OR SMALL FAMILY FARM ONE SUCH~~
16 ~~GRANT EACH CALENDAR YEAR FOR EVERY SMALL FOOD RETAILER OR~~
17 ~~SMALL FAMILY FARM OWNED BY THE OWNER. THE DEPARTMENT SHALL~~
18 ~~AWARD THESE GRANTS for:~~

19 (c) (I) For the 2022-23 state fiscal year, the general assembly shall
20 appropriate seven million dollars from the economic recovery and relief
21 cash fund created in section 24-75-228 to the department for the purposes
22 of implementing ~~this subsection (3) and subsection (4)~~ of this section.

23 (III) Money spent pursuant to this subsection ~~(3)~~ (3)(c) must
24 conform with the allowable purposes set forth in the federal "American
25 Rescue Plan Act of 2021", Pub.L. 117-2, as amended. The department
26 shall either spend or obligate such appropriation prior to December 30,
27 2024, and expend the appropriation on or before December 31, 2026.

1 (8) As used in this section, unless the context otherwise requires:

2 (e) "Small food retailer" means:

3 (I) An independent or nonprofit-managed, Colorado-owned, and
4 Colorado-operated small food retail business, defined as a food retailer
5 with less than ~~five~~ TEN thousand square feet of retail space that carries at
6 least three categories of federally defined staple foods, as described in the
7 federal "Food and Nutrition Act of 2008", secs. 3 and 9, the
8 "Consolidated Appropriations Act of 2017", sec. 76, and the federal
9 "Enhancing Retailer Standards in the Supplemental Nutrition Assistance
10 Program", 81 Fed. Reg. 90675, and be located in or provide food to local,
11 state, or federally defined low-income, low-access neighborhoods; or

12 (9) This section is repealed, effective ~~September 1, 2027~~
13 SEPTEMBER 1, 2031.

14 **SECTION 7. Appropriation.** (1) For the 2023-24 state fiscal
15 year, \$360,413 General Fund is appropriated to the department of
16 agriculture. To implement this act, the department may use this
17 appropriation as follows:

18 (a) \$98,185 for use by the commissioner's office for personal
19 services, which amount is based on an assumption that the commissioner's
20 office will require an additional 1.0 FTE;

21 (b) \$45,579 for use by the commissioner's office for operating
22 expenses;

23 (c) \$44,411 for use by the commissioner's office for legal services;

24 (d) \$172,238 for use by the agricultural markets division for the
25 community food access program, which amount is based on an
26 assumption that the department will require an additional 2.0 FTE.

27 (2) For the 2023-24 state fiscal year, \$44,411 is appropriated to

1 the department of law. This appropriation is from reappropriated funds
2 received from the department of agriculture under subsection (1)(c) of
3 this section. To implement this act, the department of law may use this
4 appropriation to provide legal services for the department of agriculture.

5 (3) For the 2023-24 state fiscal year, \$250,000 is appropriated to
6 the department of public health and environment for use by the prevention
7 services division. This appropriation is from the general fund. To
8 implement this act, the division may use this appropriation for chronic
9 disease and cancer prevention grants for the purposes specified in
10 25-20.5-104 (2.5)(a), C.R.S. _____

11 **SECTION 8. Act subject to petition - effective date.** This act
12 takes effect at 12:01 a.m. on the day following the expiration of the
13 ninety-day period after final adjournment of the general assembly; except
14 that, if a referendum petition is filed pursuant to section 1 (3) of article V
15 of the state constitution against this act or an item, section, or part of this
16 act within such period, then the act, item, section, or part will not take
17 effect unless approved by the people at the general election to be held in
18 November 2024 and, in such case, will take effect on the date of the
19 official declaration of the vote thereon by the governor.