

# JOINT BUDGET COMMITTEE



## STAFF FIGURE SETTING FY 2024-25

## DEPARTMENT OF AGRICULTURE

JBC WORKING DOCUMENT - SUBJECT TO CHANGE  
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

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## HOW TO USE THIS DOCUMENT

The Department Overview contains a table summarizing the staff recommended incremental changes followed by brief explanations of each incremental change. A similar overview table is provided for each division, but the description of incremental changes is not repeated, since it is available under the Department Overview. More details about the incremental changes are provided in the sections following the Department Overview and the division summary tables.

Decision items, both department-requested items and staff-initiated items, are discussed either in the Decision Items Affecting Multiple Divisions or at the beginning of the most relevant division. Within a section, decision items are listed in the requested priority order, if applicable.

In some of the analysis of decision items in this document, you may see language denoting certain ‘levels of evidence’, e.g. theory-informed, evidence-informed, or proven. For a detailed explanation of what is meant by ‘levels of evidence’, and how those levels of evidence are categorized, please refer to Section 2-3-210 (2), C.R.S.

## DEPARTMENT OVERVIEW

The Department of Agriculture has six divisions. A brief description of each division and its associated responsibilities is provided below.

The **COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES DIVISION** provides administrative and technical support for department divisions and programs, including accounting, budgeting, human resources, communications, information technology, and legislative coordination functions.

THE **AGRICULTURAL SERVICES DIVISION** consists of the following program areas:

- ***Animal Industry Division***, also known as the Animal Health Division, provides oversight for the prevention and control of livestock diseases, operation of the Rocky Mountain Regional Animal Health Laboratory, implementation of pest control, licensing and inspection of pet care facilities, and investigations animal of cruelty claims.
- ***Inspection and Consumer Services Division*** (ICS) provides measurement and regulatory laboratory services including content analysis of feeds, fertilizers, groundwater, and pesticides. Additionally, ICS inspects: anhydrous ammonia tanks, eggs, grain warehouses, agricultural commodity handlers and dealers, door-to-door sales companies, custom meat processors, and small and large weighing and measuring devices.
- ***Plant Industry Division*** is responsible for organic certification, nursery stock inspection, produce inspection, certification of plant and seed exports, seed inspection and certification, commercial and private pesticide applicator testing and licensing, and inspection of pesticide product records and labels.
- ***Conservation Services Division*** operates the biological pest control program, the Palisade insectary, noxious weed and weed free forage programs, the groundwater protection program, the chemigation permitting and inspection program. The Division also encourages development of agricultural-based renewable energy projects through grants.

The **AGRICULTURAL MARKETS DIVISION** promotes Colorado's agricultural products and services to domestic and international markets, provides export assistance, and develops value-added business ventures. The Division is also responsible for promoting Colorado's wine industry, administering the Colorado Proud brand, and operating the agricultural products inspection program.

Established in 1865, the **BRAND BOARD** annually inspects and verifies the ownership of approximately 4 million head of livestock at sale barns, slaughterhouses, and export sites to protect producers and buyers from fraud and theft of livestock. The Brand Board also investigates reported livestock theft, maintains brand records, and licenses livestock sales barns, processing plants, and alternative livestock farms. It also serves as a resource to assist in criminal prosecutions against individuals accused of livestock theft.

The **COLORADO STATE FAIR AUTHORITY** is responsible for planning and operating the 11-day state fair held at the end of August and beginning of September, and coordinates special events utilizing its facilities that occur on the fairgrounds throughout the year.

The **CONSERVATION BOARD** provides administrative and financial assistance and competitive grants to the 78 state conservation districts. The Conservation Board also works with districts on noxious weed management, groundwater protection, biological pest control, and erosion prevention projects.

## SUMMARY OF STAFF RECOMMENDATIONS

DEPARTMENT OF AGRICULTURE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$66,625,053	\$17,058,045	\$42,931,530	\$2,714,972	\$3,920,506	314.2
HB 24-1180 (Supplemental)	127,888	73,425	54,463	0	0	0.0
Other Legislation	1,044,433	972,283	72,150	0	0	3.3
<b>TOTAL</b>	<b>\$67,797,374</b>	<b>\$18,103,753</b>	<b>\$43,058,143</b>	<b>\$2,714,972</b>	<b>\$3,920,506</b>	<b>317.5</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$67,797,374	\$18,103,753	\$43,058,143	\$2,714,972	\$3,920,506	317.5
BA1 Wolf reintroduction assistance	516,684	516,684	0	0	0	2.8
BA2/R11 Remove hemp center of excellence	0	0	0	0	0	0.0
R1 Ag emergency management	102,372	102,372	0	0	0	0.9
R2 Division of animal welfare	141,073	141,073	0	0	0	0.9
R3 Renewable energy adapt and dev	616,888	616,888	0	0	0	1.0
R4 General fund op increase	111,375	111,375	0	0	0	0.0
R5 Cash fund op increase	2,034,977	0	2,034,977	0	0	0.0
R6 Commissioners office indirect cost	1,400,000	0	612,358	700,000	87,642	0.0
R7 Next gen/ag leadership program	440,016	440,016	0	0	0	0.7
R8 Rural mental and behavioral health	0	0	0	0	0	0.0
R9 Workforce services	243,625	243,625	0	0	0	1.8
R10 Business process improvements	207,009	207,009	0	0	0	0.0
Centrally appropriated line items	4,691,696	2,106,632	2,598,770	(14,781)	1,075	0.0
Non-prioritized decision items	391,666	237,429	154,237	0	0	0.0
Indirect cost assessment	26,386	0	13,351	116	12,919	0.0
Annualize prior year budget actions	(1,690,271)	(988,082)	(634,243)	(67,946)	0	0.4
Annualize prior year legislation	(273,546)	(146,933)	(126,613)	0	0	(1.0)
<b>TOTAL</b>	<b>\$76,757,324</b>	<b>\$21,691,841</b>	<b>\$47,710,980</b>	<b>\$3,332,361</b>	<b>\$4,022,142</b>	<b>325.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$8,959,950</b>	<b>\$3,588,088</b>	<b>\$4,652,837</b>	<b>\$617,389</b>	<b>\$101,636</b>	<b>7.5</b>
Percentage Change	13.2%	19.8%	10.8%	22.7%	2.6%	2.4%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$3,953,519	\$1,801,807	\$2,136,827	\$14,781	\$104	5.7

## DESCRIPTION OF INCREMENTAL CHANGES

**R1 AGRICULTURAL EMERGENCY MANAGEMENT RESILIENCE:** The Department's request includes an increase of \$363,018 General Fund and 2.7 FTE to hire three Emergency Preparedness and Communications Specialists. Staff recommends partial approval of the Department's request, including \$102,372 and 0.9 FTE in FY 2024-25 for one of the three specialists to focus specifically on training and exercises, as well as on-the-ground assistance during emergency incidents. This recommendation increases to \$118,749 and 1.0 FTE in FY 2025-26 and ongoing.

**R2 DIVISION OF ANIMAL WELFARE:** The Department's request includes \$741,628 General Fund and 3.6 FTE to combine two existing programs into a new Division of Animal Welfare, and to hire two administrative staff and two outreach and education staff. The request also includes funds for database improvements and a request for continuous spending authority for the Animal Protection Fund. Staff recommends partial approval of the Department's request, including \$57,195 and 0.9 FTE for an

administrative assistant and \$83,878 for database improvements. This annualizes to \$84,255 and 1.0 FTE in FY 2025-26 and ongoing. Staff recommends denial of all other request components, as staff does not believe that these items lead to the operational efficiencies or outcomes identified by the Department.

**R3 RENEWABLE ENERGY ADAPTATION AND DEVELOPMENT:** The Department's request includes \$931,656 General Fund and 1.9 FTE in order to expand an existing renewable energy and energy efficiency grant program, including the addition of \$700,000 in annual grant funding. Staff recommends partial approval of the Department's request, including \$616,888 General Fund and 1.0 FTE in FY 2024-25 and ongoing. This funding would support one existing program manager and \$500,000 in annual grant funding. Staff also recommends including a Request for Information to better understand program performance and demand moving forward, and a Long Bill footnote to allow three-year roll-forward authority for the \$500,000 grant funding.

**R4 GENERAL FUND OPERATIONAL INCREASE:** In order to address recent increases in operating expenses due to inflation, the Department's request includes \$195,000 General Fund in FY 2024-25 and ongoing, including \$65,000 for the International Markets programs, \$85,000 for the Colorado Proud program, and \$45,000 for the Colorado State Conservation Board program. Staff recommends partial approval of the Department's request, including \$111,175 General Fund in FY 2024-25 and ongoing. This is comprised of \$39,825 for the International Markets program, \$26,550 for the Colorado Proud program, and \$45,000 for the Colorado State Conservation Board. Staff also recommends two Long Bill footnotes that clarify the portion of the funding to be used for the International Markets and Colorado Proud programs.

**R5 OPERATIONAL CASH FUND INCREASE:** The Department's request includes a \$3.2 million (13.5 percent) cash fund spending authority increase across five cash funds in FY 2024-25 and ongoing in order to adjust for rising costs due to inflation. Staff recommends partial approval of the Department's request, including a \$2.0 million increase in cash fund spending authority in FY 2024-25 and ongoing. This includes approval of the full 13.5 percent increase for three cash funds: the Inspection and Consumer Services Cash Fund; the Plant Health, Pest Control, and Environmental Protection Cash Fund; and the Brand Inspection Cash Fund. Staff recommends a smaller increase for the State Fair Authority Cash Fund (4.1 percent) and Agricultural Products Inspection Cash Fund (2.3 percent).

**R6 COMMISSIONER'S OFFICE INDIRECT COST ASSESSMENT:** Staff recommends approval of the Department's request of \$700,000 in reappropriated funds and a corresponding spending authority increase in indirect cost assessment lines that are funded by \$612,358 in cash funds and \$87,642 in federal funds. These funds will support increased centralized services provided by the Commissioner's Office in FY 2024-25 and ongoing.

**R7 NEXT GEN/AG LEADERSHIP PROGRAM:** Staff recommends approval of the Department's request, including \$440,015 General Fund and 0.7 FTE in FY 2024-25 and ongoing to expand the Agriculture Workforce Development and Next Generation Agriculture Leadership programs. This includes \$300,000 in grant funding for financial support for internships and training programs.

**R8 RURAL MENTAL AND BEHAVIORAL HEALTH:** Staff recommends denial of the Department's one-time request for \$550,020 General Fund for the Rural Mental and Behavioral Health Program for the

Long Bill. Instead, staff recommends that any additional appropriation for the program be addressed through S.B. 24-055 “Agricultural and Rural Behavioral Health Care”.

**R9 WORKFORCE SERVICES:** Staff recommends approval of the Department’s request, including \$243,625 General Fund and 1.8 FTE in FY 2024-25, which increases to \$283,500 General Fund and 2.0 FTE in FY 2025-26 and ongoing to hire a regional coordinator and a program manager to expand the Agricultural Worker Services Program, help agricultural employers attract employees, and improve employer compliance with existing labor laws.

**BA1 WOLF REINTRODUCTION TECHNICAL ASSISTANCE:** Staff recommends approval of the Department’s request, including \$516,684 General Fund and 2.8 FTE in FY 2024-25 to hire three staff to provide technical assistance to farmers and ranchers on non-lethal methods to address wolf depredation. This recommendation increases to \$409,040 General Fund and 3.0 FTE in FY 2025-26 and ongoing.

#### **R11/BA2 HEMP CENTER OF EXCELLENCE – REQUEST WITHDRAWN**

**CENTRALLY APPROPRIATED LINE ITEMS:** The recommendation includes a combination of previously acted on and pending adjustments to centrally appropriated line items and would increase total funds by \$4.7 million, including \$2.1 million General Fund. Staff will reflect the Committee’s final common policy decisions for all centrally appropriated items in the Long Bill.

The largest line item, AED and SAED adjustment, is attributed to combining two separate AED and SAED line items. The reduction in individual AED and SAED line items can be seen towards the bottom of the table. The actual incremental AED/SAED increase is \$925,847 total funds, including \$400,974 General Fund.

The following table itemizes each requested centrally appropriated line item change.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
AED and SAED adjustment	\$3,012,140	\$1,265,099	\$1,746,957	\$0	\$84	0.0
Step Plan	1,776,869	746,285	1,030,584	0	0	0.0
Payments to OIT	603,783	391,251	212,532	0	0	0.0
PERA Direct Distribution	431,587	181,535	250,052	0	0	0.0
Health, life, and dental	215,223	4,259	210,964	0	0	0.0
Salary survey	211,702	90,374	121,328	0	0	0.0
Risk management & property adjustment	148,916	90,283	58,633	0	0	0.0
Paid Family & Medical Leave Insurance	135,546	48,118	87,424	0	4	0.0
Health, life, dental true-up	110,590	134,678	(24,088)	0	0	0.0
Workers’ compensation	98,649	19,511	79,138	0	0	0.0
Legal services	91,648	17,312	74,336	0	0	0.0
Shift differential	43,807	958	42,011	7	831	0.0
Short-term disability	13,651	5,781	7,870	0	0	0.0
Vehicle lease payments	11,325	4,698	6,471	0	156	0.0
NP1 Annual fleet vehicle request	0	0	0	0	0	0.0
CORE Operating Resources	0	0	0	0	0	0.0
AED	(1,050,687)	(439,603)	(608,424)	(2,660)	0	0.0
SAED	(1,050,687)	(439,603)	(608,424)	(2,660)	0	0.0
CORE adjustment	(87,216)	(11,895)	(65,853)	(9,468)	0	0.0
ALJ services	(21,444)	0	(21,444)	0	0	0.0



CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
DPS Digital trunk radio	(3,706)	(2,409)	(1,297)	0	0	0.0
<b>TOTAL</b>	<b>\$4,691,696</b>	<b>\$2,106,632</b>	<b>\$2,598,770</b>	<b>(\$14,781)</b>	<b>\$1,075</b>	<b>0.0</b>

**NON-PRIORITIZED DECISION ITEMS:** The recommendation for this item, which includes a request for \$391,666 total funds from the Department of Personnel for seven new central services, is pending. The Committee will take action on this item during the figure setting presentation by Committee staff for the Department of Personnel.

**INDIRECT COST ASSESSMENT:** The recommendation includes a \$26,386 net increase to indirect cost assessments across the Department, comprised of \$13,351 cash funds, \$116 reappropriated funds, and \$12,919 federal funds.

**ANNUALIZE PRIOR YEAR BUDGET ACTIONS:** The recommendation includes a net decrease of \$1,690,271 total funds, including a decrease of \$988,082 General Fund, to reflect the FY 2024-25 impact of prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FTE
FY23-24 R2 Commissioners office support	\$4,117	\$72,063	\$0	(\$67,946)	0.1
FY23-24 R1 Climate drought-smart marketing	1,512	1,512	0	0	0.1
FY23-24 BA1 Ag water advisor	570	570	0	0	0.1
TA-14 Base tech R6 animal health and welfare	0	0	0	0	0.0
TA-16 Base tech BA1 ag water advisor	0	0	0	0	0.0
FY23-24 NPBA1 OIT IT accessibility	(1,637,964)	(1,061,400)	(576,564)	0	0.0
FY23-24 R4 Insectary lab tech	(57,679)	0	(57,679)	0	0.1
FY23-24 R6 Animal health and welfare	(827)	(827)	0	0	0.0
<b>TOTAL</b>	<b>(\$1,690,271)</b>	<b>(\$988,082)</b>	<b>(\$634,243)</b>	<b>(\$67,946)</b>	<b>0.4</b>

**ANNUALIZE PRIOR YEAR LEGISLATION:** The recommendation includes a net decrease of \$273,546 total funds, including a decrease of \$146,933 General Fund, to reflect the FY 2024-25 impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FTE
SB23-092 Agrivoltaics	\$8,123	\$8,123	\$0	\$0	0.0
HB24-1180 Dept of ag supplemental	(127,888)	(73,425)	(54,463)	0	0.0
SB23-192 Pesticides applicator	(72,150)	0	(72,150)	0	0.0
SB22-209 Meat processing	(61,621)	(61,621)	0	0	(1.0)
HB23-1008 Food accessibility	(20,010)	(20,010)	0	0	0.0
<b>TOTAL</b>	<b>(\$273,546)</b>	<b>(\$146,933)</b>	<b>(\$126,613)</b>	<b>\$0</b>	<b>(1.0)</b>

## MAJOR DIFFERENCES FROM THE REQUEST

The differences between staff's recommended appropriation for FY 2024-25 and the Department's requested appropriation for FY 2024-25 is a result of:

- Staff recommendation for partial approval of the following requests:

R-01: approve one of three requested emergency management positions,

R-02: deny the majority of the request for a new Division of Animal Welfare, with the exception of approval for an additional administrative assistant and funding for database improvements,

R-03: approve one of two requested positions, and reduce the requested appropriation for grant funding from \$700,000 to \$500,000,

R-04: approve a portion of the Department's General Fund inflationary adjustment for two marketing programs and the Colorado State Conservation Board, and

R-05: approve a portion of the Department's cash fund inflationary adjustment.

- Staff recommendation for denial of the Department's R-08 (Rural Mental and Behavioral Health) request in order to make the decision for the program's short and long-term funding during the discussion of S.B. 24-055 "Agricultural and Rural Behavioral Health Care".
- JBC standard policy for new FTE and updated salary ranges reflecting the Revised Partnership Agreement.
- Common policy decisions made by the Committee in January 2024.
- Line item adjustments to fully zero out the FY 2023-24 one-time funding for IT accessibility.

## DECISION ITEMS AFFECTING MULTIPLE DIVISIONS

### → R-01: AGRICULTURAL EMERGENCY MANAGEMENT RESILIENCE

*REQUEST:* The FY 2024-25 request includes an increase of \$363,018 General Fund and 2.7 FTE in order to hire three Emergency Preparedness and Communications Specialists. This annualizes to \$371,328 and 3.0 FTE ongoing. These positions will specialize in training, logistics, and planning, in addition to providing regional on-the-ground support during emergencies such as wildfire, flooding, severe winter weather, and animal disease.

*RECOMMENDATION:* Staff recommends partial approval of the Department's request, including \$102,372 and 0.9 FTE in FY 2024-25 for one Emergency Preparedness and Communications Specialist to focus on training and exercises, as well as on-the-ground assistance during emergency incidents. This recommendation increases to \$118,749 and 1.0 FTE in FY 2025-26 and ongoing.

*EVIDENCE-BASED POLICY:* The Department believes that this request is theory-informed, but staff does not believe that the Evidence-Based Decision-Making Policy is applicable to this request since it is not a program or practice.

#### ANALYSIS:

##### DEPARTMENTAL ROLE

In the State Emergency Operations Plan, the Department is responsible for Emergency Support Function (ESF) #11, which includes four primary functions:

1. Respond to livestock/agricultural health issues/disease outbreaks affecting agricultural interests.
2. Provide technical expertise, coordination, and support of livestock and agricultural emergency management when agricultural interests are impacted by disasters.
3. Ensure safety and security of Colorado's commercial agricultural food supply.
4. Support ESF #6 in its role of providing nutritional assistance.

Local and tribal authorities are typically the agency lead for non-disease animal or agricultural disaster emergencies. In incidents where commercial farm and ranch operations are affected, farmers and ranchers are often the first responders for their livestock. In these situations, the Department *is* responsible for supporting local emergency managers in response functions, but *is not* the primary lead on the response.

The Department is the lead response agency where there is a disease-related animal outbreak.

##### EXISTING FUNDING AND INFRASTRUCTURE

Within the past two budget cycles, the Department has received \$167,821 and 1.0 FTE for an Emergency Management Coordinator, as well as \$75,000 General Fund for the Department's response to the ongoing Highly Pathogenic Avian Influenza (HPAI) outbreak.

The Department has a lean, but growing staff support system for emergency management. The Agriculture Emergency Coordinator has two back-ups: the Animal Incident Management Specialist and the State Veterinarian, who is also the Division Director. The Department has recently formed

two teams – an Emergency Management Support Team (EMST) and Foreign Animal Disease strike team – to provide additional support during emergencies. These teams are comprised of staff from multiple Divisions in the Department. If the teams were to be mobilized, they would impact services provided across the Department. In 2023, while the Department responded to a variety of incidents, additional support teams were not deployed.

In addition to support from other Departmental staff, the Department also received mutual aid from other state agencies and federal funding to respond to recent emergencies. This mutual aid was utilized for larger HPAI responses (two responses in 2023) and most HPAI responses in 2022 before the Emergency Coordinator was hired. Furthermore, through a cooperative agreement, the U.S. Department of Agriculture (USDA) provided significant financial support during large, commercial HPAI outbreaks. The Department was reimbursed for \$448,590 for their response work, and USDA directly spent \$34.7 million responding to the outbreaks.

#### *TYPES AND PREVALENCE OF EMERGENCIES*

Despite the ongoing HPAI outbreak, previous emergencies have received a quick response from the current Agricultural Emergency Coordinator and local emergency management staff. The current coordinator responded virtually, almost immediately, to all incidents in 2023. In-person, the coordinator was on-the-ground and working within twelve hours of an emergency operations center (EOC) or incident command post (ICP) being activated or notifying the Department. Every incident also had a local emergency management professional on-the-ground.

From October 2022 to October 2023, the Department responded to 13 incidents across more than 17 counties. These incidents included HPAI outbreaks, wildfires, blizzard, and severe storms. Of these, the HPAI outbreaks were included under a state disaster declaration, one incident (a series of severe storms) had a federal disaster declaration, and one incident (Lowline Fire) had a county disaster declaration.

EMERGENCY INCIDENTS IN THE PAST YEAR			
INCIDENT	DATE	DISASTER DECLARATION	ANIMALS AFFECTED
Denver Zoo HPAI	Oct-22	Governor	
Weld 06-07 HPAI	Dec-22	Governor	2 commercial egg facilities (1.5 million birds)
Sedgwick Blizzard	Dec-22	n/a	
Prowers 01 HPAI	Dec-22	Governor	12,000 birds
Gunnison Mtn HPAI Lions	Jan-23	Governor	1 mountain lion
Moffat County Feed Issues	Feb-23	n/a	
Gunnison-Delta Highway 133	May-23	n/a	Cattle
Severe Storms (15 counties)	Jun-23	Federal	
Spring Creek Fire	Jun-23	n/a	1 cattle herd
Lowline Fire	Jul-23	County	10 horses, 1 cattle herd, 60 sled dogs
Yuma Tornado	Aug-23	Federal	
Teller County Mag Chloride Yaks	Aug-23	n/a	
St. Charles Fire	Oct-23	n/a	Horses and livestock

While historical data is not necessarily a predictor of future emergency events, only two months (December 2022 and July 2023) had multiple emergencies occur.

In addition to the above listed emergency incidents, ongoing small-scale HPAI detections suggest that the prevalence of HPAI and potential for outbreaks remains high across the state. Most recently, on February 8, 2024, the Department confirmed another HPAI outbreak on a commercial poultry operation in Delta County, impacting 67,200 chickens. HPAI has been detected in counties across all regions of the state.

#### *NEED FOR ADDITIONAL SUPPORT*

The Department requested three additional staff to focus on three different areas of the emergency response structure (training and exercises, logistics, and planning). These staff were also requested to provide regional on-the-ground support during emergencies and training and outreach when there is not an emergency. However, due to a robust network of existing emergency response support and the lack of service disruptions during previous emergencies, staff does not recommend full approval of the Department's request.

Instead, staff recommends the approval of one Emergency and Preparedness Specialist to focus on training and exercises, as proposed by the Department, with flexibility to assist with logistics and planning initiatives as needed. The specific need for training is a unique role that the Department can fill in rural communities due to the existing relationships and trust that the Department has built with community members.

Currently, emergency preparedness classes offered by the Department of Homeland Security are not well-attended. These classes are often held in larger cities along the Front Range, or in Grand Junction and Durango on the western slope. There is only one major training opportunity in the San Luis Valley every year. Between vehicle travel, hotel stays, and stepping away from daily agricultural duties, it is challenging for farmers, ranchers, and other volunteers assisting with rural emergency management to attend these classes. Some of the FEMA consortium classes also have a minimum class size and will cancel if there are not enough registrants. As such, providing in-person and on-the-ground training opportunities is a unique role that the Department can play in improving emergency preparedness statewide.

In addition, the recommended staff member would provide another layer of back-up within the current emergency management structure, and ensure the Department is able to have emergency response staff in two places at the same time. This would minimize potential service disruptions and the need to pull staff from other Divisions in order to respond to an incident.

#### *FTE AND EXPENSE CALCULATION*

In addition to the approval of only one out of the three requested positions, the difference between the Department's request and staff recommendation is due to JBC policy that does not include centrally appropriated costs for a position's first year as well as slightly different compensation, operating expense, and capital outlay estimates used by Legislative Council staff.

FTE EXPENSE CALCULATION									
POSITION	FTE	MIN. SALARY	MEDICAID	PERA	STANDARD OPERATING	CAPITAL OUTLAY	ADDITIONAL OPERATING	POTS	TOTAL
<b>FY 2024-25</b>									

FTE EXPENSE CALCULATION									
POSITION	FTE	MIN. SALARY	MEDICAID	PERA	STANDARD OPERATING	CAPITAL OUTLAY	ADDITIONAL OPERATING	POTS	TOTAL
EMER PREP & COMM SPEC IV	0.9	61,290	888	7,115	1,280	6,670	25,128	0	<b>\$102,372</b>
<b>FY 2025-26 and ongoing</b>									
EMER PREP & COMM SPEC IV	1.0	68,100	987	7,906	1,280	0	25,128	15,347	<b>\$118,749</b>

In the table above, additional operating costs are primarily related to travel costs. This includes funding for vehicle, and lodging and per diem in the case of an emergency.

## → R-02: DIVISION OF ANIMAL WELFARE

*REQUEST [REQUIRES LEGISLATION]:* The FY 2024-25 request R-02 includes multiple components, including:

- \$741,628 General Fund and 3.6 FTE in order to establish a Division of Animal Welfare intended to create operational efficiencies by aligning two existing programs in the Animal Industry Division, and support future animal welfare initiatives. This includes hiring four additional staff (Managing Director, two Education and Outreach Specialists, and an Administrative Assistant), and database improvements. The request annualizes to \$664,135 General Fund and 4.0 FTE ongoing.
- The statutory creation of a new Division of Animal Welfare – this item would require legislation.
- Continuous appropriation for the Animal Protection Cash Fund – this item would require legislation.
- A Long Bill realignment by shifting the following funds to the proposed Division of Animal Welfare: Animal Protection Fund, Dangerous Dog Cash Fund, and General Fund currently appropriated to the two programs that are proposed to be consolidated (Bureau of Animal Protection and Pet Animal Care and Facilities Act programs).

*RECOMMENDATION [DOES NOT REQUIRE LEGISLATION]:* **Staff recommends partial approval of the Department's request**, including \$141,073 General Fund and 0.9 FTE. This includes funding for an administrative assistant and database improvements. This annualizes to \$84,255 and 1.0 FTE in FY 2025-26 and ongoing. Staff recommends denial of all other request components, as staff does not believe that these items are likely to lead to the operational efficiencies or outcomes identified by the Department.

*EVIDENCE-BASED POLICY:* The Department labeled this request as theory-informed, but staff does not believe that the Evidence-Based Decision-Making Policy is applicable to this request since it is not a program or practice.

### ANALYSIS:

#### BACKGROUND AND ORGANIZATIONAL STRUCTURE

Established in 1994, the Pet Animal Care and Facilities Act (PACFA) program licenses and inspects all pet animal care facilities and businesses in Colorado and typically issues over 2,200 licenses and completes 3,000 inspections annually. The program is currently managed by a program manager with an administrative assistant and eight inspectors.

The Bureau of Animal Protection (BAP), created by the Animal Protection Act of 1990, supports local law enforcement agencies in conducting animal cruelty and neglect investigations. The program

currently has four full-time staff members: a program manager, two investigators, and a veterinarian. During the 2023 legislative session, the program also received funding to hire a mental health contractor.

Both programs have received funding over the past five years to support growing program needs. This includes an additional 3.0 FTE for veterinary and investigative activities as well as funding to hire a contractor and one staff member to develop PACFA educational materials.

FIVE-YEAR HISTORY: NEW FUNDING RECEIVED FOR BAP AND PACFA PROGRAMS					
YEAR	PROGRAM	AMOUNT	FUND SOURCE	FTE	PURPOSE
FY 2020-21	PACFA	\$142,971	Pet Animal Care and Facility Fund (\$77,050 one-time) and General Fund (\$65,921)	1.0	To hire a contractor to develop a qualifying education course and continued competency requirement for PACFA licensure, and staff to implement this training program.
FY 2022-23	BAP	286,715	General Fund	2.0	To hire one veterinary specialist and one investigator.
FY 2023-24	BAP	238,505	General Fund	1.0	To hire one full-time investigator and a social service and mental health contractor, and operational funding for a fleet vehicle.

These changes bring both programs to where they are today, with 14.0 FTE.

CURRENT AND PROPOSED STAFF FOR THE BAP AND PACFA PROGRAMS			
PROGRAM	CURRENT FTE	REQUESTED FTE INCREASE	RECOMMENDED FTE INCREASE
PACFA	10.0 (section chief, eight inspectors, one licensing and education administrator)	4.0 (managing director, administrative assistant, two outreach and education specialists/administrators)	1.0 (administrative assistant)
BAP	4.0 (program manager, veterinarian, and two investigators)		

The recent, additional support to the BAP program has helped the program increase its investigative activity and data reporting. Prior to the beginning of the BAP program expansion in 2022, one person had overseen the entire program, including case management, training and oversight of 89 credentialed BAP agents, consultation with the state veterinarian, media engagement, and partnerships with local law enforcement. On average, the program received 97 complaints reporting animal mistreatment or neglect per year.

Over the past 18 months, after the program began expanding, the number of complaints reported to the program increased to 334. With the support of additional staff, the BAP program has also been able to collect additional data on its activities, which include 267 times when the program responded to law enforcement's need for assistance or guidance and 81 times when a BAP investigator was sent into the field.

#### *INTENDED OPERATIONAL EFFICIENCIES*

Currently, the BAP and PACFA programs are aligned under the Animal Health Division in order to encourage collaboration between the two programs. The statutory creation of a new division would not significantly change their organizational relationship.

Prior to 2021, both the PACFA and BAP programs were in the Animal Industry Division. In FY 2021-22, in order to reduce administrative expenses associated with tracking shared costs between divisions and align the program's appropriation with where it was administered, the PACFA program was moved to the Inspection and Consumer Services Division. In September 2023, the PACFA program moved back to the Animal Industry Division. The BAP program is currently located within the Animal Industry Division.

However, since the most recent move, the Department has indicated that the programs have faced capacity challenges due to limited management and support staff. Unlike the PACFA program, the BAP does not currently have staff dedicated to administrative assistance. The program manager and inspectors are completing administrative tasks that take time away from their investigative duties. **As such, staff recommends the addition of one administrative staff member for the BAP program in order to allow existing staff to refocus their time on investigative activity, which has increased in recent years.**

As part of the transition to a new Division, the Department also plans to expand the existing PACFA database for regulatory investigations to include the BAP program in order to increase system security and improve data tracking. The BAP program currently uses spreadsheets to track approximately 200 cases per year. These cases are complex, with interview notes, evidence, and communication and legal documents – and highlight operational benefits to expanding the current database to include the BAP program. However, there is not a clear reason for the need to create a new division in order to implement database improvements. **As such, regardless of the creation of a new division, staff recommends \$83,878 for database improvements, which annualizes to \$15,000 ongoing.**

Due to the recommended changes described above to increase operational efficiency, staff expects that existing management staff will be able to allocate increased time towards management duties. **As such, staff recommends denial of a Managing Director for the proposed Division of Animal Welfare, until the results of the recommended changes are evaluated.**

#### *OUTREACH AND EDUCATION*

Education and outreach efforts within the PACFA program have decreased the percentage of inspections requiring follow-up and thereby decreased the regulatory workload for staff. Effective November 1, 2021, applicants for a PACFA license were required to complete a qualifying education course and pass a pre-license inspection prior to their license approval, pursuant to Rule 8 CCR 1202-15, Part 2.5.1.

As a result of this required course, the program has seen a decrease in the number of follow-ups needed for pre-license inspections, from 6.6 percent to 3.8 percent.

PACFA PRE-LICENSE INSPECTIONS AND FOLLOW-UPS			
YEAR	2020	2021	2022 (FIRST FULL YEAR AFTER COURSE WAS REQUIRED)
Pre-license inspections	391	402	392
Follow-up on pre-license inspections	26	24	15



PACFA PRE-LICENSE INSPECTIONS AND FOLLOW-UPS			
YEAR	2020	2021	2022 (FIRST FULL YEAR AFTER COURSE WAS REQUIRED)
Percent of inspections requiring follow-up	6.6%	5.9%	3.8%

Although there are benefits to proactive outreach and education, staff recommends denial of the Department’s request for two “education and outreach specialists” because of the job classification in which they are proposed to be hired. The Division would like to hire two Administrator IV’s, instead of as a classification more directly pertinent to communications and outreach (e.g., a Marketing and Communications Specialist). **If the Division truly intends to hire staff focused on education and outreach, it may be beneficial to do so in order to improve operational efficiency and licensee outcomes. However, staff currently recommends denial of the Department’s request to hire two additional administrators.**

#### *STATUTORY CHANGES AND LONG BILL RESTRUCTURING*

As described above, there is not a clear connection between creating a new Division and the operational efficiencies and outcomes described by the Department. **As such, staff does not recommend the statutory creation of a new Division or restructuring the Long Bill to match the proposed new Division.**

Additionally, the Department requested a Long Bill footnote to allow continuous appropriation from the Animal Protection Fund. The fund supports operational, non-personnel costs of running animal protection programs. Some of the funds are also disbursed according to court orders. The fund receives proceeds from selling impounded animals, and these proceeds are held until the court directs how and to whom these funds must be disbursed. When proceeds from the sale of an animal exceed the spending authority of the fund, the Department must request changes to their spending authority in order to comply with court orders. Currently, pursuant to Section 35-42-113, C.R.S., the general assembly shall make annual appropriations from the Animal Protection Fund to the Department and the fund may not be continuously appropriated. As a result, continuous appropriation would require statutory change – and not simply a Long Bill footnote.

The Department’s current annual appropriation from the fund is \$10,000. The fund’s FY 2022-23 ending balance is \$29,084. It is a relatively small amount of money, but if the fund were to be continuously appropriated, it would lose transparency and reporting requirements compared to if it were subject to annual appropriation. **Therefore, staff does not recommend the addition of a Long Bill footnote and also does not recommend the statutory change necessary to continuously appropriate the fund.**

#### *FTE AND EXPENSE CALCULATION*

In addition to the approval of only one out of the four requested positions, the difference between the Department’s request and staff recommendation is due to JBC policy that does not include centrally appropriated costs for a position’s first year as well as slightly different compensation, operating expense, and capital outlay estimates used by Legislative Council staff.

FTE EXPENSE CALCULATION									
POSITION	FTE	MIN. SALARY	MEDICAID	PERA	STANDARD OPERATING	CAPITAL OUTLAY	ADDITIONAL OPERATING	POTS	TOTAL
<b>FY 2024-25</b>									
ADMIN ASSISTANT III	0.9	43,556	632	5,057	1,280	6,670	0	0	<b>\$57,195</b>
<b>FY 2025-26 and ongoing</b>									
ADMIN ASSISTANT III	1.0	48,396	702	5,619	1,280	0	0	13,258	<b>\$69,255</b>

STAFF RECOMMENDATION		
EXPENSE	FY 2024-25	FY 2025-26 AND ONGOING
FTE	\$57,195	\$69,255
Database improvements	83,878	15,000
<b>TOTAL</b>	<b>\$141,073</b>	<b>\$84,255</b>

### ➔ R-03: RENEWABLE ENERGY ADAPTATION AND DEVELOPMENT

**REQUEST:** This is a back-fill request that also includes expansion of the current program. The FY 2024-25 request includes \$931,656 General Fund and 1.9 FTE in order to (1) fund an existing grant program with \$700,000 and (2) expand the Agricultural Drought and Climate Resilience Office's (ADCRO) programming by hiring a Program Manager and a Grants Specialist. The request annualizes to \$932,426 General Fund and 2.0 FTE ongoing.

**RECOMMENDATION:** Staff recommends partial approval of the Department's request, including:

- **\$616,888 General Fund and 1.0 FTE in FY 2024-25 and ongoing** to support one existing program manager and \$500,000 in annual grant funding,
- A **Long Bill footnote** that allows three-year roll-forward authority for the \$500,000 grant funding, and
- A **Request for Information** to better understand program performance and demand moving forward.

**EVIDENCE-BASED POLICY:** The Department labeled this request as theory-informed, but staff does not believe that the Evidence-Based Decision-Making Policy is applicable to this request since it is not a program or practice.

### ANALYSIS:

#### BACKGROUND

Since 2007, the Advancing Colorado's Renewable Energy and Energy Efficiency (ACRE3) program has provided energy efficiency and renewable energy solutions at no cost to qualifying agricultural producers. The program is administered jointly by the Colorado Agriculture Value-Added Board and the Agricultural Drought and Climate Resilience Office, which also provides voluntary technical assistance and incentives such as grant programs for producers to engage with resilience-building activities.

The Department has worked closely with the Colorado Energy Office (CEO) on multiple projects, including initiatives pertaining to agricultural energy efficiency and irrigation hydropower. In these partnerships, the Department provides agricultural experience that CEO does not have. For example,

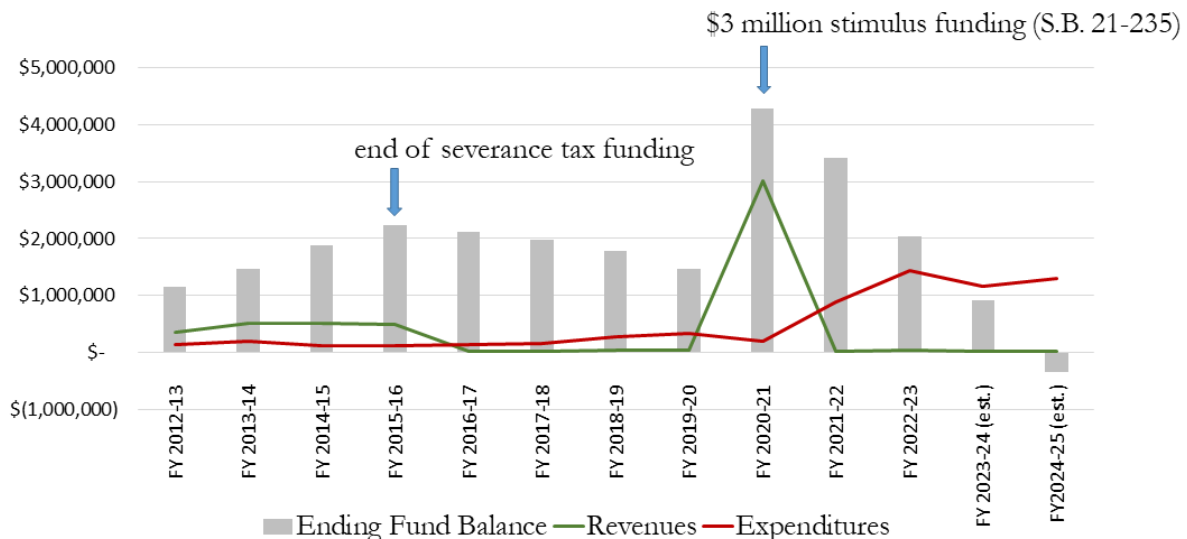
the technical components of agrivoltaics may be well understood by energy experts, but the Department indicated that its interaction with crop and livestock practices is an area of Departmental expertise and key to its successful implementation.

#### *HISTORIC FUNDING*

The program was initially funded through the Colorado Agriculture Value-Added Cash Fund, which was supported by severance tax revenue. The ACRE3 program received its first transfer from the Severance Tax Operational Fund in FY 2006-07. The annual transfer of \$500,000 was established by the passage of H.B. 06-1322 (Operational Account Support of Clean Energy Resources). Between FY 2006-07 and FY 2015-16, the fund received \$4.8 million in statutory transfers of severance tax revenue. In FY 2016-17, the annual transfers ended due to reduced state severance tax revenue that resulted in a statutory repeal of the transfer.

Without additional recurring revenue, the Agriculture Value-Added Cash Fund's balance was projected to be fully spent in FY 2020-21. However, the program received \$3.0 million in stimulus funding through S.B. 21-235 that allowed the program to continue operating and offering new grants. The fund is again expected to be fully spent by the end of FY 2023-24, highlighting the need to consider an additional funding source if the General Assembly were to continue the ACRE3 program.

#### Agriculture value-added cash fund is an unsustainable source of funding for ACRE3



Outside of the ACRE3 program, the Department has received funding for similar projects focused on agricultural renewable energy. Most recently, S.B. 23-092 (Agricultural Producers Use of Agrivoltaics) included funds to support grants for agrivoltaic projects. For \$500,000 in available funding for that program, the Department received 27 requests totaling \$3.6 million.

There are also multiple new opportunities for producers to receive federal funding for renewable energy and energy efficiency projects. The Inflation Reduction Act (IRA) and Infrastructure Investment and Jobs Act (IIJA) have both allocated millions of dollars to the U.S. Department of Agriculture (USDA) and the Department of Energy to fund renewable energy projects. In FY 2023,

USDA’s Rural Energy for America Program (REAP) allocated \$3.3 million to spend on renewable energy in Colorado’s rural communities.

Despite available federal funding, the complex application process and required pre-requisites can prevent producers from applying. For example, the USDA does not provide funding or technical assistance for pre-requisite feasibility studies or energy audit reports, which, according to the Department, cost between \$3,000 and \$20,000. Additionally, many of these federal funds require a local or state match, highlighting the need for state funds in addition to federal support.

#### *PROGRAM DEMAND AND EFFECTIVENESS*

Since 2015, the ACRE3 program has delivered three technical guides, 59 feasibility studies, and funding to 140 on-farm energy projects across 27 Colorado counties. These projects represent \$11.3 million in total project value, which includes \$4.8 million in ACRE3 awards, \$1.9 million in USDA funding, and \$150,000 from other grant sources. The Department projects that for every \$1 million in new annual appropriations to the program, the Department will be able to bring in \$2.5 million in additional federal funding.

In FY 2022 and 2023, the program reviewed 76 applications for 47 projects, awarding \$2.8 million in grants. These grants primarily funded conventional solar and energy efficiency projects and resulted in \$230,648 in annual cost savings for producers. The program also completed 11 feasibility studies to evaluate project viability and help producers access federal funds.

ACRE3 INSTALLED PROJECTS (FY 2022 AND FY 2023)						
PROJECT TYPE	NUMBER OF PROJECTS	FUNDING AWARDED	ANNUAL ELECTRIC SAVINGS (KILOWATT-HOUR)	ANNUAL CO2 REDUCTIONS (TONS)	ANNUAL ENERGY COST SAVINGS	FIVE-YEAR ENERGY COST SAVINGS
Agrivoltaics	4	\$170,425	42,085	40	\$3,169	\$15,845
Conventional solar	18	1,245,428	2,267,261	2,123	118,368	591,840
Solar hot water	1	3,000	0	0	0	0
Irrigation hydropower	9	607,040	138,979	132	15,983	79,915
Energy efficiency	15	804,011	247,972	1,582	93,128	465,640
<b>TOTAL</b>	<b>47</b>	<b>\$2,829,902</b>	<b>2,969,297</b>	<b>3,878</b>	<b>\$230,648</b>	<b>\$1,153,240</b>

While the Department did not have data pertaining to the demand for the ACRE3 program, the steady spend down of historic severance tax and stimulus funding suggest that there is sufficient demand for the funds available. The Department indicated that the lack of data is due to the fact that historically, when the ACRE3 program reached its capacity, the program stopped accepting new applications.

#### *PROGRAM NEEDS*

Due to the program’s effectiveness and the potential savings for producers engaging in renewable energy and energy efficiency initiatives, **staff recommends a reduced annual appropriation of \$500,000 to align with previous severance tax operational transfers that supported the program. Due to the multi-year timeline for implementing infrastructure projects, staff also recommends a Long Bill footnote that allows three-year roll-forward authority for this grant funding.**

Currently, the program has one staff member that also acts as a grants manager. The Department indicated that due to staff capacity, the program is currently limited in the technical assistance that it is able to provide producers. A grants manager would help provide increased technical assistance. However, with the reduced recommended appropriation, staff expects a reduced workload for the current program manager and as such, increased capacity to provide technical assistance. **As such, staff recommends denial of funding for the grants manager position, and approval of \$98,356 in FY 2024-25 for a program manager** in the same classification as the current staff member (Administrator V) instead of as a Program Manager II.

#### *REQUEST FOR INFORMATION*

In order to better assess demand for the program and plan for future appropriations, staff recommends adding a request for information that contains an annual report on ACRE3 program performance.

At a minimum, this report should include the following:

- number of applicants and requested funding amounts,
- number and amount of awards,
- project co-funding amounts and sources (if additional funding was also secured),
- type of project (e.g., energy efficiency, agrivoltaic, conventional solar, etc.), and
- and annual energy cost savings (if applicable).

#### *FTE AND EXPENSE CALCULATION*

In addition to differences described above, variations between the Department's request and staff recommendation is due to slightly different compensation and operating expense estimates used by Legislative Council staff. Since this is the continuation of an existing position, staff recommends not including capital outlay, but including centrally appropriated line items in the position's first year.

FTE EXPENSE CALCULATION									
POSITION	FTE	MIN. SALARY	MEDICAID	PERA	STANDARD OPERATING	CAPITAL OUTLAY	ADDITIONAL OPERATING	POTS	TOTAL
<b>FY 2024-25</b>									
ADMINISTRATOR V	1.0	86,916	1,260	10,091	1,280	0	0	17,341	<b>\$116,888</b>
<b>FY 2025-26 and ongoing</b>									
ADMINISTRATOR V	1.0	86,916	1,260	10,091	1,280	0	0	17,341	<b>\$116,888</b>

In total, staff recommends the following General Fund appropriation:

STAFF RECOMMENDATION		
EXPENSE	FY 2024-25	FY 2025-26 AND ONGOING
FTE	\$116,888	\$116,888
Grant funding	500,000	500,000
<b>TOTAL</b>	<b>\$616,888</b>	<b>\$616,888</b>

## → R-04: GENERAL FUND OPERATIONAL INCREASE

**REQUEST:** The request includes \$195,000 General Fund in FY 2024-25 and ongoing, in order to address recent increases in operating expenses due to inflation. Specifically, the request includes \$65,000 for the International Markets programs, \$85,000 for the Colorado Proud program, and \$45,000 for the Colorado State Conservation Board program.

**RECOMMENDATION:** Staff recommends partial approval of the Department's request. This includes a total recommended appropriation of \$111,375 General Fund, including \$39,825 for the International Markets program, \$26,550 for the Colorado Proud program, and \$45,000 for the Colorado State Conservation Board. Staff also recommends the addition of a Long Bill footnote to clarify the funding intended for the International Markets and Colorado Proud programs.

**EVIDENCE-BASED POLICY:** The Department labeled this request as theory-informed, but staff does not believe that the Evidence-Based Decision-Making Policy is applicable to this request since it is not a program or practice.

### ANALYSIS:

The three programs included in this request (International Markets, Colorado Proud, and Colorado State Conservation board) do not have cash funds to support their operations, which is why the Department requested General Fund to support inflationary adjustments.

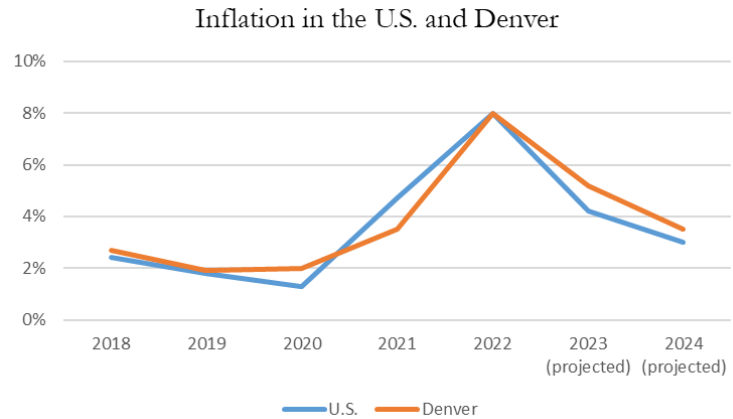
PROGRAM	ANNUAL APPROPRIATION	REQUESTED		RECOMMENDED	
		INCREASE (GENERAL FUND)	PERCENT CHANGE	INCREASE (GENERAL FUND)	PERCENT CHANGE
International Markets	\$225,000 (\$175,000 GF)	\$65,000	28.9%	\$39,825	17.7%
Colorado Proud	\$150,000 (\$50,000 GF)	\$85,000	56.7%	\$26,550	17.7%
Colorado State Conservation Board	\$166,000 (\$66,000 GF)	\$45,000	27.1%	\$45,000	27.1%

The Colorado State Conservation Board has not received an increase in operational funds in over a decade. The Agricultural Markets Division, including the International Markets and Colorado Proud programs, last received a General Fund increase in FY 2019-20.

The recommended General Fund increases are based on the percentage growth in the U.S. CPI since the last time the program received a funding increase, or the Department's requested spending authority – whichever is lower. All three programs are partially supported by General Fund, with the remainder covered by the Agricultural Management Fund (AMF). Staff recommendation is based on an inflation adjustment to the program's total appropriation, not specifically the portion of the program that is funded by General Fund.

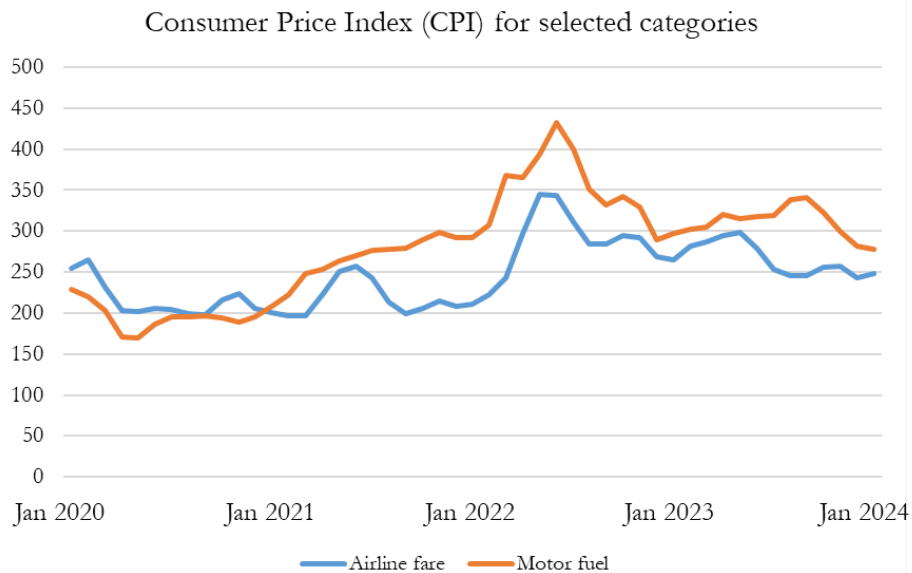
*INFLATIONARY PRESSURES*

The Consumer Price Index (CPI) has decreased significantly over the past 24 months, from 9.1 percent at its peak in June 2022 to 3.1 percent in January 2024. While inflation is on the decline, the nationwide CPI still increased by 21.3 percent from 2018 to 2023. The CPI for the Denver-Aurora-Lakewood followed a similar pattern, but did not decline as much in 2023 as compared to the entire nation.



Travel costs have declined significantly since their peak in 2022, but costs still remain elevated, particularly for motor fuel and lodging. From 2018 to 2023, the CPIs for:

- airline fare increased by 0.9 percent,
- motor fuel increased by 29.5 percent, and
- lodging increased by 17.4 percent.



Data source: U.S. Bureau of Labor Statistics

*INTERNATIONAL MARKETS*

The International Markets team hosts in-bound buyer teams, coordinates out-bound trade missions, and organizes Colorado companies to participate in international trade shows. The Department reports that these activities provide a significant return on investment for growth in the agricultural sector.

In 2022, the program connected with 32 countries and created over 2,000 buyer connections, resulting in over \$25.0 million in projected sales over the next two years. The return on investment as a result of these increased sales is shown in the graph to the right.



Furthermore, as a member of the Western U.S. Agricultural Trade Association (WUSATA), the Department pays a \$5,500 annual fee and is in turn able to apply for proposals to fund projects across member states. The program typically receives funding for two to three projects a year, which is approximately \$180,000 annually in project funding.

A significant of the program's General Fund allocation (40.0 to 72.0 percent) is allocated to provide a state match for federal grants from the Small Business Administration. Thus, the portion of costs subject to substantial inflationary pressures, particularly those associated with travel expenses, is between 28.0 to 60.0 percent of expenses.

The Department provided a few examples of the types of expenses that have increased, which primarily pertain to travel expenses.

EXAMPLES OF COST INCREASES			
PURCHASE	COST IN 2018 (\$)	COST IN 2023 (\$)	PERCENT CHANGE
Hotel Room in Broomfield	\$102	\$169	65.7%
Airfare to London, England	977	1,908	95.3%
Airfare to Chicago, Illinois	362	624	72.2%
Airfare to Guadalajara, Mexico	671	854	27.2%
Booth Space Rental and Build in Mexico	33,975	42,500	25.1%
Total Booth Cost in London	9,003	44,615	395.6%
Total Booth Cost in Miami	15,000	32,000	113.3%
Contractor Costs	7,500	15,000	100.0%
Bus Rental Service	650	1,722	164.9%

While the Department has provided examples of significant price increases within the International Markets program, this is not an exhaustive list of all expenses incurred by the program, which may include expenses with smaller cost increases. **As such, and due to the significant return on investment for activities of the International Markets program, staff recommends a 17.7 percent, or \$39,825, General Fund increase for the program.** This would align with the change in the U.S. CPI increase from 2020, when the program last received additional funding, to 2023.



**Staff also recommends the addition of a footnote that specifies that this appropriation is to be used for the International Markets program.**

#### *COLORADO PROUD PROGRAM*

Developed in 1999 as a free-of-cost marketing program, the Colorado Proud program helps consumers, restaurants, and retailers identify and purchase Colorado food and agricultural products. In 2009, a survey found that 59.0 percent of consumers were aware of the Colorado Proud brand. In 2017, 83.0 of these consumers reported awareness of the Colorado Proud brand. Today, the Department estimates that over 90.0 percent of Coloradans would buy more Colorado grown and produced products if they were available and identified as being from Colorado.

The program has faced increased costs over the past five years, largely related to increases in advertising costs. Three years ago, the program received \$2.5 million in one-time stimulus funding through S.B. 21-203, but this funding is expected to end in FY 2023-24. This increased spending authority resulted in over nine million radio/TV impressions, in-store advertising in 446 stores, increased social media presence with almost 60,000 clicks, and Colorado Tourism emails that reached over 700,000 individuals.

Over this time period, the Department also provided a few examples of the types of expenses that have increased, shown in the table below.

EXAMPLES OF COST INCREASES					
PURCHASE	COST IN 2022 (\$)	COST IN 2023 (\$)	COST IN 2024 (\$)	ADDITIONAL FUNDING NEEDED	PERCENT CHANGE
Stickers	5.00	8.36	11.22	-	124.4%
Facebook and Instagram Advertising (price per click)	0.18	0.25	0.44	21,095	144.4%
Google advertising (price per click)	0.78	1.11	1.57	15,053	101.3%
Translation services	9,300	10,000	13,900	3,900	49.5%
Produce News advertising	12,000	-	30,500	18,500	154.2%
The Packer advertising	18,800	-	37,000	18,200	96.8%
New initiative: online shopping platform	-	16,500	16,500	16,500	0.0%

While the Department has experienced significant price increases within some components of the program, this is not an exhaustive list of all expenses incurred by the program, which may include expenses with smaller cost increases. Furthermore, some of the expense projections, including those for translation services and online shopping, are related to program expansion and not inflationary pressures. **As such, staff recommends a 17.7 percent, or \$26,550, General Fund increase for the program.** This would align with the change in the U.S. CPI from 2020, when the program last received additional ongoing funding, to 2023.

**Staff also recommends the addition of a footnote that specifies that this appropriation is to be used for the Colorado Proud program.**

#### *COLORADO STATE CONSERVATION BOARD (CSCB)*

The CSCB is comprised of conservation district representatives from across the state and administers grants for conservation districts, advises districts, and studies watershed planning across the state. Pursuant to Section 35-70-103(4), C.R.S., the Board is responsible for covering the travel and living

expenses of board members when on official state board business. This includes lodging, per diem, and fleet costs for both board members and Departmental staff that support these meetings.

The majority of program costs are associated with travel, which have seen significant increases in recent years. These travel costs have declined significantly since their peak in 2022, but costs still remain elevated for both motor fuel and lodging. From 2018 to 2023, the CPI for motor fuel increased by 29.5 percent and the CPI for lodging increased by 17.4 percent.

These increased prices are reflected in the program's expenses for quarterly meetings. In 2011, the cost of hosting four quarterly program meetings was estimated at \$29,760. By 2023, these costs had increased \$44,580 (a 49.8 percent increase), as demonstrated in the table below.

COST PER QUARTERLY MEETING IN 2023			
DESCRIPTION	PER UNIT COST	AMOUNT	SUBTOTAL
Mileage, Round Trip	\$0.59	\$400.00	\$236.00
Per Diem	\$69.00	\$3.00	\$207.00
Hotel, 2 nights	\$150.00	\$2.00	\$300.00
<b>Subtotal Per Person</b>			<b>\$743</b>
<b>Total per meeting (nine board members, six staff)</b>			<b>\$11,145</b>
<b>Total per year (four meetings)</b>			<b>\$44,580</b>

In addition to hosting quarterly meetings, CSCB staff are responsible for holding public hearings, providing technical assistance, and engaging in outreach. The Department indicates that CSCB has remained within budget by reducing staff travel to district meetings.

The program has not received increased FTE or operating expenses in over a decade, suggesting that the current appropriation has likely not kept up with inflation. From 2013 to 2023, the U.S. CPI increased by 30.8 percent. **As such, staff recommends approval of the Department's requested spending authority (\$45,000 General Fund) for the Colorado State Conservation Board, which represents a 27.1 percent increase in spending authority.**

#### → R-05: OPERATIONAL CASH FUND INCREASE

**REQUEST:** The request includes a cash fund spending authority increase of \$3,174,718 across five cash funds in six divisions in FY 2024-25 and ongoing in order to adjust for rising costs due to inflation. This total is comprised of a 13.5 percent spending authority increase in each of the following cash funds:

1. Agricultural Products Inspection
2. Brand Inspection
3. Inspection and Consumer Services
4. Plant Health, Pest Control, and Environmental Protection
5. State Fair Authority

**RECOMMENDATION:** Staff recommends partial approval of the Department's request, including \$2,034,977 cash funds in FY 2024-25 and ongoing in order to fund a 13.5 percent increase across all requested cash funds with the exception of the Agricultural Products Inspection Cash Fund and State Fair Authority Cash Fund.

**Staff recommends a 4.1 percent spending authority increase for the State Fair Authority Cash Fund, and a 2.3 percent increase for the Agricultural Products Inspection Cash Fund.**

STAFF RECOMMENDATION		
CASH FUND	REQUESTED APPROPRIATION	RECOMMENDED APPROPRIATION
Agricultural Products Inspection	\$316,761	\$53,999
Brand Inspection	645,743	645,743
Inspection and Consumer Services	351,711	351,711
Plant Health, Pest Control, and Environmental Protection	601,011	601,011
State Fair Authority	1,259,492	382,513
<b>TOTAL</b>	<b>\$3,174,718</b>	<b>\$2,034,977</b>

*EVIDENCE-BASED POLICY:* The Department labeled this request as theory-informed, but staff does not believe that the Evidence-Based Decision-Making Policy is applicable to this request since it is not a program or practice.

#### **ANALYSIS:**

##### *BACKGROUND*

As discussed in the background for the R-04 request above, inflationary pressures have been significant over the past few years and declined over the past 24 months. At the same time, the nationwide CPI still increased by 21.3 percent from 2018 to 2023. Over the past ten years (2013 to 2023), the increase in CPI was even greater – 30.8 percent.

With the exception of the State Fair Authority Cash Fund, these cash funds have not seen an operating increase in at least a decade. The following sections discuss the status of each cash fund impacted by the request.

##### *AGRICULTURAL PRODUCTS INSPECTION CASH FUND*

The Agricultural Products Inspection Cash Fund, created in Section 35-23-114, C.R.S., supports the fruit and vegetable inspection service. The fund generates revenue from fees on the inspection of fruits, vegetables, and other agricultural products. Since inspections are performed on-site, travel costs are a significant component of program expenses.

These travel costs have declined significantly since their peak in 2022, but costs still remain elevated for both motor fuel and lodging. From 2018 to 2023, the CPI for motor fuel increased by 29.5 percent and the CPI for lodging increased by 17.4 percent – both greater than the 13.5 percent increase requested by the Department.

The Department requested a \$316,761 increase from the Agricultural Products Inspection Cash Fund. This is over three times larger than both the fund's cash reserve and annual cash flow. Based on the Department's cash fund reports, approving the Department's full request would deplete the entire

cash reserve by within one year. The Department's requested increase represents approximately 12.6 percent of the fund's FY 2022-23 revenue.

CASH FUND OVERVIEW					
	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Total Revenue	1,890,275	2,080,026	2,306,837	2,459,747	<b>\$2,520,498</b>
Ending Balance (cash only)	118,111	57,771	130,939	204,528	<b>\$28,593</b>
Change in balance compared to previous year	-	(60,340)	73,168	73,589	<b>(\$175,935)</b>

**As such, staff recommends approval of a \$53,999, or 2.3 percent, spending authority increase from the Agricultural Products Inspection Cash Fund.** Although there is a need for additional spending authority, the Department has not provided a sustainable funding plan to support this increased appropriation. The recommended appropriation is half of the fund's average ending balance over the past five years (\$107,988), and would ensure that the Department has more than one year to adjust to the necessary fee increases.

#### *BRAND INSPECTION CASH FUND*

The Brand Inspection Cash Fund, created in Section 35-41-102, C.R.S., receives fees from cattle inspections, and is utilized for costs associated with the Brand Board. The program has faced increased costs due to inflation for vehicles, maintenance, and materials that are estimated to total over \$700,000 in need. For example:

1. The cost of brand books has more than doubled from 2017 to 2023.
2. Over the past year, thermal paper costs have increased 57.5 percent.
3. Of the 70 Brand Board vehicles traveling the state for inspection and fieldwork, 15 have outgrown warranties and have over 200,000 miles. This makes repairs and maintenance very expensive. The Division has been unable to purchase new vehicles in FY 2022-23 and FY 2023-24 due to ongoing backlogs, and would like spending authority to replace these 15 vehicles as soon as supply allows.

The Department requested a \$645,743 increase from the Brand Inspection Fund. As detailed in the table below, the fund's annual cash flow has fluctuated significantly from year to year, and was only above \$645,743 once in the past four years. As such, the request will likely require additional revenue. The Department's requested increase represents approximately 9.6 percent of the fund's FY 2022-23 revenue.

While there is a revenue impact for this request, the Brand Board is an enterprise pursuant to Section 35-41-101, C.R.S., and its revenues are not included in the TABOR revenue limit. The fund also has a generous reserve that may be used to stagger the timing of fee increases.

CASH FUND OVERVIEW					
	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Total Revenue	5,476,922	5,545,398	5,796,518	5,963,152	<b>\$6,748,204</b>

CASH FUND OVERVIEW					
	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Ending Balance (cash only)	1,257,990	1,959,548	2,092,181	1,543,314	<b>\$1,674,122</b>
Change in balance compared to previous year	-	701,558	132,633	-548,867	<b>\$130,808</b>

**Due to the availability of reserves and 30.8 percent CPI increase over the past decade, staff recommends approval of the Department’s request for a 13.5 percent spending authority increase for the Brand Inspection Cash Fund.**

*INSPECTION AND CONSUMER SERVICES (ICS) CASH FUND*

The Inspection and Consumer Services Cash Fund, created in Section 35-1-106.5, C.R.S., receives fees from animal feed, fertilizer anhydrous ammonia, farm products dealers, commodity handlers, scales and other measuring device users, home food service plan operators, custom meat plants, and wild game processors. These costs support the inspection services provided by the Department. The fund has faced growing expenses due to both inflationary pressures and aging equipment. The Department provided examples of needs that total approximately \$240,000, and include:

1. A 15.0 to 25.0 percent increase in preventative maintenance contracts for biochemistry analytical equipment.
2. Aging equipment that is over a decade old and has recently required \$9,000 in annual repairs compared to a \$70,000 cost for a new instrument.

The Department requested a \$351,711 increase from the ICS Cash Fund. This is greater than the fund’s annual cash flow over the past four years. As such, the request will likely require additional revenue. The Department’s requested increase represents approximately 9.5 percent of the fund’s FY 2022-23 revenue.

The fund does have a generous reserve that may be used to stagger the timing of fee increases.

CASH FUND OVERVIEW					
	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Total Revenue	2,679,948	3,352,886	3,476,196	3,746,141	<b>\$3,709,998</b>
Ending Balance (cash only)	1,490,123	1,621,728	1,718,495	1,956,902	<b>\$1,870,689</b>
Change in balance compared to previous year	-	131,605	96,767	238,407	<b>(\$86,213)</b>

**Due to the availability of reserves and 30.8 percent CPI increase over the past decade, staff recommends approval of the Department’s request for a 13.5 percent spending authority increase for the ICS Cash Fund.**

*PLANT HEALTH, PEST CONTROL, AND ENVIRONMENTAL PROTECTION CASH FUND*

The Plant Health, Pest Control, and Environmental Protection Cash Fund, established in Section 35-1-106.3, C.R.S., supports operations in both the Plant Industry Division and Conservation Services Division. The fund receives revenue from fees pertaining to various industries, including seeds,

organic certification, biocontrol, apiary, nursery, and pesticides. The Department listed needs that totaled over \$650,000, including:

1. An average increase of \$5 per Fedex shipment for plant exports, totaling approximately \$30,640.
2. A 51.9 percent increase in professional service expenses, including for a contract with Colorado State University for the Department's seed program.
3. A 15.0 to 25.0 percent increase in preventative maintenance contracts for biochemistry analytical equipment.
4. Machinery that is also supported by the ICS Cash Fund, including new instruments to replace aging equipment, support new testing and regulations, and add redundancy and improve customer turn-around times.

The Department requested a \$601,011 increase from the fund. For two out of the past four years, the fund's cash flow would have been adequate to support the Department's request. If fee increases are necessary, the fund has a generous reserve that may be used to stagger the timing of fee increases.

CASH FUND OVERVIEW					
	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Total Revenue	4,010,574	4,924,530	5,296,029	6,129,519	<b>\$6,436,170</b>
Ending Balance (cash only)	1,088,048	1,809,042	2,385,490	3,415,978	<b>\$3,313,944</b>
Change in balance compared to previous year	-	720,994	576,448	1,030,488	<b>(\$102,034)</b>

**Due to the availability of reserves, strong cash flow, and 30.8 percent CPI increase over the past decade, staff recommends approval of the Department's request for a 13.5 percent spending authority increase for the Plant Health, Pest Control, and Environmental Protection Cash Fund.**

#### *STATE FAIR AUTHORITY*

The State Fair Authority Cash Fund, established in Section 35-65-107, C.R.S., generates revenue from concessions and admission to the annual State Fair, as well as other events held at the State Fairgrounds. The fund also receives 25.0 percent of the interest from the Unclaimed Property Tourism Promotion Trust Fund, Marijuana Tax Cash Fund, General Fund, and recently, \$4.0 million in one-time funding for capital projects through S.B. 22-134.

In addition to capital needs, for which the Department last received funding in 2022, the Department also has increased operating needs that total over \$1.3 million. These are due to the following cost increases over the past three years:

1. A 19.4 percent increase for temporary staff to support the state fair. The Department indicated that in the future, these staff will be addressed in the annual salary survey.
2. A 42.1 percent increase in expenses for professional services, including entertainers, livestock contractors, auditors, judges. These are particularly exacerbated by high flight, hotel, and rental car costs.
3. A 56.3 percent increase in the cost of rentals, including for tents and office trailers during the state fair.

In FY 2022-23, the Authority received a \$647,281 increase in cash fund spending authority in order to attract more popular national acts to the fair, compensate for the rising cost of temporary labor, and address ongoing facility maintenance.

From 2022 to 2023, the U.S. CPI has increased by 4.1 percent. This translates to a \$382,513 cash fund spending authority increase.

When evaluating both the Department’s requested \$1.3 million spending authority increase, as well as the \$382,513 spending authority increase that aligns with recent inflationary changes, the fund has adequate reserves and cash flow to support both requests. However, the fund is largely supported by non-fee resources of revenue. Without this non-fee revenue, the fund would have decreased by over \$5 million in each year.

CASH FUND OVERVIEW					
	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Total Revenue	No data	11,575,867	11,591,930	17,849,062	<b>\$14,513,262</b>
Ending Balance (cash only)	No data	3,104,989	7,213,584	10,136,824	<b>\$3,130,323</b>
Change in balance compared to previous year	-	-	4,108,595	2,923,240	<b>(\$7,006,501)</b>

**Due to the fund’s recent spending authority increase and reliance on non-fee revenue, staff recommends approval of \$382,513 from the State Fair Authority Cash Fund in order to more appropriately align with inflationary increases since FY 2022-23, when the program received its last increase in operational spending authority.**

#### → R-06: COMMISSIONER’S OFFICE INDIRECT COST ASSESSMENT

*REQUEST:* In order to pay for increased centralized services provided by the Commissioner’s Office, the FY 2024-25 request includes \$700,000 in reappropriated funds and a corresponding spending authority increase in indirect cost assessment lines that are funded by \$612,358 in cash funds and \$87,642 in federal funds.

*RECOMMENDATION:* **Staff recommends approval of the Department’s request.**

*EVIDENCE-BASED POLICY:* The Department labeled this request as theory-informed, but staff does not believe that the Evidence-Based Decision-Making Policy is applicable to this request since it is not a program or practice.

#### **ANALYSIS:**

The Commissioner’s Office is responsible for centralized services for the Department, including budgeting and accounting, human resources, and legislative affairs. CDA has not increased its department-wide indirect cost assessment since FY 2013-14, when it relocated to its current office in Broomfield.

Due to workload increases over the past five years, the Department has hired five new staff to assist with procurement, human resources, budget and legislative needs, and marketing and communications. These positions are currently funded with the Agricultural Management Fund and various other fund sources. The Agricultural Management Fund is an unstable source of revenue, deriving a significant portion of revenue from the interest from the Unclaimed Property Tourism Promotion Trust Fund (UPTPF). This interest fluctuates by hundreds of thousands of dollars a year depending on the market, which makes it challenging to fund staff positions with consistent, known expenses year-to-year. The Department is requesting to increase their departmental indirect cost recoveries in order to pay for these additional positions through reappropriated funds, instead of fund sources that do not necessarily align with the services provided.

The above process for hiring additional staff circumvents the state budget process, as those positions were not requested from the General Assembly. The proposed fund realignment is necessary in order to sustainably support the new staff that are already hired and supporting the Commissioner's Office's increased workload, but for the future, staff underlines the importance of following proper state budgeting procedures.

#### *INCREASED WORKLOAD AND EXPENDITURES*

Over the past five years, the Department's total appropriation increased 39.5 percent and the Department's FTE increased 26.4 percent. These changes are associated with increases in budgeting and legislative tasks to evaluate and implement new programs, human resource needs for existing staff and new hires, and accounting needs to support new and expanded programs.

DEPARTMENT OF AGRICULTURE: RECENT AND CURRENT EXPENDITURES		
FISCAL YEAR (ACTUALS)	TOTAL EXPENDITURES	TOTAL FTE
2018-19	\$49,787,694	244.3
2019-20	50,764,890	297.8
2020-21	48,815,127	303.0
2021-22	58,929,416	303.0
2022-23	69,457,947	308.9

As demonstrated in the table below, since 2018, the Department has also seen an increase in legislative activity that adds an appropriation or program to the Department.

APPROPRIATIONS OUTSIDE OF THE LONG BILL			
SESSION	NUMBER OF BILLS WITH AN APPROPRIATION	APPROPRIATION	PURPOSE
2018	1	\$43,157	One new program
2019	3	769,069	Two program expansions
2020	1	(481,308)	Common policy change
2021	5	4,854,459	Two new programs, significant changes to agricultural labor laws
2022	7	12,284,766	Two new programs, one expanded program, State Fair Master Plan, stimulus funding
2023	3	1,044,433	One new program, one program extension



The new bills include funding for six new grant or financial incentive programs, which require additional procurement and payment processing resources. From FY 2017-18 to FY 2022-23, the Department's procurement documents have increased from 282 per year to 654.

In addition to the increased financial and legislative workload, the Department's Human Resources team has experienced increased workload to accommodate the influx of additional staff and programs to the Department. This workload includes staff time to adjust for increases in job announcements as well as processing changes for Family and Medical Leave Insurance (FAMLI), biweekly pay, and sick leave for temporary employees. As a result of the growing number of staff over the past five years, personnel actions (e.g., transfers, salary adjustments, separations) have increased by 42.1 percent and job announcements have more than doubled.

The Department has filled these gaps with temporary staff and considered hiring contractors, but has indicated that training and turnover are costly.

#### *ASSESSMENT STRUCTURE AND AFFORDABILITY*

Currently, the Commissioner's Office funds approximately of their 60.0 percent FTE through an indirect cost assessment. The indirect cost rate is initially set as 10.0 percent, with adjustments for funds with statutory indirect cost assessment caps. As of FY 2023-24, the Department is approved for a 36.03% federal indirect assessment rate. More detail on the Department's current indirect cost structure is provided in Appendix B.

The request includes proposed increases from 14 different cash funds. Of these funds, the following four funds will likely need to increase revenue or rely on existing reserves in order to accommodate for the increased expense.

CASH FUNDS THAT MAY NEED ADDITIONAL REVENUE					
		FY 2021-22		FY 2022-23	
CASH FUND	REQUESTED INCREASE	NET CASH ASSETS	NET CASH FLOW	NET CASH ASSETS	NET CASH FLOW
Brand Inspection	\$75,240	\$1,543,314	(\$156,137)	\$1,674,122	\$0
Industrial Hemp	17,831	737,184	(607,623)	739,068	1,210
Pet Animal Care and Facility	27,048	119,960	(6,483)	118,700	0
Veterinary Vaccine and Service	12,295	30,277	(100)	34,777	4,500

However, as noted above, staff agrees that the proposed funding change appears to be necessary to sustain the existing positions. Thus, assuming that the Committee wishes to allow the Department to retain those positions, staff recommends approving the request.

#### **→ R-07: NEXT GEN/AG LEADERSHIP PROGRAM**

*REQUEST:* The request includes \$451,021 General Fund and 0.7 FTE for FY 2024-25, annualizing to \$444,021 and 0.7 FTE ongoing in order to expand two programs: the Agriculture Workforce Development Program and Next Generation Agriculture Leadership Program.

**RECOMMENDATION:** Staff recommends \$440,015 General Fund and 0.7 FTE in FY 2024-25 and ongoing. The main difference between the Department’s request and staff recommendation is due to staff recommendation to not include capital outlay for an existing position, and slightly different compensation and operating expense estimates used by Legislative Council staff.

**EVIDENCE-BASED POLICY:** The Department labeled this request as theory-informed, but staff does not believe that the Evidence-Based Decision-Making Policy is applicable to this request since it is not a program or practice, and grant funding may go towards a multiple, different initiatives to grow the future agricultural workforce.

## **ANALYSIS:**

### *BACKGROUND*

As the average age of U.S. producers continues to increase, there is a growing need for young producers to enter the workforce. According to the 2022 Census of Agriculture, young producers (under 35 years old) account for 8.8 percent of the nation’s producers. Since 2017, the number of young producers in Colorado has grown 0.2 percent, which is smaller than the national average of 3.9 percent growth. At the same time, the average age of all U.S. producers has steadily increased over time, from 53.2 years old in 2002 to 58.1 years old in 2022.<sup>1</sup>

The Agriculture Workforce Development Program (AWDP) provides funding to farms, ranches, and agricultural businesses to hire interns and help future producers gain hands-on training needed to work in the agricultural sector. The program was created in S.B. 18-042, which appropriated \$64,108 General Fund and 0.3 FTE to the program for five years. H.B. 23-1094 extended the program through July 1, 2029.

The Next Gen Agriculture Leadership Program offers grants for agricultural organizations and educational institutions that provide training opportunities for aspiring agriculturalists. The program initially received funding through a FY 2015-16 budget amendment that allocated funds from the Agricultural Management Fund to the “Adult Agriculture Leadership Grant Program”. In subsequent years, this appropriation remained at \$300,000 until FY 2020-21, when the appropriation decreased to \$20,000. In FY 2021-22, the line item was combined with the Agriculture Workforce Development program for a total appropriation of \$214,108, primarily from the Agriculture Management Fund.

Beginning in FY 2022-23, both programs also received federal funding through an interagency agreement with the Colorado Department of Labor and Employment (CDLE) that provided \$249,017 in Workforce Innovation and Opportunity Act (WIOA) funds to the program. This funding ends December 31, 2024, creating a need for the program to seek additional funding if it is going to continue providing the same level of financial support for internships and training opportunities.

### *PROGRAM DEMAND AND EFFECTIVENESS*

Both programs have consistently received more requests for funding than there are funds available. Even after almost doubling available awards with federal funds from CDLE, the Department was still unable to meet the demand for funds. In the table below, even with a 2023 funding level nearly double that of previous years, only 60.9 percent of applicants received internship funding.

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<sup>1</sup> U.S. Department of Agriculture, “2022 Census of Agriculture Data Release”, (February 2024): [https://www.nass.usda.gov/Newsroom/Executive\\_Briefings/2024/02-13-2024.pdf](https://www.nass.usda.gov/Newsroom/Executive_Briefings/2024/02-13-2024.pdf).

AGRICULTURE WORKFORCE DEVELOPMENT PROGRAM (AWDP) APPLICATIONS					
FISCAL YEAR	APPLICANTS AWARDED	TOTAL APPLICANTS	PERCENT OF APPLICANTS AWARDED	AVAILABLE FUNDING	AVERAGE AMOUNT PER AWARD
2019	12	37	32.4	\$40,756	\$3,396
2020	18	24	75.0	59,281	\$3,293
2021	18	45	40.0	89,084	\$3,873
2022	27	63	42.9	105,791	\$4,568
2023	39	64	60.9	170,000	\$4,353

Similarly, the Next Gen Agriculture Leadership program receives more demand for funds compared to funds available. While the Department was able to award 14 requests totaling \$261,000 in 2022, the program received 21 requests with needs totaling \$900,000.

As a result of the AWDP, 90% of interns from the 2021 and 2022 season reported an intention to continue with a career in agriculture. The program provided funding for internships on operations across nineteen counties, ranging from orchard and vegetable farms to cattle ranches. Of the available data collected, the counties that received the most interns included Boulder (19 interns), La Plata (13), Denver (7), Larimer (6), and Gunnison (5). In 2022, 55.9 percent of applicants were beginning farmers or ranchers. The remainder of applicants were primarily enrolled in high school or college.

#### *FUND SOURCES AND REQUESTED FUNDING*

With CDLE's federal funding expiring in December 2024, the program would need another funding source in order to continue supporting internships and grants at the current funding level. The Agriculture Management Fund (AMF) has historically funded a portion of the program. The fund has adequate reserves to fund the Department's \$451,021 request for FY 2024-25, but it is an unsustainable source of funding. The AMF receives a portion of the interest from the Unclaimed Property Tourism Promotion Trust Fund (UPTPF), which fluctuates by hundreds of thousands of dollars depending on the market. Based on the past five years, an additional \$451,021 in expenses would draw down the fund's reserves over four or five years.

AGRICULTURE MANAGEMENT FUND: BALANCE AND CASH FLOW						
	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	AVERAGE
Revenue	\$2,198,524	\$3,104,197	\$2,221,292	\$2,025,235	\$2,878,059	<b>\$2,485,461</b>
Net Cash Flow	(1,130,354)	(1,039,597)	209,274	204,943	446,118	<b>(261,923)</b>
Ending Fund Balance	5,736,328	4,696,730	4,906,004	5,110,948	5,557,066	<b>5,201,415</b>

Due to the program's apparent effectiveness in disbursing funds to engage with those considering a career in agriculture, staff recommends supporting the program with General Fund. An alternative option that the Committee may consider is to fund the 0.7 FTE staff position through General Fund, and all or a portion of the remaining \$350,000 in grant and internship funding through the AMF. While expenses for a staff position are not flexible year-to-year, the amount of grants and internships awarded every year are more flexible and could fluctuate depending on revenue received in the AMF.

With a combined \$350,000 requested for both programs, the Department intends to support:

- 40 internships per year (average award: \$4,000)
- At least seven grants per year (max award: \$25,000)

This support is similar to the number of internships and grants that the existing program offers. These numbers are also below current demand for the program, which includes 64 applicants to the internship program and 21 applicants for the grant program.

#### *FTE AND EXPENSE CALCULATION*

The difference between the Department's request and staff recommendation is due to slightly different compensation and operating expense estimates used by Legislative Council staff. Since this is the continuation of an existing position, staff recommends not including capital outlay, but including centrally appropriated line items in the position's first year.

FTE EXPENSE CALCULATION									
POSITION	FTE	MIN. SALARY	MEDICAID	PERA	STANDARD OPERATING	CAPITAL OUTLAY	ADDITIONAL OPERATING	POTS	TOTAL
<b>FY 2024-25</b>									
PROGRAM MANAGEMENT II	0.7	63,890	926	7,418	1,280	0	3,266	12,462	<b>\$89,242</b>
<b>FY 2025-26 and ongoing</b>									
PROGRAM MANAGEMENT II	0.7	63,890	926	7,418	1,280	0	3,266	12,462	<b>\$89,242</b>

In the table above, additional operating costs are primarily related to travel costs. The Department is also requesting \$350,000 to disburse as internship and grant funding and \$773 for annual grant software maintenance.

In total, staff recommends the following General Fund appropriation:

STAFF RECOMMENDATION		
EXPENSE	FY 2024-25	FY 2025-26 AND ONGOING
FTE	\$89,242	\$89,242
Internship and grant funding	350,000	350,000
Grant software maintenance	773	773
<b>TOTAL</b>	<b>\$440,015</b>	<b>\$440,015</b>

### ➔ R-09: WORKFORCE SERVICES

**REQUEST:** The FY 2024-25 request includes \$289,788 General Fund and 1.8 FTE, and \$294,730 and 2.0 FTE ongoing to hire two regional coordinators in an effort to expand the Agricultural Worker Services Program, help agricultural employers attract employees, and improve employer compliance with existing labor laws.

**RECOMMENDATION:** Staff recommends \$243,625 General Fund and 1.8 FTE in FY 2024-25, which increases to \$283,500 General Fund and 2.0 FTE in FY 2025-26 and ongoing. The main difference between the Department's request and staff recommendation is due to JBC policy that does not include centrally appropriated costs in a position's first year.

*EVIDENCE-BASED POLICY:* The Department labeled this request as theory-informed, but staff does not believe that the Evidence-Based Decision-Making Policy is applicable to this request since it is not a program or practice.

**ANALYSIS:**

*BACKGROUND*

Across the U.S., the agricultural sector is facing two labor-related challenges: (1) worker shortages, and (2) labor law non-compliance and complaints.

Recent anecdotal evidence suggests that U.S. agricultural employers are experiencing worker shortages. However, a 2021 survey of Colorado agricultural employers found that only 12.0 percent of respondents indicated they were not able to obtain all the workers they needed in the last five years. Although this is a small percentage of respondents, a majority (84.0 percent) of those that were unable to obtain all the workers they needed reported that these labor shortages caused them stress.<sup>2</sup> As discussed in the Department's R-08 request, there are significant and unique challenges to rural mental health and stress attributed to worker shortages compounds an existing list of challenges that producers face.

From May 2022 to April 2023, agricultural workers filed 147 complaints and 379 claims with the Colorado Department of Labor and Employment (CDLE), largely due to unpaid wages, overtime, sick pay, and vacation pay.<sup>3</sup> Three years ago, S.B. 21-087 made significant agricultural labor reforms, outlining a number of rights for workers and requirements for employers in order to improve working conditions for agricultural workers. Since then, the Department indicated that the Farm Bureau and Rocky Mountain Farmers Union have struggled to provide sufficient education and outreach to ensure employers and employees are aware of the changes made by the bill.

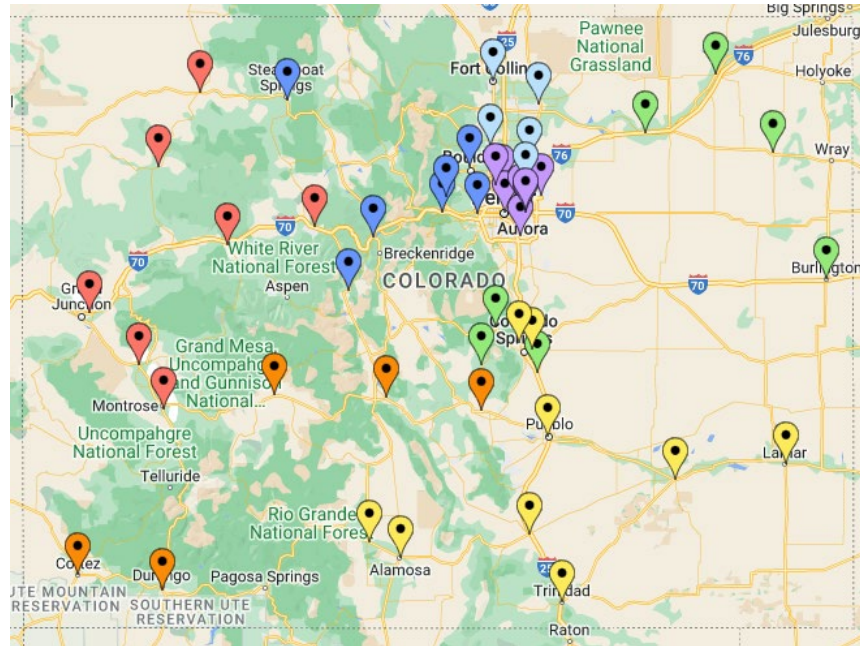
Building on this new set of labor laws, H.B. 22-1308 established the Agricultural Workforce Services Program to provide resources to help agricultural workers and employers mitigate health and safety impacts, access health services, and address labor-related items including visas, wages, and housing access. The bill appropriated \$100,000 General Fund and 0.4 FTE to develop an online resource portal to disseminate relevant information. In combination with funding from the 0.9 FTE appropriated to the Department in S.B. 21-087, the Department hired a program manager (Administrator IV) for agricultural workforce services.

The Colorado Department of Labor and Employment (CDLE) has a related Migrant and Seasonal Farm Worker program, but this program largely operates out of CDLE's Workforce Centers. There are only six centers specifically focused on migrant and seasonal farmworkers, located in Brighton, Greeley, Lamar, Monte Vista, Delta, and La Junta. CDLE's workforce centers are spread across the state, and are primarily located in the larger municipalities of a region. Particularly in rural counties, access to these centers is very challenging without time and access to transportation.

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<sup>2</sup> Adrian Card and Alexandra E. Hill, "Findings from the Colorado Agricultural Labor Survey for Employers", *REDI@CSU*, (August 2021): [https://csuredi.org/redi\\_reports/findings-from-the-colorado-agricultural-labor-survey-for-employers/](https://csuredi.org/redi_reports/findings-from-the-colorado-agricultural-labor-survey-for-employers/).

<sup>3</sup> Colorado Agricultural Workforce Advisory Committee, August 2023 Meeting: <https://drive.google.com/drive/folders/1iIMCC5zBdz5ZiZnXETRwQ1UBMzwIFtY> (51:52 through 55:22).



Data source: CO Department of Labor and Employment<sup>4</sup>

Since CDLE does not provide services directly to business and workers on-site, the Department’s proposed positions would fill this gap, and meet agricultural workers and employers where they are. The Department also proposes to host in-person conferences in order to share information on services, employment law, leadership, health, safety, occupational hazards, and innovations in agriculture.

#### *PROGRAM DEMAND AND EFFECTIVENESS*

During its first year, the existing program developed agreements with over ten service providers and provided over 600 workers with information on labor rights, support services, health services, housing, federal grants, and training opportunities. The program manager also held two town halls on related issues that attracted over 200 attendees. While the Department indicates that the program has been successful with its initial outreach, there remains a large gap between the existing populations served and the nearly 39,000 farms and ranches in Colorado.

Additionally, the program has been working to improve data collection pertaining to agricultural worker health and labor conditions. The program worked with the High Plains Intermountain Center for Agricultural Health and Safety and Colorado Fruit and Vegetable Association to assess heat conditions for field workers. This work included interviewing over 55 workers to gather data on social, cultural, and environmental perceptions of heat conditions in the field. This direct engagement with workers is a priority for the Colorado Agricultural Work Advisory Committee, as detailed in the Committee’s 2023 Annual Report. The Committee highlighted challenges to directly engaging with workers and a goal to work on improving this engagement in the future.<sup>5</sup> The two positions requested

<sup>4</sup> CO Department of Labor and Employment, “Colorado Workforce Centers”, <https://batchgeo.com/map/680c82a5636ee5f9e181908c5f6ff8fa>.

<sup>5</sup> CO Department of Labor and Employment, “Colorado Agricultural Work Advisory Committee: 2023 Annual Report and Recommendations”, [https://drive.google.com/drive/folders/1r\\_dDBMKFQH6cDge3mBNi8JrbtzQKYrpc](https://drive.google.com/drive/folders/1r_dDBMKFQH6cDge3mBNi8JrbtzQKYrpc).

by the Department will engage in direct outreach with workers and identify the needs of both workers and employers in their respective regions.

#### *FTE AND EXPENSE CALCULATION*

The difference between the Department's request and staff recommendation is due to JBC policy that does not include centrally appropriated costs for a position's first year as well as slightly different compensation, operating expense, and capital outlay estimates used by Legislative Council staff.

FTE EXPENSE CALCULATION									
POSITION	FTE	MIN. SALARY	MEDICAID	PERA	STANDARD OPERATING	CAPITAL OUTLAY	ADDITIONAL OPERATING	POTS	TOTAL
<b>FY 2024-25</b>									
PROGRAM MANAGEMENT III	0.9	90,558	1,313	10,514	1,280	6,670	16,229	0	<b>\$126,564</b>
ADMINISTRATOR IV	0.9	61,290	888	7,115	1,280	6,670	16,229	0	<b>\$93,473</b>
<b>FY 2025-26 and ongoing</b>									
PROGRAM MANAGEMENT III	1.0	100,620	1,459	11,682	1,280	0	16,229	20,360	<b>\$151,630</b>
ADMINISTRATOR IV	1.0	68,100	987	7,906	1,280	0	16,229	13,780	<b>\$108,282</b>

In the table above, additional operating costs are primarily related to travel costs. In addition to FTE costs, the Department is requesting \$11,294 to hold two regional conferences and \$12,294 to convene one statewide conference. In total, staff recommends the following General Fund appropriation:

STAFF RECOMMENDATION		
EXPENSE	FY 2024-25	FY 2025-26 AND ONGOING
FTE	\$220,037	\$259,912
Two regional conferences	11,294	11,294
One statewide conference	12,294	12,294
<b>TOTAL</b>	<b>\$243,625</b>	<b>\$283,500</b>

#### ➔ BA-01: WOLF REINTRODUCTION TECHNICAL ASSISTANCE

**REQUEST:** The request includes an increase of \$580,936 General Fund and 2.8 FTE in FY 2024-25 to provide technical assistance to farmers and ranchers on non-lethal methods to address wolf depredation. The request decreases to \$424,647 and 3.0 FTE in FY 2025-26 and ongoing. The three proposed staff would consist of one team lead and two regional team members.

**RECOMMENDATION:** Staff recommends approval of \$516,684 General Fund and 2.8 FTE in FY 2024-25, and \$409,040 General Fund and 3.0 FTE in FY 2025-26 and ongoing. The staff recommendation includes hiring new staff above the minimum salary range in order to align with similar positions within Colorado Parks and Wildlife. The main difference between the Department's request and staff recommendation is due to JBC policy that does not include centrally appropriated costs in a position's first year.



*EVIDENCE-BASED POLICY:* The Department labeled this request is theory-informed. However, staff does not agree with this designation, due to the Department’s proposed outcome measures.

The program’s objective is to assist livestock owners in utilizing non-lethal methods to prevent and resolve wolf-livestock conflicts, with the desired outcome to:

1. Improve livestock owner preparedness and resiliency, and
2. Increase the Department’s communication with Colorado Parks and Wildlife, ranchers, and other stakeholders.

A number of studies have demonstrated the efficacy of non-lethal deterrence methods to reduce wolf depredation. However, these studies do not specifically connect to the Department’s desired program outcomes of livestock owner preparedness and increased communications. If the Department measured outcomes pertaining to the number and type of depredation incidents, this request could be considered theory-informed.

**ANALYSIS:**

Based on the intent of the voters, the effectiveness of non-lethal techniques, and Departmental statutory and Memorandum of Understanding obligations, staff recommends approval of this request.

*VOTER’S INTENT: WOLF REINTRODUCTION IN COLORADO*

In November 2020, Colorado voters passed Proposition 114: “Reintroduction and Management of Gray Wolves” with 50.91% of votes in favor. The proposition requires the Parks and Wildlife Commission to develop a plan for wolf reintroduction, hold statewide hearings and obtain public input on the plan, and begin reintroducing gray wolves by December 31, 2023, pursuant to Section 33-2-105.8, C.R.S. Statute also charges the Commission with assisting owners of livestock in preventing and resolving conflicts between gray wolves and livestock and paying fair compensation to livestock owners for livestock losses caused by gray wolves, pursuant to Section 33-3-107 to 33-3-110, C.R.S.

On May 3, 2023, the Commission passed a Colorado Wolf Restoration and Management Plan that outlined an implementation plan for wolf reintroduction, recovery metrics and thresholds, wolf-livestock interactions and conflict minimization programs, research, outreach, and funding needs.<sup>6</sup> In December 2023, ten wolves from Oregon were released in Summit and Grand counties.

*DEPREDATION AND THE EFFECTIVENESS OF NON-LETHAL DETERRENCE*

Depredation is when wolves kill domestic animals. An evaluation of the livestock industry in the nearby states of Wyoming, Montana, and Idaho suggests that wolf-caused livestock mortality has a small impact on the livestock industry as a whole. However, for individual producers, costs are unevenly distributed and can be substantial.<sup>7 8</sup> Furthermore, wolves may also negatively impact ranch operations by causing stress, sickness, and reduced weight gain and pregnancy rates for livestock.<sup>9</sup>

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<sup>6</sup> <https://cpw.state.co.us/Documents/Wolves/2023-Final-CO-Wolf-Plan.pdf>.

<sup>7</sup> Tyler Muhly and Marco Musiani, “Livestock depredation by wolves and the ranching economy in the Northwestern U.S.”, *Ecological Economics* 68, no. 8-9 (June 2009): 2439-2450, <https://doi.org/10.1016/j.ecolecon.2009.04.008>.

<sup>8</sup> Elizabeth Bradley and Daniel Pletscher, “Assessing factors related to wolf depredation of cattle in fenced pastures in Montana and Idaho”, *Wildlife Society Bulletin* 33, (December 2010): [https://doi.org/10.2193/0091-7648\(2005\)33\[1256:AFRTWD\]2.0.CO;2](https://doi.org/10.2193/0091-7648(2005)33[1256:AFRTWD]2.0.CO;2).

<sup>9</sup> Colorado State University Extension, “Wolves and Livestock”, *Colorado State University Extension*, (May 2020): <https://extension.colostate.edu/docs/pubs/predator/08010.pdf>.



In Colorado, wolf depredation has affected a small number of livestock relative to the state's 2.6 million cattle.<sup>10</sup> Since FY 2021-22, Colorado Parks and Wildlife (CPW) has paid almost \$40,000 for 13 wolf depredation events.

WOLF DEPREDATION CLAIMS			
YEAR	DOLLAR AMOUNT	NUMBER OF CLAIMS	NUMBER OF ANIMALS
FY 2021-22	\$12,930	4	8
FY 2022-23	26,474	8	8
FY 2023-24 (through Jan 2024)	489	1	3
<b>TOTAL</b>	<b>\$39,893</b>	<b>13</b>	<b>19</b>

Non-lethal deterrence are strategies to mitigate livestock depredation without killing the wolf. These typically focus on adjusting wolf, livestock, and/or human behavior in order to reduce conflict. Strategies include physical barriers including fencing, fladry (flagging), lights, and sound devices; the use of livestock guardian dogs; and the accompaniment of range riders or scouts. The effectiveness of these techniques depends on scale and context, but studies indicate that they are effective in reducing depredation.<sup>11 12 13</sup>

Killing gray wolves in Colorado is currently illegal without permission from CPW. The gray wolf in Colorado is both federally and state endangered, which limits the ability for any person to take, possess, transport, export, process, sell or offer for sale, or ship the species (Section 33-2-105, C.R.S.). In November 2023, the U.S. Fish and Wildlife Service issued a 10(j) rule that deemed Colorado wolves as a “nonessential, experimental species” and lifted some restrictions on harming or killing the species. This gave CPW more flexibility over wolf management strategies in the state.

#### DEPARTMENTAL RESPONSIBILITIES

Per Section 35-40-101(1), C.R.S., the Commissioner of Agriculture has a duty to “control depredating animals within the state of Colorado and reduce economic losses to agricultural products or resources...”. To further clarify this responsibility, in October 2023, the Department also entered into a Memorandum of Understanding (MOU) with the Colorado Parks and Wildlife Commission. The MOU outlined the Department’s responsibilities to work with producers to implement a non-lethal deterrence technical assistance program that includes range riding and livestock management strategies.<sup>14</sup>

Within the Department of Agriculture, there is currently one liaison dedicated to agriculture and wildlife issues. The position oversees four related programs, but the Department has indicated that since 2021, the position has spent approximately 40% of their time representing the interests of

<sup>10</sup> U.S. Department of Agriculture, 2022 Census of Agriculture, (February 2024): <https://www.nass.usda.gov/Publications/AgCensus/2022/index.php>.

<sup>11</sup> Gehring et al., “Utility of livestock-protection dogs for deterring wildlife from cattle farms”, *Wildlife Research* 37, no.8 (December 2010): 715-721, <https://doi.org/10.1071/WR10023>.

<sup>12</sup> Janeiro-Otero et al., “Grey wolf (*Canis lupus*) predation on livestock in relation to prey availability”, *Biological Conservation* 243 (March 2020): <https://doi.org/10.1016/j.biocon.2020.108433>.

<sup>13</sup> Treves et al., “Gold-standard experiments to deter predators from attacking farm animals”, *agRxiv* 2023, (January 2023): <https://doi.org/10.31220/agRxiv.2023.00196>.

<sup>14</sup> Memorandum of Understanding: <https://drive.google.com/file/d/1Sddqrayp8znk87kDYJ5JRB-0s2XW7nli/view>

Colorado farmers and ranchers at stakeholder meetings for the Colorado Wolf Reintroduction Management Plan.

The new, recommended positions include one team lead and two regional team members. The team would provide assistance, supplies, and information pertaining to non-lethal predator deterrence. These tasks include:

- Working with the agricultural community to identify and share successful non-lethal techniques.
- Providing technical assistance and supplies to help livestock producers minimize conflict with predators. This would include bi-monthly, in-person workshops.
- Collaborating with state and federal agencies to create a comprehensive statewide non-lethal depredation mitigation plan.
- Creating a communications and outreach strategy pertaining to non-lethal deterrence.

#### *CURRENT AND FUTURE FUNDING*

Thus far, the General Assembly has intended for current funding for the state's wolf reintroduction program to largely come from the Division of Parks and Wildlife within the Department of Natural Resources.

FUNDING FOR PROPOSITION 114'S IMPLEMENTATION AND ADMINISTRATION		
YEAR	INTENDED AMOUNT (IN FOOTNOTE)	LONG BILL REFERENCE
FY 2021-22	\$1,100,000	S.B. 21-205
FY 2022-23	2,100,000	H.B. 22-1329
FY 2023-24	2,100,000	S.B. 23-214
<b>TOTAL</b>	<b>\$5,300,000</b>	

The Department's request is for General Fund to support this new program. Per Section 33-2-105.8(4.5), C.R.S., the general assembly may appropriate funds for the program from the general fund, Species Conservation Trust Fund, the Colorado Nongame Conservation and Wildlife Restoration Cash Fund, or funds within the Wildlife Cash Fund that were not generated from the sale of hunting and fishing licenses or from associated federal grants. As a statewide initiative that was approved by the voters, staff believes that General Fund is an appropriate funding source to support the wolf introduction program.

#### *FTE AND EXPENSE CALCULATION*

The Department proposes to fund the two regional positions and one team lead above the minimum salary in order to align with the salary for similar positions at Colorado Parks and Wildlife. The pay for the two regional positions would mirror that of a Wildlife Manager V, and the salary for the team lead would mirror that of a Wildlife Manager VI. These pay levels, while above the minimum, are well below the salary mid-point for the proposed job classification (Administrator IV).

The difference between the Department's request and staff recommendation is due to JBC policy that does not include centrally appropriated costs for a position's first year as well as slightly different compensation, operating expense, and capital outlay estimates used by Legislative Council staff.

FTE EXPENSE CALCULATION									
POSITION	FTE	SALARY	MEDICAID	PERA	STANDARD OPERATING	CAPITAL OUTLAY	ADDITIONAL OPERATING	POTS	TOTAL
<b>FY 2024-25</b>									
ADMINISTRATOR IV (REGIONAL)	1.8	132,584	1,922	15,393	2,560	13,340	178,344	0	<b>\$344,143</b>
ADMINISTRATOR IV (TEAM LEAD)	0.9	66,706	968	7,745	1,280	6,670	89,172	0	<b>\$172,540</b>
<b>FY 2025-26 and ongoing</b>									
ADMINISTRATOR IV (REGIONAL)	2.0	147,316	2,136	17,103	2,560	0	71,328	31,871	<b>\$272,314</b>
ADMINISTRATOR IV (TEAM LEAD)	1.0	74,118	1,075	8,605	1,280	0	35,664	15,985	<b>\$136,727</b>

In the table above, additional operating costs include fleet costs, safety equipment and training, travel costs, and depredation mitigation equipment. Depredation mitigation equipment includes items such as electrified fladry (\$1,500 per quarter mile), lighting, and noise devices. These additional operating costs are projected to significantly decrease in outgoing years, since fladry is reusable year to year.

#### R-11/BA-02 REQUEST WITHDRAWN

In November 2023, the Department's R-11 request included funding for a Hemp Center of Excellence. In January 2024, the Department submitted BA-02 that withdrew the initial R-11 request.

## (1) COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES

The Commissioner's Office, in conjunction with the Colorado Agricultural Commission, is responsible for the development and implementation of agricultural policies throughout the State. Administrative Services provides administrative and technical support for Department programs, including accounting, budgeting, and human resources. The funding for this division is from the General Fund, various cash funds, and federal grants. Reappropriated funds are received from various cash funds within the Department for centrally appropriated line items.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 Appropriation</b>						
SB 23-214 (Long Bill)	\$20,428,119	\$7,488,196	\$10,886,482	\$1,930,972	\$122,469	22.1
HB 24-1180 (Supplemental)	127,888	73,425	54,463	0	0	0.0
Other Legislation	872,195	800,045	72,150	0	0	1.3
<b>TOTAL</b>	<b>\$21,428,202</b>	<b>\$8,361,666</b>	<b>\$11,013,095</b>	<b>\$1,930,972</b>	<b>\$122,469</b>	<b>23.4</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$21,428,202	\$8,361,666	\$11,013,095	\$1,930,972	\$122,469	23.4
BA1 Wolf reintroduction assistance	23,637	23,637	0	0	0	0.0
R1 Ag emergency management	7,879	7,879	0	0	0	0.0
R2 Division of animal welfare	0	0	0	0	0	0.0
R3 Renewable energy adapt and dev	17,341	17,341	0	0	0	0.0
R6 Commissioners office indirect cost	756,983	0	56,983	700,000	0	0.0
R7 Next gen/ag leadership program	12,463	12,463	0	0	0	0.0
R8 Rural mental and behavioral health	0	0	0	0	0	0.0
R9 Workforce services	15,758	15,758	0	0	0	0.0
R10 Business process improvements	207,009	207,009	0	0	0	0.0
Centrally appropriated line items	4,691,696	2,106,632	2,598,770	(14,781)	1,075	0.0
Non-prioritized decision items	391,666	237,429	154,237	0	0	0.0
Indirect cost assessment	1,358	0	1,242	116	0	0.0
Annualize prior year budget actions	(1,616,563)	(972,053)	(576,564)	(67,946)	0	0.1
Annualize prior year legislation	(211,925)	(85,312)	(126,613)	0	0	0.0
<b>TOTAL</b>	<b>\$25,725,504</b>	<b>\$9,932,449</b>	<b>\$13,121,150</b>	<b>\$2,548,361</b>	<b>\$123,544</b>	<b>23.5</b>
<b>INCREASE/(DECREASE)</b>	<b>\$4,297,302</b>	<b>\$1,570,783</b>	<b>\$2,108,055</b>	<b>\$617,389</b>	<b>\$1,075</b>	<b>0.1</b>
Percentage Change	20.1%	18.8%	19.1%	32.0%	0.9%	0.4%
<b>FY 2024-25 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$1,757,437	\$745,466	\$997,086	\$14,781	\$104	0.3

## DECISION ITEMS – COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES

### ➔ R-08: RURAL MENTAL AND BEHAVIORAL HEALTH GRANT PROGRAM

**REQUEST:** The request includes a one-time increase of \$550,020 General Fund and 0.3 FTE in FY 2024-25 to provide short-term support to a Rural Mental Health Grant Program. The request also includes roll-forward authority for two years.

**RECOMMENDATION:** Staff recommends that denial of the Department’s request, in order to make the decision for short-term and long-term funding at the same time through S.B. 24-055 (Agricultural and Rural Behavioral Health Care).

**EVIDENCE-BASED POLICY:** The Department labeled this request as theory-informed, but staff does not believe that the Evidence-Based Decision-Making Policy is applicable to this request since it is not a program or practice, and grant funding may go towards a multiple, different initiatives to improve rural mental and behavioral health.

**ANALYSIS:**

Staff’s recommendation to deny the Department’s request is based on process considerations, and to allow for decision-making on the short-term and long-term future of the program at the same time through S.B. 24-055. The existing grant program was in high demand and has shown demonstrated results to improve rural mental and behavioral health. Thus, staff is not suggesting that the program does not warrant funding but does believe that the decision is more appropriately made through the separate legislation affecting this program.

**RURAL MENTAL AND BEHAVIORAL HEALTH NEEDS**

There are significant mental health disparities between those in rural and urban areas.<sup>15</sup> The suicide rate for U.S. farmers is almost twice the national average.<sup>16</sup> In Colorado, those reporting poor mental health has increased by 8.4 percent from 2019 to 2021, with 23.7 percent of surveyed Coloradans reporting poor mental health in 2021.<sup>17</sup>

In addition to increased rates of mental health challenges, there is a deficit of providers that serve these rural and often isolated communities. More than 60.0 percent of rural Americans live in designated mental health provider shortage areas. Across the nation, the per capita supply of behavioral health providers is substantially higher in metropolitan compared to non-metropolitan counties.<sup>18 19</sup>

However, it is not only important to improve access to providers and services, but in rural Colorado, it is specifically important to provide access to *trusted* providers. The 2021 Colorado Health Access Survey found that 31.0 percent of Coloradans did not get mental health services in the past 12 months because they did not feel comfortable talking with a health professional about personal problems, highlighting the importance of trusted community members and organizations in improving mental

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<sup>15</sup> Edwards et al., “Health disparities among rural individuals with mental health conditions: A systematic literature review”, *Journal of Rural Mental Health* 47, no.3 (2023): 163, <https://doi.org/10.1037/rmh0000228>.

<sup>16</sup> Peterson et al., “Suicide Rates by Industry and Occupation – National Violent Death Reporting System, 32 States, 2016”, *Centers for Disease Control and Prevention (CDC)*, 2020, <http://dx.doi.org/10.15585/mmwr.mm6903a1>.

<sup>17</sup> Colorado Health Institute, “Colorado Health Access Survey: 2021”, (2021): [https://www.coloradohealthinstitute.org/sites/default/files/file\\_attachments/2021%20Colorado%20Health%20Access%20Survey%20Storybook.pdf](https://www.coloradohealthinstitute.org/sites/default/files/file_attachments/2021%20Colorado%20Health%20Access%20Survey%20Storybook.pdf).

<sup>18</sup> U.S. Department of Health and Human Services (Health Resources and Services Administration (HRSA)), “Designated Health Professional Shortage Areas Statistics, (January 2024): [file:///C:/Users/kelly\\_shen/Downloads/BCD\\_HPSA\\_SCR50\\_Qtr\\_Smry.pdf](file:///C:/Users/kelly_shen/Downloads/BCD_HPSA_SCR50_Qtr_Smry.pdf).

<sup>19</sup> Andrilla et al., “Geographic Variation in the Supply of Selected Behavioral Health Providers”, *American Journal of Preventive Medicine* 54, no.6 (June 2018): S199-S207, <https://doi.org/10.1016/j.amepre.2018.01.004>.

health outcomes.<sup>20</sup> One of the existing program’s grantees, Community Health Initiatives, also noted that they received several referrals because the Department was listed on their website as a funder.

#### *HISTORICAL AND FUTURE PROGRAM FUNDING*

The program has been funded twice before, through a federal grant and Long Bill footnote.

EXISTING PROGRAM FUNDING		
YEAR	SOURCE	AMOUNT
2021 - 2024	National Institute of Food and Agriculture (NIFA) grant	\$546,809
FY 2022-23	H.B. 22-1329 (Long Bill) footnote	200,000
<b>TOTAL</b>		<b>\$746,809</b>

As amended by the Senate Health and Human Services Committee, S.B. 24-055 “Agricultural and Rural Behavioral Health Care” proposes to:

- Create an agricultural and rural community behavioral health program in the Behavioral Health Administration (rather than the Department of Agriculture where it has previously resided and received occasional funding);
- Create an agricultural behavioral health community of practice work group; and
- Establish an agricultural behavioral health grant program.

The Department has indicated that S.B. 24-055 is the long-term plan for the future of the grant program. The program is estimated to cost \$518,000, which includes funding for 10 grantees to receive up to \$50,000 annually and \$18,000 in administration costs.

#### *PROGRAM OUTCOMES*

During the existing program’s initial round of grant funding supported by the National Institute of Food and Agriculture, the program provided \$427,000 in grants to five grantees. The program also funded over 2,000 sixty-second public service announcements on eight different radio stations.

Grant outcomes from the initial round of funding are detailed in the table below.

SUMMARY OF GRANTEE OUTCOMES	
GRANTEE	OUTCOMES
Rocky Mountain Farmers Union	<ul style="list-style-type: none"> <li>• Trained 100 people in “Changing Our Mental and Emotional Trajectory (COMET)” train-the-trainer course</li> <li>• Weekly meet-ups for agricultural producers</li> </ul>
La Plata Family Centers Coalition	<ul style="list-style-type: none"> <li>• Served 30 individuals to improve access to mental health counseling to immigrants, Spanish-speakers, and other underserved communities</li> </ul>
Farm Bureau	<ul style="list-style-type: none"> <li>• Expanded CO Agricultural Addiction and Mental Health Program (CAAMHP) across the state</li> <li>• Trained providers on cultural competency</li> <li>• Distributed 70 vouchers for virtual counseling</li> </ul>
AgrAbility	<ul style="list-style-type: none"> <li>• Provided assistive or adaptive equipment to 15 farmers/ranchers</li> </ul>

<sup>20</sup> Colorado Health Institute, 2021 Colorado Health Access Survey (Behavioral Health Download): <https://www.coloradohealthinstitute.org/research/colorado-health-access-survey-2021>.

SUMMARY OF GRANTEE OUTCOMES	
GRANTEE	OUTCOMES
Valley-Wide Health Systems	<ul style="list-style-type: none"> <li>• Led eight COMET trainings</li> <li>• Held weekly “coffee break” meet-ups</li> </ul>

In the most recent funding round (FY 2022-23), the program received \$3.4 million in grant applications from 54 applicants, which suggests a significant need for funding for rural mental and behavioral health initiatives. The program only had \$200,000 and was able to fund four projects.

These four projects improved rural mental and behavioral health by:

1. Attending 97 community events to provide outreach out available behavioral health services;
2. Connecting with 8,433 people, including 5,720 agricultural workers, to improve understanding of access to available mental health services;
3. Providing 3,441 boxes of healthy food to agricultural workers and community members experiencing food insecurity;
4. Hosting nine Yampa Valley Coffee Break sessions; and
5. Increasing participation in local resilience courses, including for 13 Garfield County library staff across six different rural branches.

One of the grantees, Community Health Initiatives, provides evidence-based resiliency and skills building courses. The organization reported that 91.0 percent of follow-up survey respondents reported increased family/emotional support before and after their course participation. 77.0 percent reported increase parental involvement.

## → R-10 BUSINESS PROCESS IMPROVEMENTS

**REQUEST:** The request includes a one-time increase of \$207,009 General Fund in FY 2024-25 with roll-forward authority for three years to install a human resources and business operations IT solution within OnBase, the Department's data management system. Ongoing licensing costs of approximately \$10,000 are proposed to be absorbed as part of Common Policy expenses.

**RECOMMENDATION:** Staff recommends approval of the Department's request, including roll-forward authority for three years.

**EVIDENCE-BASED POLICY:** The Department labeled this request as theory-informed, but staff does not believe that the Evidence-Based Decision-Making Policy is applicable to this request since it is not a program or practice.

### ANALYSIS:

Based on support from the Governor's Office of Information Technology (OIT) and the identified efficiencies as a result of implementing to the proposed IT solution, staff recommends approval of the Department's request. Furthermore, based on an estimated implementation timeline of 24 weeks, staff recommends approving roll-forward authority for three years in order to ensure that funds can be spent throughout the duration of the project.

### SUPPORT FROM OIT

Currently, the Procurement and Accounts Payable units within the Commissioner's Office use a manual process that internal users have described as confusing and time consuming. The process is decentralized across different spreadsheets, shared network file storage, and email. OnBase, the proposed IT solution, would consolidate all functions into a single platform. These functions specifically include electronic requisition, travel authorization, expense reimbursement, invoice processing, finance automation, and human resources.

OnBase is currently used by OIT, and the Department indicates that proceeding with a system already utilized by OIT would cost less than the Department creating or issuing a Request for Proposal for a new product. OIT has already completed an internal review and determined that OIT has the capacity to meet project needs and requirements.

### IDENTIFIED EFFICIENCIES

The proposed solution would allow internal users to track the progress of their requests, eliminate redundant emails, and reduce payment processing time for grantees. Total projected time savings across all Departmental staff are as follows:

PROJECTED TIME SAVINGS		
DESCRIPTION	HOURS SAVED PER WEEK	HOURS SAVED PER YEAR
Eliminate tracking sheets	4	208
Decrease emails requesting a status update	1	52
Eliminate multiple versions of reimbursement request	1	52
Decrease the number of corrections with requestor	1	52
Eliminate invoice payment request form	4.25	221



PROJECTED TIME SAVINGS		
DESCRIPTION	HOURS SAVED PER WEEK	HOURS SAVED PER YEAR
Decrease the number of times a payment request is returned to sender	1	52
<b>TOTAL</b>	<b>12.25</b>	<b>637</b>

The affected staff include administrative assistants, administrators, and business operations accountants. The estimated hourly salary of these employees ranges from \$17.37 to \$41.79. As such, 637 hours saved would result in estimated cost savings between \$11,065 to \$26,620 annually.

## LINE ITEM DETAIL – COMMISSIONER’S OFFICE AND ADMINISTRATIVE SERVICES

### PERSONAL SERVICES

The Personal Services line item supports FTE in the Commissioner's Office who provide business support functions for the Department, including human resources, budgeting, accounting, and financial and administrative services.

*STATUTORY AUTHORITY:* Section 35-1-104, C.R.S.

*REQUEST:* The Department requests an appropriation of \$3,276,227 total funds and 21.8 FTE, including \$1,073,369 General Fund.

*RECOMMENDATION:* **Staff recommends an appropriation of \$3,244,429 total funds and 21.5 FTE, including \$1,041,571 General Fund.** This difference reflects staff recommendation for the denial of R-08 Rural mental and behavioral health.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	2,403,186	840,370	0	1,446,323	116,493	20.1
Other Legislation	122,555	122,555	0	0	0	1.3
<b>TOTAL</b>	<b>2,525,741</b>	<b>962,925</b>	<b>0</b>	<b>1,446,323</b>	<b>116,493</b>	<b>21.4</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	2,525,741	962,925	0	1,446,323	116,493	21.4
R6 Commissioners office indirect cost	700,000	0	0	700,000	0	0.0
Annualize prior year budget actions	10,449	70,523	0	(60,074)	0	0.1
Annualize prior year legislation	8,123	8,123	0	0	0	0.0
Indirect cost assessment	116	0	0	116	0	0.0
R8 Rural mental and behavioral health	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$3,244,429</b>	<b>\$1,041,571</b>	<b>\$0</b>	<b>\$2,086,365</b>	<b>\$116,493</b>	<b>21.5</b>
<b>Increase/(Decrease)</b>	<b>\$718,688</b>	<b>\$78,646</b>	<b>\$0</b>	<b>\$640,042</b>	<b>\$0</b>	<b>0.1</b>
Percentage Change	28.5%	8.2%	0.0%	44.3%	0.0%	0.5%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	31,798	31,798	0	0	0	0.3

**HEALTH, LIFE, AND DENTAL**

This line item funds the Department's share of group health, life, and dental insurance premiums for state employees. Health, life, and dental is appropriated to the Commissioner's Office and distributed as needed throughout the Department.

*STATUTORY AUTHORITY:* Pursuant to Sections 24-50-609, 24-50-611, and 24-50-104 (1)(a)(II), C.R.S., and defined in Section 24-50-603 (9), C.R.S.

*REQUEST:* The Department requests an appropriation of \$4,751,345 total funds, including \$1,811,242 General Fund and \$2,935,028 cash funds.

*RECOMMENDATION:* **Staff recommends an appropriation of \$4,679,326 total funds, including \$1,716,853 General Fund**, consistent with the Committee's decision on common policies and a fund split adjustment requested by the Department.

The difference between the Department's request and staff recommendation is also attributed to JBC policy pertaining to the removal of certain centrally appropriated line items for a new position's first year. The R-03 and R-07 requests include existing staff.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, HEALTH, LIFE, AND DENTAL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$4,339,695	\$1,564,098	\$2,770,522	\$5,075	\$0	0.0
<b>TOTAL</b>	<b>\$4,339,695</b>	<b>\$1,564,098</b>	<b>\$2,770,522</b>	<b>\$5,075</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$4,339,695	\$1,564,098	\$2,770,522	\$5,075	\$0	0.0
Centrally appropriated line items	325,813	138,937	186,876	0	0	0.0
R3 Renewable energy adapt and dev	8,128	8,128	0	0	0	0.0
R7 Next gen/ag leadership program	5,690	5,690	0	0	0	0.0
R1 Ag emergency management	0	0	0	0	0	0.0
R2 Division of animal welfare	0	0	0	0	0	0.0
R9 Workforce services	0	0	0	0	0	0.0
BA1 Wolf reintroduction assistance	0	0	0	0	0	0.0
Annualize prior year budget actions	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$4,679,326</b>	<b>\$1,716,853</b>	<b>\$2,957,398</b>	<b>\$5,075</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$339,631</b>	<b>\$152,755</b>	<b>\$186,876</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	7.8%	9.8%	6.7%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$72,019	\$94,389	(\$22,370)	\$0	\$0	0.0

**SHORT-TERM DISABILITY**

This line item funds the Department's share of the short-term disability insurance program for state employees, administered by the Department of Personnel. Appropriations are based on payroll that provides partial payment of an employee's salary if that individual becomes disabled and cannot perform his or her work duties.

*STATUTORY AUTHORITY:* Sections 24-50-611, C.R.S., and 24-50-603 (13), C.R.S.

*REQUEST:* The Department requests an appropriation of \$46,407 total funds, including \$17,460 General Fund.

*RECOMMENDATION:* **Staff recommends an appropriation of \$45,407 total funds, including \$19,202 General Fund**, consistent with the Committee's decision on common policies and a fund split adjustment requested by the Department.

The difference between the Department's request and staff recommendation is also attributed to JBC policy pertaining to the removal of certain centrally appropriated line items for a request's first year. The R-03 and R-07 requests include existing staff.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, SHORT-TERM DISABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$31,530	\$13,195	\$18,250	\$85	\$0	0.0
<b>TOTAL</b>	<b>\$31,530</b>	<b>\$13,195</b>	<b>\$18,250</b>	<b>\$85</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$31,530	\$13,195	\$18,250	\$85	\$0	0.0
Centrally appropriated line items	13,651	5,781	7,870	0	0	0.0
R3 Renewable energy adapt and dev	130	130	0	0	0	0.0
R7 Next gen/ag leadership program	96	96	0	0	0	0.0
R1 Ag emergency management	0	0	0	0	0	0.0
R2 Division of animal welfare	0	0	0	0	0	0.0
R9 Workforce services	0	0	0	0	0	0.0
BA1 Wolf reintroduction assistance	0	0	0	0	0	0.0
Annualize prior year budget actions	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$45,407</b>	<b>\$19,202</b>	<b>\$26,120</b>	<b>\$85</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$13,877</b>	<b>\$6,007</b>	<b>\$7,870</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	44.0%	45.5%	43.1%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$46,407</b>	<b>\$17,460</b>	<b>\$28,862</b>	<b>\$85</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$1,000	(\$1,742)	\$2,742	\$0	\$0	0.0

**PAID FAMILY AND MEDICAL LEAVE INSURANCE**

Colorado Proposition 118, Paid Family Medical Leave Initiative, was approved by voters in November 2020 and created a paid family and medical leave insurance program for all Colorado employees administered by the Colorado Department of Labor and Employment. This requires employers and employees in Colorado to pay a payroll premium (.90 percent with a minimum of half paid by the

employer) to finance paid family and medical leave insurance benefits beginning January 1, 2023. It will finance up to 12 weeks of paid family and medical leave to eligible employees beginning January 1, 2024.

*STATUTORY AUTHORITY:* Section 8-13.3-516, C.R.S.

*REQUEST:* The Department requests an appropriation of \$99,016 total funds, including \$53,124 General Fund and \$45,892 cash funds.

*RECOMMENDATION:* **Staff recommends an appropriation of \$136,225 total funds, including \$48,797 General Fund and \$87,424 cash funds,** consistent with the Committee's decision on common policies and a fund split adjustment requested by the Department.

The difference between the Department's request and staff recommendation is also attributed to JBC policy pertaining to the removal of certain centrally appropriated line items for a request's first year. The R-03 and R-07 requests include existing staff.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, PAID FAMILY AND MEDICAL LEAVE INSURANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
Centrally appropriated line items	\$135,546	\$48,118	\$87,424	\$0	\$4	0.0
R3 Renewable energy adapt and dev	391	391	0	0	0	0.0
R7 Next gen/ag leadership program	288	288	0	0	0	0.0
R1 Ag emergency management	0	0	0	0	0	0.0
R2 Division of animal welfare	0	0	0	0	0	0.0
R9 Workforce services	0	0	0	0	0	0.0
BA1 Wolf reintroduction assistance	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$136,225</b>	<b>\$48,797</b>	<b>\$87,424</b>	<b>\$0</b>	<b>\$4</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$136,225</b>	<b>\$48,797</b>	<b>\$87,424</b>	<b>\$0</b>	<b>\$4</b>	<b>0.0</b>
Percentage Change	n/a	n/a	n/a	n/a	n/a	n/a
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$99,016</b>	<b>\$53,124</b>	<b>\$45,892</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	(\$37,209)	\$4,327	(\$41,532)	\$0	(\$4)	0.0

#### UNFUNDED LIABILITY AMORTIZATION EQUALIZATION DISBURSEMENT PAYMENTS [NEW LINE ITEM]

This line item provides funding for amortization and supplemental amortization payments to increase the funded status of the Public Employees' Retirement Association (PERA), and combines two existing line items: *S.B. 04-257 Amortization Equalization Disbursement* and *S.B. 06-235 Supplemental Amortization Equalization Disbursement*.

*STATUTORY AUTHORITY:* Section 24-51-411, C.R.S.

**REQUEST:** The Department requests an appropriation of \$3,088,730 total funds, including \$1,158,148 General Fund and \$1,925,262 cash funds. (This amount represents the Department's total request, although it was evenly split between the prior two line items.)

**RECOMMENDATION:** Staff recommends an appropriation of \$3,027,221 total funds, including \$1,280,180 General Fund, consistent with the Committee's decision on common policies and a fund split adjustment requested by the Department.

The difference between the Department's request and staff recommendation is also attributed to JBC policy pertaining to the removal of certain centrally appropriated line items for a request's first year. The R-03 and R-07 requests include existing staff.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, UNFUNDED LIABILITY AMORTIZATION EQUALIZATION DISBURSEMENT PAYMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$2,101,374	\$879,206	\$1,216,848	\$5,320	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
Centrally appropriated line items	\$3,012,140	\$1,265,099	\$1,746,957	\$0	\$84	0.0
R3 Renewable energy adapt and dev	8,692	8,692	0	0	0	0.0
R7 Next gen/ag leadership program	6,389	6,389	0	0	0	0.0
<b>TOTAL</b>	<b>\$3,027,221</b>	<b>\$1,280,180</b>	<b>\$1,746,957</b>	<b>\$0</b>	<b>\$84</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$925,847</b>	<b>\$400,974</b>	<b>\$530,109</b>	<b>(\$5,320)</b>	<b>\$84</b>	<b>\$0</b>
Percentage Change	44.1%	45.6%	43.6%	(100.0%)	n/a	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$3,088,730</b>	<b>\$1,158,148</b>	<b>\$1,925,262</b>	<b>\$5,320</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$61,509	(\$122,032)	\$178,305	\$5,320	(\$84)	\$0

#### S.B. 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT

This line item provides funding for an increase to the effective PERA contribution rates beginning January 1, 2006 to bring the Department into compliance with statutory provisions.

**STATUTORY AUTHORITY:** Section 24-51-411, C.R.S.

**REQUEST:** The Department's request is reflected in the new line item above, *Unfunded Liability Amortization Equalization Disbursement Payments*.

**RECOMMENDATION:** Staff recommendation is reflected in the new line item above, *Unfunded Liability Amortization Equalization Disbursement Payments*.

#### S.B. 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT

This line item provides funding for an increase to the effective PERA contribution rates beginning January 1, 2008 to bring the Department into compliance with statutory provisions.

*STATUTORY AUTHORITY:* Section 24-51-411, C.R.S.

*REQUEST:* The Department's request is reflected in the new line item above, *Unfunded Liability Amortization Equalization Disbursement Payments*.

*RECOMMENDATION:* Staff recommendation is reflected in the new line item above, *Unfunded Liability Amortization Equalization Disbursement Payments*.

#### SALARY SURVEY

This line item provides funding for market adjustments to occupational groups' salaries in the Department, based on the Department of Personnel's total compensation report.

*STATUTORY AUTHORITY:* Section 24-50-104, C.R.S.

*REQUEST:* The Department requests an appropriation of \$1,348,465 total funds, including \$566,355 General Fund and \$782,110 cash funds. The requested amount has been adjusted to remove the requested funding for the newly created *Step Pay* line item and thus represents the 3.0 percent across-the-board component of the FY 2024-25 request.

*RECOMMENDATION:* **Staff recommends approval of the Department's request**, consistent with the Committee's decision on common policies and a fund split adjustment requested by the Department.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, SALARY SURVEY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,136,763	\$475,981	\$660,782	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,136,763</b>	<b>\$475,981</b>	<b>\$660,782</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,136,763	\$475,981	\$660,782	\$0	\$0	0.0
Centrally appropriated line items	211,702	90,374	121,328	0	0	0.0
<b>TOTAL</b>	<b>\$1,348,465</b>	<b>\$566,355</b>	<b>\$782,110</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$211,702</b>	<b>\$90,374</b>	<b>\$121,328</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	18.6%	19.0%	18.4%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$1,348,465</b>	<b>\$566,355</b>	<b>\$782,110</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

#### STEP PAY [NEW LINE ITEM]

This line item provides detail on the amount of funding appropriated to each department as a result of the step pay plan. The step pay plan takes effect in FY 2024-25 and is a result of negotiations between the State of Colorado and Colorado Workers for Innovative and New Solutions (COWINS).

*STATUTORY AUTHORITY:* Section 24-50-1101, C.R.S., et seq.

**REQUEST:** The Department requests an appropriation of \$1,776,869 total funds, including \$746,285 General Fund and \$1,030,584 cash funds.

**RECOMMENDATION:** Staff recommends approval of the Department's request, consistent with the Committee's decision on common policies and a fund split adjustment requested by the Department.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, STEP PAY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$0	\$0	\$0	\$0	\$0	0.0
Centrally appropriated line items	\$1,776,869	\$746,285	\$1,030,584	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,776,869</b>	<b>\$746,285</b>	<b>\$1,030,584</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$1,776,869</b>	<b>\$746,285</b>	<b>\$1,030,584</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	n/a	n/a	n/a	n/a	n/a	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$1,776,869</b>	<b>\$746,285</b>	<b>\$1,030,584</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### PERA DIRECT DISBURSEMENT

This line item is included as a common policy allocation payment for the state portion of the PERA Direct Distribution created in Section 24-51-414, C.R.S., enacted in S.B. 18-200.

**STATUTORY AUTHORITY:** Section 24-51-414, C.R.S.

**REQUEST:** The Department requests \$511,148 total funds, including \$181,882 General Fund and \$329,266 cash funds.

**RECOMMENDATION:** Staff recommends an appropriation of \$507,289 total funds, including \$213,061 General Fund and \$294,228 cash funds, consistent with the Committee's decision on common policies and a fund split adjustment requested by the Department.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, PERA DIRECT DISBURSEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$75,702	\$31,526	\$44,176	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$75,702</b>	<b>\$31,526</b>	<b>\$44,176</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$75,702	\$31,526	\$44,176	\$0	\$0	0.0
Centrally appropriated line items	431,587	181,535	250,052	0	0	0.0
<b>TOTAL</b>	<b>\$507,289</b>	<b>\$213,061</b>	<b>\$294,228</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$431,587</b>	<b>\$181,535</b>	<b>\$250,052</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	570.1%	575.8%	566.0%	0.0%	0.0%	0.0%

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, PERA DIRECT DISBURSEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$511,148</b>	<b>\$181,882</b>	<b>\$329,266</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$3,859	(\$31,179)	\$35,038	\$0	\$0	0.0

**SHIFT DIFFERENTIAL**

This line item provides additional funds for employees working outside the typical work hours of 8am to 5pm.

*STATUTORY AUTHORITY:* Section 24-50-104(1)(a) and 24-75-112, C.R.S.

*REQUEST:* The Department requests an appropriation of \$55,349 total funds, including \$1,139 General Fund and \$53,187 cash funds.

*RECOMMENDATION:* **Staff recommends an appropriation of \$48,897 total funds, including \$1,006 General Fund and \$47,053 cash funds.** This recommendation is consistent with the Committee's decision on common policies.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, SHIFT DIFFERENTIAL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$5,090	\$48	\$5,042	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$5,090</b>	<b>\$48</b>	<b>\$5,042</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$5,090	\$48	\$5,042	\$0	\$0	0.0
Centrally appropriated line items	43,807	958	42,011	7	831	0.0
<b>TOTAL</b>	<b>\$48,897</b>	<b>\$1,006</b>	<b>\$47,053</b>	<b>\$7</b>	<b>\$831</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$43,807</b>	<b>\$958</b>	<b>\$42,011</b>	<b>\$7</b>	<b>\$831</b>	<b>0.0</b>
Percentage Change	860.6%	1,995.8%	833.2%	n/a	n/a	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$55,349</b>	<b>\$1,139</b>	<b>\$53,187</b>	<b>\$0</b>	<b>\$1,023</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$6,452	\$133	\$6,134	(\$7)	\$192	0.0

**TEMPORARY EMPLOYEES RELATED TO AUTHORIZED LEAVE**

This line item would fund the backfill costs associated with state employees utilizing 160 hours or four weeks of Paid Family Medical Leave.

*STATUTORY AUTHORITY:* Not applicable.

*REQUEST:* The Department requests a continuation-level appropriation of \$41,536 cash funds.

*RECOMMENDATION:* **Staff recommends approval of the Department's request.**

**WORKERS' COMPENSATION**



This line item provides funds for workers' compensation insurance for the entire state carried by the Department of Personnel. Appropriations to departments covered by the insurance are determined through actuarial calculations and three years of claims history.

*STATUTORY AUTHORITY:* Section 24-30-1510.7, C.R.S.

*REQUEST:* The Department requests an appropriation of \$308,986 total funds, including \$61,113 General Fund and \$247,873 cash funds.

*RECOMMENDATION:* **Staff recommends an appropriation of \$299,675 total funds, including \$59,270 General Fund and \$240,405 cash funds,** consistent with the Committee's decision on common policies.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, WORKERS' COMPENSATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$201,026	\$39,759	\$161,267	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$201,026</b>	<b>\$39,759</b>	<b>\$161,267</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$201,026	\$39,759	\$161,267	\$0	\$0	0.0
Centrally appropriated line items	98,649	19,511	79,138	0	0	0.0
<b>TOTAL</b>	<b>\$299,675</b>	<b>\$59,270</b>	<b>\$240,405</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$98,649</b>	<b>\$19,511</b>	<b>\$79,138</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	49.1%	49.1%	49.1%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$308,986</b>	<b>\$61,113</b>	<b>\$247,873</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$9,311	\$1,843	\$7,468	\$0	\$0	0.0

## OPERATING EXPENSES

This line item provides funding for the Office's operating expenses. Expenditures range from office equipment and supplies to travel expenses to utilities/maintenance costs.

*STATUTORY AUTHORITY:* Section 35-1-104, C.R.S.

*REQUEST:* The Department requests an appropriation of \$1,121,496 total funds, including \$858,354 General Fund.

*RECOMMENDATION:* **Staff recommends an appropriation of \$603,274 total funds, including \$340,132 General Fund.** The recommendation is lower than the request due to staff recommendation for the denial of the Department's R-08 request.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$289,528	\$18,514	\$0	\$270,064	\$950	0.0
Other Legislation	\$133,079	\$133,079	\$0	\$0	\$0	0.0

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>TOTAL</b>	<b>\$422,607</b>	<b>\$151,593</b>	<b>\$0</b>	<b>\$270,064</b>	<b>\$950</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$422,607	\$151,593	\$0	\$270,064	\$950	0.0
R10 Business process improvements	207,009	207,009	0	0	0	0.0
R8 Rural mental and behavioral health	0	0	0	0	0	0.0
Annualize prior year legislation	(20,010)	(20,010)	0	0	0	0.0
Annualize prior year budget actions	(6,332)	1,540	0	(7,872)	0	0.0
<b>TOTAL</b>	<b>\$603,274</b>	<b>\$340,132</b>	<b>\$0</b>	<b>\$262,192</b>	<b>\$950</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$180,667</b>	<b>\$188,539</b>	<b>\$0</b>	<b>(\$7,872)</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	42.8%	124.4%	0.0%	(2.9%)	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$1,121,496</b>	<b>\$858,354</b>	<b>\$0</b>	<b>\$262,192</b>	<b>\$950</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$518,222	\$518,222	\$0	\$0	\$0	0.0

## LEGAL SERVICES

This line item provides funding for legal services, including attorney and paralegal services, provided by the Department of Law.

*STATUTORY AUTHORITY:* Sections 24-31-101(1)(a) and 24-75-112(1)(i), C.R.S.

*REQUEST:* The Department requests an appropriation of \$1,007,325 total funds, including \$270,761 General Fund.

*RECOMMENDATION:* **Staff recommends an appropriation of \$952,510 total funds, including \$215,946 General Fund.** The recommendation is lower than the request due to staff's denial of a new Division of Animal Welfare (R-02). Staff requests permission to adjust this appropriation as necessary to align with the Committee's common policy on legal services.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, LEGAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$816,451	\$154,223	\$662,228	\$0	\$0	0.0
Other Legislation	\$44,411	\$44,411	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$860,862</b>	<b>\$198,634</b>	<b>\$662,228</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$860,862	\$198,634	\$662,228	\$0	\$0	0.0
Centrally appropriated line items	91,648	17,312	74,336	0	0	0.0
R2 Division of animal welfare	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$952,510</b>	<b>\$215,946</b>	<b>\$736,564</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$91,648</b>	<b>\$17,312</b>	<b>\$74,336</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	10.6%	8.7%	11.2%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$1,007,325</b>	<b>\$270,761</b>	<b>\$736,564</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$54,815	\$54,815	\$0	\$0	\$0	0.0

**ADMINISTRATIVE LAW JUDGE SERVICES**

This line item is used to purchase administrative law services from the Department of Personnel and Administration.

*STATUTORY AUTHORITY:* Section 24-30-1003(1), C.R.S.

*REQUEST:* The Department requests an appropriation of \$750 cash funds.

*RECOMMENDATION:* **Staff recommends an appropriation of \$704 cash funds.** Staff requests permission to adjust this appropriation as necessary to align with the Committee's common policy on administrative law judge services.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, ADMINISTRATIVE LAW JUDGE SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$22,148	\$0	\$22,148	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$22,148</b>	<b>\$0</b>	<b>\$22,148</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$22,148	\$0	\$22,148	\$0	\$0	0.0
Centrally appropriated line items	(21,444)	0	(21,444)	0	0	0.0
<b>TOTAL</b>	<b>\$704</b>	<b>\$0</b>	<b>\$704</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$21,444)</b>	<b>\$0</b>	<b>(\$21,444)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(96.8%)	0.0%	(96.8%)	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$750</b>	<b>\$0</b>	<b>\$750</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$46	\$0	\$46	\$0	\$0	0.0

**PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS**

This line item provides funding for the Department's share of liability and property insurance carried by the Department of Personnel. The program is used to pay for liability claims and expenses brought against the state.

*STATUTORY AUTHORITY:* Sections 24-30-1510 and 24-30-1510.5, C.R.S.

*REQUEST:* The Department requests an appropriation of \$349,638 total funds, including \$211,969 General Fund.

*RECOMMENDATION:* **Staff recommends an appropriation of \$418,801 total funds, including \$253,906 General Fund,** consistent with the Committee's decision on this common policy line item.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$269,885	\$163,623	\$106,262	\$0	\$0	0.0

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 24-1180 (Supplemental)	\$226,001	\$137,002	\$88,999	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$495,886</b>	<b>\$300,625</b>	<b>\$195,261</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$495,886	\$300,625	\$195,261	\$0	\$0	0.0
Centrally appropriated line items	148,916	90,283	58,633	0	0	0.0
Annualize prior year legislation	(226,001)	(137,002)	(88,999)	0	0	0.0
<b>TOTAL</b>	<b>\$418,801</b>	<b>\$253,906</b>	<b>\$164,895</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$77,085)</b>	<b>(\$46,719)</b>	<b>(\$30,366)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(15.5%)	(15.5%)	(15.6%)	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$349,638</b>	<b>\$211,969</b>	<b>\$137,669</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	(\$69,163)	(\$41,937)	(\$27,226)	\$0	\$0	0.0

### ANNUAL DEPRECIATION – LEASE EQUIVALENT PAYMENT

S.B. 15-211 (“Automatic Funding for Capital Assets”) requires departments to set aside funding in the operating budget for depreciation-equivalent payments on capital assets. Departments are required to add new line items in the operating budget for depreciation-equivalent payments for the request year following the completion of a capital project when capital assets are eligible for depreciation. The amount included in the line item is for three years' worth of depreciation for one project completed in FY 2015-16.

*STATUTORY AUTHORITY:* Section 24-30-1310(2)(b), C.R.S.

*REQUEST:* The Department request a continuation-level appropriation of \$461,617 cash funds.

*RECOMMENDATION:* **Staff recommends approving the Department’s request.**

### VEHICLE LEASE PAYMENTS

This line item funds the annual payment to the Department of Personnel for the cost of administration, loan repayment, and lease-purchase payments for new and replacement motor vehicles.

*STATUTORY AUTHORITY:* Section 24-30-1104(2), C.R.S.

*REQUEST:* The Department requests an appropriation of \$472,931 total funds, including \$252,816 General Fund.

*RECOMMENDATION:* **Staff recommends an appropriation of \$440,703 total funds, including \$220,588 General Fund**, consistent with the Committee’s decision on this common policy line item. The major difference between the recommendation and request is staff denial of two out of three emergency management positions and associated fleet costs (R-01).

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, VEHICLE LEASE PAYMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, VEHICLE LEASE PAYMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$364,820	\$151,332	\$208,462	\$0	\$5,026	0.0
<b>TOTAL</b>	<b>\$364,820</b>	<b>\$151,332</b>	<b>\$208,462</b>	<b>\$0</b>	<b>\$5,026</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$364,820	\$151,332	\$208,462	\$0	\$5,026	0.0
BA1 Wolf reintroduction assistance	23,637	23,637	0	0	0	0.0
Annualize prior year budget actions	17,284	17,284	0	0	0	0.0
R9 Workforce services	15,758	15,758	0	0	0	0.0
Centrally appropriated line items	11,325	4,698	6,471	0	156	0.0
R1 Ag emergency management	7,879	7,879	0	0	0	0.0
<b>TOTAL</b>	<b>\$440,703</b>	<b>\$220,588</b>	<b>\$214,933</b>	<b>\$0</b>	<b>\$5,182</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$75,883</b>	<b>\$69,256</b>	<b>\$6,471</b>	<b>\$0</b>	<b>\$156</b>	<b>0.0</b>
Percentage Change	20.8%	45.8%	3.1%	0.0%	3.1%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$472,931</b>	<b>\$252,816</b>	<b>\$214,933</b>	<b>\$0</b>	<b>\$5,182</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$32,228	\$32,228	\$0	\$0	\$0	0.0

### LEASED SPACE

This line item is used by the Department to pay for leased space.

*STATUTORY AUTHORITY:* Section 35-1-104, C.R.S.

*REQUEST:* The Department requests a continuation-level appropriation of \$19,301 cash funds.

*RECOMMENDATION:* **Staff recommends approval of the Department's request.**

### OFFICE CONSOLIDATION COP

The Department recently completed its office consolidation to Broomfield, Colorado. This building is owned by the State, and the Department is assessed an annual charge per square foot to cover the State's obligations. In the FY 2015-16 Long Bill, the COP payment was moved from the capital construction section of the budget to the operating section.

*STATUTORY AUTHORITY:* Sections 24-82-102(1)(b), 24-82-801, and 35-1-106.9, C.R.S.

*REQUEST:* The Department requests a continuation-level appropriation of \$529,063 cash funds.

*RECOMMENDATION:* **Staff recommends approval of the Department's request.**

### CORE OPERATIONS

This line item funds the Department's share of costs associated with the operations and maintenance of the Colorado Operations Resource Engine (CORE). CORE is a statewide accounting system used by the Office of the State Controller to record all state revenues and expenditures.

*STATUTORY AUTHORITY:* Section 24-30-209, C.R.S.

**REQUEST:** The Department requests an appropriation of \$65,091 total funds, including \$8,903 General Fund.

**RECOMMENDATION:** Staff recommends an appropriation of \$42,721 total funds, including \$5,827 General Fund, consistent with the Committee's decision on this common policy line item.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, CORE OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$129,937	\$17,722	\$98,110	\$14,105	\$0	0.0
<b>TOTAL</b>	<b>\$129,937</b>	<b>\$17,722</b>	<b>\$98,110</b>	<b>\$14,105</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$129,937	\$17,722	\$98,110	\$14,105	\$0	0.0
Centrally appropriated line items	(87,216)	(11,895)	(65,853)	(9,468)	0	0.0
<b>TOTAL</b>	<b>\$42,721</b>	<b>\$5,827</b>	<b>\$32,257</b>	<b>\$4,637</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$87,216)</b>	<b>(\$11,895)</b>	<b>(\$65,853)</b>	<b>(\$9,468)</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(67.1%)	(67.1%)	(67.1%)	(67.1%)	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$65,091</b>	<b>\$8,903</b>	<b>\$42,083</b>	<b>\$14,105</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$22,370	\$3,076	\$9,826	\$9,468	\$0	0.0

## PAYMENTS TO OIT

This line item includes funding appropriated to the Department that is then transferred to the Governor's Office of Information Technology to support the information technology systems that support the Office's programs.

**STATUTORY AUTHORITY:** Section 24-37.5-103 and 105, C.R.S.

**REQUEST:** The Department requests an appropriation of \$3,563,301 total funds, including \$2,355,810 General Fund.

**RECOMMENDATION:** Staff recommendation is pending the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, PAYMENTS TO OIT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$3,031,668	\$1,964,559	\$1,067,109	\$0	\$0	0.0
HB 24-1180 (Supplemental)	(98,113)	(63,577)	(34,536)	0	0	0.0
<b>TOTAL</b>	<b>\$2,933,555</b>	<b>\$1,900,982</b>	<b>\$1,032,573</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$2,933,555	\$1,900,982	\$1,032,573	\$0	\$0	0.0
Centrally appropriated line items	603,783	391,251	212,532	0	0	0.0
Annualize prior year legislation	25,963	63,577	(37,614)	0	0	0.0
<b>TOTAL</b>	<b>\$3,563,301</b>	<b>\$2,355,810</b>	<b>\$1,207,491</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, PAYMENTS TO OIT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>INCREASE/(DECREASE)</b>	<b>\$629,746</b>	<b>\$454,828</b>	<b>\$174,918</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	21.5%	23.9%	16.9%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$3,563,301</b>	<b>\$2,355,810</b>	<b>\$1,207,491</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### INFORMATION TECHNOLOGY ASSET MAINTENANCE

This line item is used to replace aging software for computers and databases, in an effort to mitigate lost productivity due to aging equipment. Money is used to pay for hardware and software maintenance contracts as well as the replacement of equipment (e.g., servers, switches, printers, or personal computers).

*STATUTORY AUTHORITY:* Section 24-37.5-103 and 105, C.R.S.

*REQUEST:* The Department requests a continuation-level appropriation of \$42,041 General Fund.

*RECOMMENDATION:* **Staff recommends approval of the Department's request.**

### IT ACCESSIBILITY

This line item provides funding to implement provisions related to H.B. 21-1110, "Colorado Laws For Persons With Disabilities".

*STATUTORY AUTHORITY:* Section 24-85-101 et seq., C.R.S.

*REQUEST:* The Department requests an appropriation of \$98,693 total funds.

*RECOMMENDATION:* **Staff recommends no appropriation, as the FY 2023-24 appropriation for IT Accessibility was intended to be one-time.** However, this will be discussed in more detail during the figure setting presentation for the Governor's Office of Information Technology, and staff requests permission to adjust to future Committee decisions on common policies.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, IT ACCESSIBILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 APPROPRIATION</b>						
SB 23-214 (Long Bill)	\$1,637,964	\$1,061,400	\$576,564	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,637,964</b>	<b>\$1,061,400</b>	<b>\$576,564</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$1,637,964	\$1,061,400	\$576,564	\$0	\$0	0.0
Annualize prior year budget actions	(1,637,964)	(1,061,400)	(576,564)	0	0	0.0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$1,637,964)</b>	<b>(\$1,061,400)</b>	<b>(\$576,564)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(100.0%)	(100.0%)	(100.0%)	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$98,693</b>	<b>\$63,952</b>	<b>\$34,741</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$98,693	\$63,952	\$34,741	\$0	\$0	0.0

**DIGITAL TRUNK RADIO PAYMENTS**

This line item provides funding for payments to the Office of Public Safety Communications in the Department of Public Safety related to digital trunk radio user charges. This is a new line item that reflects the transfer of digital trunk radio administration from the Office of Information Technology to the Office of Public Safety Communications as created by H.B. 22-1353 (Public Safety Communications Transfer).

*STATUTORY AUTHORITY:* Section 24-33.5-2508, C.R.S.

*REQUEST:* The Department requests \$27,984 total funds, including \$18,190 General Fund.

*RECOMMENDATION:* **Staff recommendation is pending the Committee common policy decision for this line item.** Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, DIGITAL TRUNK RADIO PAYMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$31,690	\$20,599	\$11,091	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$31,690</b>	<b>\$20,599</b>	<b>\$11,091</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$31,690	\$20,599	\$11,091	\$0	\$0	0.0
Centrally appropriated line items	(3,706)	(2,409)	(1,297)	0	0	0.0
<b>TOTAL</b>	<b>\$27,984</b>	<b>\$18,190</b>	<b>\$9,794</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$3,706)</b>	<b>(\$2,409)</b>	<b>(\$1,297)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(11.7%)	(11.7%)	(11.7%)	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$27,984</b>	<b>\$18,190</b>	<b>\$9,794</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**UTILITIES**

This line item funds the utility costs incurred at state-owned buildings. Utility payments are required at the Insectary building in Palisade, and the Inspection and Consumer Services buildings and warehouses in Denver.

*STATUTORY AUTHORITY:* Section 35-1-104, C.R.S.

*REQUEST:* The Department requests a continuation-level appropriation of \$240,000 total funds, including \$50,000 General Fund and \$190,000 reappropriated funds.

*RECOMMENDATION:* **Staff recommends approval of the Department's request.**

**AGRICULTURE MANAGEMENT FUND**



This fund was created pursuant to H.B. 08-1399, and receives 65.0 percent of the interest earned on the sale of unclaimed securities. The funds received are intended to support numerous initiatives to further the overall mission of the Department, largely at the discretion of the Commissioner's Office.

*STATUTORY AUTHORITY:* Section 35-1-106.9, C.R.S.

*REQUEST:* The Department requests a continuation-level appropriation of \$2,048,914 cash funds and 2.0 FTE.

*RECOMMENDATION:* **Staff recommends an approval of the Department's request.**

#### INDIRECT COST ASSESSMENT

Indirect costs for the Department are calculated based on a percentage of authorized cash fund spending authority.

*STATUTORY AUTHORITY:* Sections 24-75-1401 and 35-1-104, C.R.S.

*REQUEST:* The Department requests an appropriation of \$215,415 cash funds.

*RECOMMENDATION:* **Staff recommends approval of the Department's request**, as well as permission to update this appropriation as necessary based on subsequent Committee common policy decisions.

COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$157,190	\$0	\$157,190	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$157,190</b>	<b>\$0</b>	<b>\$157,190</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$157,190	\$0	\$157,190	\$0	\$0	0.0
R6 Commissioners office indirect cost	56,983	0	56,983	0	0	0.0
Indirect cost assessment	1,242	0	1,242	0	0	0.0
<b>TOTAL</b>	<b>\$215,415</b>	<b>\$0</b>	<b>\$215,415</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$58,225</b>	<b>\$0</b>	<b>\$58,225</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	37.0%	0.0%	37.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

#### STATEWIDE ADMINISTRATIVE SERVICES [NEW LINE ITEM]

This line item provides funding for payments for statewide administrative services provide by the Department of Personnel's Executive Director's Office.

*STATUTORY AUTHORITY:* Article 50.3 of Title 24, C.R.S.

*REQUEST:* The Department requests an appropriation of \$34,899 total funds, including \$21,156 General Fund and \$13,743 cash funds, for creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provide by the Department of Personnel.

*RECOMMENDATION:* The **staff recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

#### OFFICE OF THE STATE ARCHITECT SERVICES [NEW LINE ITEM]

This line item provides funding for payments statewide services provide by the Department of Personnel's Office of the State Architect.

*STATUTORY AUTHORITY:* Part 13 of Article 30 of Title 24, C.R.S.

*REQUEST:* The Department requests an appropriation of \$24,472 total funds, including \$14,836 General Fund and \$9,637 cash funds, for creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provide by the Department of Personnel.

*RECOMMENDATION:* The **staff recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

#### STATE AGENCY SERVICES [NEW LINE ITEM]

This line item provides funding for payments for statewide human resource services provide by the Department of Personnel's Division of Human Resources.

*STATUTORY AUTHORITY:* Part 13 of Article 30 of Title 24, C.R.S.

*REQUEST:* The Department requests an appropriation of \$58,764 total funds, including \$35,623 General Fund and \$23,141 cash funds, for creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provide by the Department of Personnel.

*RECOMMENDATION:* The **staff recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

#### STATEWIDE TRAINING SERVICES [NEW LINE ITEM]

This line item provides funding for payments to the Center for Organizational Effectiveness, which provides professional development and training services for state employees.

*STATUTORY AUTHORITY:* Section 24-50-122, C.R.S.

*REQUEST:* The Department requests an appropriation of \$11,845 total funds, including \$7,180 General Fund and \$4,665 cash funds, for creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provide by the Department of Personnel.

*RECOMMENDATION:* The **staff recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

#### LABOR RELATIONS SERVICES [NEW LINE ITEM]

This line item provides funding for payments for statewide labor relation services provide by the Department of Personnel's Division of Human Resources, Labor Relations Unit.

*STATUTORY AUTHORITY:* Part 11, Article 50, of Title 24, C.R.S.

*REQUEST:* The Department requests an appropriation of \$82,416 total funds, including \$49,961 General Fund and \$32,455 cash funds, for creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provide by the Department of Personnel.

*RECOMMENDATION:* The **staff recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

#### FINANCIAL OPERATIONS AND REPORTING SERVICES [NEW LINE ITEM]

This line item provides funding for payments for statewide financial operations and reporting services provide by the Department of Personnel's Division of Accounts and Control.

*STATUTORY AUTHORITY:* Sections 24-30-201 through 24-30-207, C.R.S.

*REQUEST:* The Department requests an appropriation of \$110,707 total funds, including \$67,111 General Fund and \$43,596 cash funds, for creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provide by the Department of Personnel.

*RECOMMENDATION:* The **staff recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

#### PROCUREMENT AND CONTRACTS SERVICES [NEW LINE ITEM]

This line item provides funding for payments for statewide procurement and contracts services provide by the Department of Personnel's Division of Accounts and Control.

*STATUTORY AUTHORITY:* Sections 24-102-201 through 207 and 24-102-301, C.R.S.

*REQUEST:* The Department requests an appropriation of \$68,562 total funds, including \$41,562 General Fund and \$27,000 cash funds, for creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provide by the Department of Personnel.

*RECOMMENDATION:* The **staff recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

## (2) AGRICULTURAL SERVICES

Agricultural Services includes most of the Department's large regulatory and consumer protection programs and is comprised of four operating divisions:

- **Animal Industry Division** is responsible for the prevention, traceability, and control of livestock diseases, as well as pest control and oversight of animal care requirements.
- **Plant Industry Division** manages statewide pest control programs; certifies and inspects plant, seed, and pesticide products; and administers the Industrial Hemp Regulatory Program.
- **Inspection and Consumer Services Division** provides measurement and regulatory laboratory services, and inspects a variety of agricultural products and facilities.
- **Conservation Services Division** operates programs to enhance natural stewardship, including the Noxious Weed Management Program, and works with the **State Conservation Board**, which provides administrative oversight and financial assistance to state conservation districts in support of local conservation initiatives.

The Division's primary sources of funding are General Fund and two cash funds: the Plant Health, Pest Control and Environmental Protection Fund, and the Inspection and Consumer Services Cash Fund.

AGRICULTURAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 Appropriation</b>						
SB 23-214 (Long Bill)	\$21,967,698	\$5,874,612	\$12,959,113	\$784,000	\$2,349,973	157.4
<b>TOTAL</b>	<b>\$21,967,698</b>	<b>\$5,874,612</b>	<b>\$12,959,113</b>	<b>\$784,000</b>	<b>\$2,349,973</b>	<b>157.4</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$21,967,698	\$5,874,612	\$12,959,113	\$784,000	\$2,349,973	157.4
BA1 Wolf reintroduction assistance	493,047	493,047	0	0	0	2.8
BA2/R11 Remove hemp center of excellence	0	0	0	0	0	0.0
R1 Ag emergency management	94,493	94,493	0	0	0	0.9
R2 Division of animal welfare	141,073	141,073	0	0	0	0.9
R3 Renewable energy adapt and dev	599,547	599,547	0	0	0	1.0
R4 General fund op increase	45,000	45,000	0	0	0	0.0
R5 Cash fund op increase	952,722	0	952,722	0	0	0.0
R6 Commissioners office indirect cost	462,409	0	379,499	0	82,910	0.0
R9 Workforce services	227,867	227,867	0	0	0	1.8
Indirect cost assessment	20,497	0	8,276	0	12,221	0.0
Annualize prior year budget actions	(75,220)	(17,541)	(57,679)	0	0	0.2
<b>TOTAL</b>	<b>\$24,929,133</b>	<b>\$7,458,098</b>	<b>\$14,241,931</b>	<b>\$784,000</b>	<b>\$2,445,104</b>	<b>165.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$2,961,435</b>	<b>\$1,583,486</b>	<b>\$1,282,818</b>	<b>\$0</b>	<b>\$95,131</b>	<b>7.6</b>
Percentage Change	13.5%	27.0%	9.9%	0.0%	4.0%	4.8%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$25,281,464</b>	<b>\$7,810,429</b>	<b>\$14,241,931</b>	<b>\$784,000</b>	<b>\$2,445,104</b>	<b>166.8</b>
Request Above/(Below) Recommendation	\$352,331	\$352,331	\$0	\$0	\$0	1.8

## DECISION ITEMS - AGRICULTURAL SERVICES (NONE)

The Department did not submit any decision items specific to the Agricultural Services Division.

## LINE ITEM DETAIL - AGRICULTURAL SERVICES

### ANIMAL INDUSTRY DIVISION

The Animal Industry line item funds the staff responsible for operating expenses and programs including: livestock disease prevention and control, rodent and predator control services, pet animal care facility inspection and licensing, and operation of the Rocky Mountain Regional Animal Health Laboratory. This line item is primarily supported by the General Fund, in addition to small contributions from the following cash funds: the Veterinary Vaccine and Service Cash Fund, the Animal Protection Cash Fund, the Aquaculture Cash Fund, and the Diseased Livestock Indemnity Cash Fund.

*STATUTORY AUTHORITY:* Sections 35-1-108, 35-50-105 et seq., 35-24.5-104 et seq., 35-40-101, 35-42-106, 35-42.5-101, 35-80-109, and 35-81-102, C.R.S.

*REQUEST:* The Department requests an appropriation of \$3,619,298 total funds, including \$3,306,113 General Fund, and 26.0 FTE.

*RECOMMENDATION:* **Staff recommends an appropriation of \$3,570,340 total funds, including \$2,987,155 General Fund, and 25.1 FTE.** The recommendation differs from the request due to staff's recommendation to hire only one out of three positions for emergency management (R-01) and to allocate one member of the proposed Division of Animal Welfare to the Animal Industry Division, where the program currently exists (R-01).

AGRICULTURAL SERVICES, ANIMAL INDUSTRY DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$2,848,926	\$2,265,741	\$405,925	\$0	\$177,260	20.5
<b>TOTAL</b>	<b>\$2,848,926</b>	<b>\$2,265,741</b>	<b>\$405,925</b>	<b>\$0</b>	<b>\$177,260</b>	<b>20.5</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$2,848,926	\$2,265,741	\$405,925	\$0	\$177,260	20.5
BA1 Wolf reintroduction assistance	493,047	493,047	0	0	0	2.8
R2 Division of animal welfare	141,073	141,073	0	0	0	0.9
R1 Ag emergency management	94,493	94,493	0	0	0	0.9
Annualize prior year budget actions	(7,199)	(7,199)	0	0	0	0.0
<b>TOTAL</b>	<b>\$3,570,340</b>	<b>\$2,987,155</b>	<b>\$405,925</b>	<b>\$0</b>	<b>\$177,260</b>	<b>25.1</b>
<b>INCREASE/(DECREASE)</b>	<b>\$721,414</b>	<b>\$721,414</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>4.6</b>
Percentage Change	25.3%	31.8%	0.0%	0.0%	0.0%	22.4%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$3,619,298</b>	<b>\$3,036,113</b>	<b>\$405,925</b>	<b>\$0</b>	<b>\$177,260</b>	<b>26.0</b>
Request Above/(Below) Recommendation	\$48,958	\$48,958	\$0	\$0	\$0	0.9

**PLANT INDUSTRY DIVISION**

The Plant Industry line item funds the personal services and operating expenses associated with several programs including: organic certification, nursery stock inspection, plant and seed inspection, and commercial and private pesticide applicator testing.

*STATUTORY AUTHORITY:* Sections 35-1-108, 35-4-103, 35-5-103, 35-7-102 and 104, 35-9-108 and 118, 35-10-118, 35-11-104, 35-11.5-104, 35-25-103, 35-26-111, 35-27-114, 35-27.3-108, 35-27.5-103, C.R.S.

*REQUEST:* The Department requests an appropriation of \$7,370,235 total funds and 59.3 FTE, including \$546,768 General Fund.

*RECOMMENDATION:* **Staff recommends approval of the Department's request.**

AGRICULTURAL SERVICES, PLANT INDUSTRY DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$6,996,254	\$546,768	\$5,647,630	\$0	\$801,856	59.2
<b>TOTAL</b>	<b>\$6,996,254</b>	<b>\$546,768</b>	<b>\$5,647,630</b>	<b>\$0</b>	<b>\$801,856</b>	<b>59.2</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$6,996,254	\$546,768	\$5,647,630	\$0	\$801,856	59.2
BA2/R11 Remove hemp center of excellence	0	0	0	0	0	0.0
R5 Cash fund op increase	431,660	0	431,660	0	0	0.0
Annualize prior year budget actions	(57,679)	0	(57,679)	0	0	0.1
<b>TOTAL</b>	<b>\$7,370,235</b>	<b>\$546,768</b>	<b>\$6,021,611</b>	<b>\$0</b>	<b>\$801,856</b>	<b>59.3</b>
<b>INCREASE/(DECREASE)</b>	<b>\$373,981</b>	<b>\$0</b>	<b>\$373,981</b>	<b>\$0</b>	<b>\$0</b>	<b>0.1</b>
Percentage Change	5.3%	0.0%	6.6%	0.0%	0.0%	0.2%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$7,370,235</b>	<b>\$546,768</b>	<b>\$6,021,611</b>	<b>\$0</b>	<b>\$801,856</b>	<b>59.3</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

**INSPECTION AND CONSUMER SERVICES DIVISION**

This line item funds the personal services and operating expenses associated with Inspection and Consumer Services programs including the inspection of: animal feed, fertilizer, anhydrous ammonia tanks, eggs, agricultural commodity handlers and dealers, custom meat processors, weighing and measuring devices, and laboratory services. The line item is primarily funded by the Inspection and Consumer Services Cash Fund.

*STATUTORY AUTHORITY:* Sections 35-1-108, 35-12-108, 35-13-103, 35-14-107, 35-21-106, 35-60-110, C.R.S.

*REQUEST:* The Department requests an appropriation of \$5,975,227 total funds, including \$1,366,041 General Fund, and 58.0 FTE.

*RECOMMENDATION:* **Staff recommends an appropriation** of \$5,966,328 total funds, including \$1,357,142 General Fund, and 58.0 FTE. The recommendation is lower than the request due to adjusted salaries that would align with the minimum for the job classification for two new positions (R-09).

AGRICULTURAL SERVICES, INSPECTION AND CONSUMER SERVICES DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$5,386,750	\$1,129,275	\$3,857,632	\$84,000	\$315,843	56.2
<b>TOTAL</b>	<b>\$5,386,750</b>	<b>\$1,129,275</b>	<b>\$3,857,632</b>	<b>\$84,000</b>	<b>\$315,843</b>	<b>56.2</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$5,386,750	\$1,129,275	\$3,857,632	\$84,000	\$315,843	56.2
R5 Cash fund op increase	351,711	0	351,711	0	0	0.0
R9 Workforce services	227,867	227,867	0	0	0	1.8
<b>TOTAL</b>	<b>\$5,966,328</b>	<b>\$1,357,142</b>	<b>\$4,209,343</b>	<b>\$84,000</b>	<b>\$315,843</b>	<b>58.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$579,578</b>	<b>\$227,867</b>	<b>\$351,711</b>	<b>\$0</b>	<b>\$0</b>	<b>1.8</b>
Percentage Change	10.8%	20.2%	9.1%	0.0%	0.0%	3.2%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$8,899	\$8,899	\$0	\$0	\$0	0.0

### CONSERVATION SERVICES DIVISION

This line item includes resources for the Department to collaborate with public and private landowners across Colorado to enhance the stewardship of natural resources related to agricultural practices and lands. The efforts include groundwater protection, biological pest control, noxious weed management, and Colorado State Conservation Board partnership programs. Funding comes from both General Fund and cash funds (the Plant Health, Pest Control and Environmental Protection Cash Fund, Agriculture Value-Added Cash Fund, and Noxious Weed Management Cash Fund).

*STATUTORY AUTHORITY:* Sections 35-5.5-116 and 117, and 35-9-118 (3), C.R.S.

*REQUEST:* The Department requests an appropriation of \$5,758,867 total funds, including \$2,161,507 General Fund and \$2,071,056 cash funds. The request also includes 23.5 FTE.

*RECOMMENDATION:* **Staff recommends an appropriation of \$5,464,393 total funds, including \$1,867,033 General Fund, \$2,071,056 cash funds, and 22.6 FTE.** The recommendation is lower than the request due to staff's recommendation to approve only one of two positions and reduced annual grant funding for the ACRE3 program (R-03).

AGRICULTURAL SERVICES, CONSERVATION SERVICES DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$4,660,837	\$1,232,828	\$1,901,705	\$700,000	\$826,304	21.5
<b>TOTAL</b>	<b>\$4,660,837</b>	<b>\$1,232,828</b>	<b>\$1,901,705</b>	<b>\$700,000</b>	<b>\$826,304</b>	<b>21.5</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$4,660,837	\$1,232,828	\$1,901,705	\$700,000	\$826,304	21.5
R3 Renewable energy adapt and dev	599,547	599,547	0	0	0	1.0
R5 Cash fund op increase	169,351	0	169,351	0	0	0.0
R4 General fund op increase	45,000	45,000	0	0	0	0.0
Annualize prior year budget actions	(10,342)	(10,342)	0	0	0	0.1
<b>TOTAL</b>	<b>\$5,464,393</b>	<b>\$1,867,033</b>	<b>\$2,071,056</b>	<b>\$700,000</b>	<b>\$826,304</b>	<b>22.6</b>

AGRICULTURAL SERVICES, CONSERVATION SERVICES DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>INCREASE/(DECREASE)</b>	<b>\$803,556</b>	<b>\$634,205</b>	<b>\$169,351</b>	<b>\$0</b>	<b>\$0</b>	<b>1.1</b>
Percentage Change	17.2%	51.4%	8.9%	0.0%	0.0%	5.1%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$5,758,867</b>	<b>\$2,161,507</b>	<b>\$2,071,056</b>	<b>\$700,000</b>	<b>\$826,304</b>	<b>23.5</b>
Request Above/(Below) Recommendation	\$294,474	\$294,474	\$0	\$0	\$0	0.9

#### APPROPRIATION TO THE NOXIOUS WEED MANAGEMENT FUND

During the 2014 Legislative Session, the General Assembly appropriated \$700,000 General Fund to the Noxious Weed Management Grant Program, which is administered by the Conservation Services Division. Pursuant to H.B. 16-1237, this line item was added to provide greater transparency for that appropriation and to facilitate the direct appropriation of money into the Noxious Weed Management Fund.

*STATUTORY AUTHORITY:* Title 35, Article 5.5, C.R.S.

*REQUEST:* The Department requests a continuation-level appropriation of \$700,000 General Fund.

*RECOMMENDATION:* **Staff recommends approval of the Department's request.**

#### LEASE PURCHASE LAB EQUIPMENT

During the 2007 Legislative Session, the General Assembly approved the inclusion of this line item to lease-purchase laboratory equipment for the Department's biochemistry laboratory, which performs sample analyses that support the regulatory enforcement activities of Inspection and Consumer Services programs, the Plant Industry Division, and the Conservation Board.

*STATUTORY AUTHORITY:* Sections 35-1-104, C.R.S.

*REQUEST:* The Department requests a continuation-level appropriation of \$99,360 cash funds.

*RECOMMENDATION:* **Staff recommends approval of the Department's request.**

#### INDIRECT COSTS

This line item funds a portion of the costs of the Commissioner's Office as well as the Division's share of statewide indirect costs. This line item represents indirect cost assessments from the following program areas: Animal Industry, Inspection and Consumer Services, Plant Industry, and Conservation Services.

*STATUTORY AUTHORITY:* Sections 24-75-1401 and 35-1-104, C.R.S.

*REQUEST:* The Department requests an appropriation of \$1,758,477 total funds, including \$1,434,636 cash funds and \$323,841 federal funds.



**RECOMMENDATION:** Staff recommends approval of the Department's request, as well as permission to update this appropriation as necessary based on subsequent Committee common policy decisions.

AGRICULTURAL SERVICES, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,275,571	\$0	\$1,046,861	\$0	\$228,710	0.0
<b>TOTAL</b>	<b>\$1,275,571</b>	<b>\$0</b>	<b>\$1,046,861</b>	<b>\$0</b>	<b>\$228,710</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,275,571	\$0	\$1,046,861	\$0	\$228,710	0.0
R6 Commissioners office indirect cost	462,409	0	379,499	0	82,910	0.0
Indirect cost assessment	20,497	0	8,276	0	12,221	0.0
<b>TOTAL</b>	<b>\$1,758,477</b>	<b>\$0</b>	<b>\$1,434,636</b>	<b>\$0</b>	<b>\$323,841</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$482,906</b>	<b>\$0</b>	<b>\$387,775</b>	<b>\$0</b>	<b>\$95,131</b>	<b>0.0</b>
Percentage Change	37.9%	0.0%	37.0%	0.0%	41.6%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$1,758,477</b>	<b>\$0</b>	<b>\$1,434,636</b>	<b>\$0</b>	<b>\$323,841</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### (3) AGRICULTURAL MARKETS DIVISION

The Agricultural Markets Division promotes Colorado's agricultural products and services to domestic and international markets, provides export assistance, and develops value-added business ventures. The Markets Division is also responsible for promoting Colorado's wine industry, administering the Colorado Proud brand, and operating the agricultural products inspection program (including potato inspection).

AGRICULTURAL MARKETS DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 Appropriation</b>						
SB 23-214 (Long Bill)	\$5,646,972	\$1,460,219	\$3,245,470	\$0	\$941,283	43.6
Other Legislation	172,238	172,238	0		0	2.0
<b>TOTAL</b>	<b>\$5,819,210</b>	<b>\$1,632,457</b>	<b>\$3,245,470</b>	<b>\$0</b>	<b>\$941,283</b>	<b>45.6</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$5,819,210	\$1,632,457	\$3,245,470	\$0	\$941,283	45.6
R4 General fund op increase	66,375	66,375	0	0	0	0.0
R5 Cash fund op increase	53,999	0	53,999	0	0	0.0
R6 Commissioners office indirect cost	56,351	0	51,619	0	4,732	0.0
R7 Next gen/ag leadership program	427,553	427,553	0	0	0	0.7
Indirect cost assessment	1,823	0	1,125	0	698	0.0
Annualize prior year budget actions	1,512	1,512	0	0	0	0.1
Annualize prior year legislation	(61,621)	(61,621)	0	0	0	(1.0)
<b>TOTAL</b>	<b>\$6,365,202</b>	<b>\$2,066,276</b>	<b>\$3,352,213</b>	<b>\$0</b>	<b>\$946,713</b>	<b>45.4</b>
<b>INCREASE/(DECREASE)</b>	<b>\$545,992</b>	<b>\$433,819</b>	<b>\$106,743</b>	<b>\$0</b>	<b>\$5,430</b>	<b>(0.2)</b>
Percentage Change	9.4%	26.6%	3.3%	0.0%	0.6%	(0.4%)
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$6,720,353</b>	<b>\$2,158,665</b>	<b>\$3,614,975</b>	<b>\$0</b>	<b>\$946,713</b>	<b>45.4</b>
Request Above/(Below) Recommendation	\$355,151	\$92,389	\$262,762	\$0	\$0	(0.0)

#### DECISION ITEMS - AGRICULTURAL MARKETS DIVISION (NONE)

The Department did not submit any decision items specific to the Agricultural Markets Division.

#### LINE ITEM DETAIL - AGRICULTURAL MARKETS DIVISION

##### (A) AGRICULTURE MARKETS

##### PROGRAM COSTS

This line item funds the personal services and operating expenses for the Agricultural Markets Division.

*STATUTORY AUTHORITY:* Sections 35-1-108 and 35-28-105, C.R.S.

*REQUEST:* The Department requests an appropriation of \$2,289,704 total funds, including \$1,329,023 General Fund, and 6.4 FTE.

**RECOMMENDATION:** Staff recommends an appropriation of \$2,206,079 total funds, including \$1,245,398 General Fund, and 6.4 FTE. The recommendation is lower than the request due to staff's recommendation to not approve the full inflationary adjustment for the International Markets and Colorado Proud programs (R-04).

AGRICULTURAL MARKETS DIVISION, AGRICULTURAL MARKETS, PROGRAM COSTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$2,138,192	\$1,177,511	\$32,451	\$0	\$928,230	7.3
<b>TOTAL</b>	<b>\$2,138,192</b>	<b>\$1,177,511</b>	<b>\$32,451</b>	<b>\$0</b>	<b>\$928,230</b>	<b>7.3</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$2,138,192	\$1,177,511	\$32,451	\$0	\$928,230	7.3
R4 General fund op increase	66,375	66,375	0	0	0	0.0
Annualize prior year budget actions	1,512	1,512	0	0	0	0.1
Annualize prior year legislation	0	0	0	0	0	(1.0)
<b>TOTAL</b>	<b>\$2,206,079</b>	<b>\$1,245,398</b>	<b>\$32,451</b>	<b>\$0</b>	<b>\$928,230</b>	<b>6.4</b>
<b>INCREASE/(DECREASE)</b>	<b>\$67,887</b>	<b>\$67,887</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(0.9)</b>
Percentage Change	3.2%	5.8%	0.0%	0.0%	0.0%	(12.3%)
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$2,289,704</b>	<b>\$1,329,023</b>	<b>\$32,451</b>	<b>\$0</b>	<b>\$928,230</b>	<b>6.4</b>
Request Above/(Below) Recommendation	\$83,625	\$83,625	\$0	\$0	\$0	0.0

### WINE PROMOTION BOARD

The Colorado Wine Promotion Board is responsible for promoting Colorado wines. The Board funds research, development, promotion, and marketing. At least one-third of the revenue in the fund shall go towards research and development, at least one-third shall go towards promotion, and the remainder supports administrative costs. Pursuant to Section 35-29.5-105, C.R.S., funds from the Wine Promotion Cash Fund are continuously appropriated and are thus included in the Long Bill for informational purposes.

*STATUTORY AUTHORITY:* Title 35, Article 29.5, C.R.S.

*REQUEST:* The Department requests a continuation appropriation of 1.5 FTE and \$574,246 cash funds.

**RECOMMENDATION:** Staff recommends approval of the Department's request.

### AGRICULTURE WORKFORCE DEVELOPMENT PROGRAM

This line item funds the Agriculture Workforce Development Program, enacted in S.B. 18-042, that provides financial incentives to farms, ranches, and agricultural businesses to hire interns and provide them with experience and training to begin a career in agriculture.

*STATUTORY AUTHORITY:* Section 35-1-104, C.R.S.

*REQUEST:* The Department requests an appropriation of \$669,025 total funds, including \$519,025 General Fund, and 1.0 FTE.

**RECOMMENDATION: Staff recommends an appropriation of \$660,261 total funds, including \$510,261 General Fund.** The recommendation is lower than the request due to staff recommendation not to include capital outlay for the requested 0.7 FTE, as it is an existing staff member (R-07).

AGRICULTURAL MARKETS DIVISION, AGRICULTURAL MARKETS, AGRICULTURE WORKFORCE DEVELOPMENT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$232,708	\$82,708	\$150,000	\$0	\$0	0.3
<b>TOTAL</b>	<b>\$232,708</b>	<b>\$82,708</b>	<b>\$150,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.3</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$232,708	\$82,708	\$150,000	\$0	\$0	0.3
R7 Next gen/ag leadership program	427,553	427,553	0	0	0	0.7
<b>TOTAL</b>	<b>\$660,261</b>	<b>\$510,261</b>	<b>\$150,000</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$427,553</b>	<b>\$427,553</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.7</b>
Percentage Change	183.7%	516.9%	0.0%	0.0%	0.0%	233.3%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$8,764	\$8,764	\$0	\$0	\$0	0.0

### COMMUNITY FOOD ACCESS PROGRAM

This line item funds the Community Food Access Program, established by H.B. 22-1380 to improve access to and lower prices for healthy foods and support small food retailers. The program consists of a small food business grant program, refundable tax credits, and consortium of small food retailers and producers focused on better serving low-income and underserved areas of the state.

*STATUTORY AUTHORITY:* Section 35-1-117, C.R.S.

*REQUEST:* The Department requests an appropriation of \$172,238 General Fund and 2.0 FTE.

*RECOMMENDATION: Staff recommends approval of the Department's request.*

### INDIRECT COST ASSESSMENT

This line item funds a portion of the costs of the Commissioner's Office as well as the Division's share of statewide indirect costs.

*STATUTORY AUTHORITY:* Sections 24-75-1401 and 35-1-104, C.R.S.

*REQUEST:* The Department requests an appropriation of \$47,982 total funds.

*RECOMMENDATION: Staff recommends approval of the Department's request,* as well as permission to update this appropriation as necessary based on subsequent Committee common policy decisions.

AGRICULTURAL MARKETS DIVISION, AGRICULTURAL MARKETS, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$34,579	\$0	\$21,526	\$0	\$13,053	0.0
<b>TOTAL</b>	<b>\$34,579</b>	<b>\$0</b>	<b>\$21,526</b>	<b>\$0</b>	<b>\$13,053</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$34,579	\$0	\$21,526	\$0	\$13,053	0.0
R6 Commissioners office indirect cost	12,535	0	7,803	0	4,732	0.0
Indirect cost assessment	868	0	170	0	698	0.0
<b>TOTAL</b>	<b>\$47,982</b>	<b>\$0</b>	<b>\$29,499</b>	<b>\$0</b>	<b>\$18,483</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$13,403</b>	<b>\$0</b>	<b>\$7,973</b>	<b>\$0</b>	<b>\$5,430</b>	<b>0.0</b>
Percentage Change	38.8%	0.0%	37.0%	0.0%	41.6%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$47,982</b>	<b>\$0</b>	<b>\$29,499</b>	<b>\$0</b>	<b>\$18,483</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## (B) AGRICULTURAL PRODUCTS INSPECTION

### PROGRAM COSTS

This line item funds agricultural products inspectors who provide size and grade inspection services to fruit and vegetable growers and shippers throughout the state. Funding for this line item primarily comes from the Agricultural Products Inspection Cash Fund.

*STATUTORY AUTHORITY:* Title 35, Article 23, C.R.S.

*REQUEST:* The Department requests an appropriation of \$2,801,519 total funds, including \$138,379 General Fund and \$2,663,140 cash funds, and 34.5 FTE.

*RECOMMENDATION:* **Staff recommends an appropriation of \$2,538,757 total funds, including \$138,379 General Fund and \$2,400,378 cash funds, and 34.5 FTE.** The recommendation is lower than the request due to staff's recommendation to not approve the full inflationary adjustment for the Agricultural Products Inspection Cash Fund (R-05).

AGRICULTURAL MARKETS DIVISION, AGRICULTURAL PRODUCTS INSPECTION, PROGRAM COSTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$2,546,379	\$200,000	\$2,346,379	\$0	\$0	34.5
<b>TOTAL</b>	<b>\$2,546,379</b>	<b>\$200,000</b>	<b>\$2,346,379</b>	<b>\$0</b>	<b>\$0</b>	<b>34.5</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$2,546,379	\$200,000	\$2,346,379	\$0	\$0	34.5
R5 Cash fund op increase	53,999	0	53,999	0	0	0.0
Annualize prior year legislation	(61,621)	(61,621)	0	0	0	0.0
<b>TOTAL</b>	<b>\$2,538,757</b>	<b>\$138,379</b>	<b>\$2,400,378</b>	<b>\$0</b>	<b>\$0</b>	<b>34.5</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$7,622)</b>	<b>(\$61,621)</b>	<b>\$53,999</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(0.3%)	(30.8%)	2.3%	0.0%	0.0%	0.0%

AGRICULTURAL MARKETS DIVISION, AGRICULTURAL PRODUCTS INSPECTION, PROGRAM COSTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$2,801,519</b>	<b>\$138,379</b>	<b>\$2,663,140</b>	<b>\$0</b>	<b>\$0</b>	<b>34.5</b>
Request Above/(Below) Recommendation	\$262,762	\$0	\$262,762	\$0	\$0	0.0

**INDIRECT COST ASSESSMENT**

This line item funds a portion of the costs of the Commissioner's Office as well as the Division's share of statewide indirect costs.

*STATUTORY AUTHORITY:* Sections 24-75-1401 and 35-1-104, C.R.S.

*REQUEST:* The Department requests an appropriation of \$165,639 cash funds from the Agricultural Products Inspection Cash Fund.

*RECOMMENDATION:* **Staff recommends approval of the Department's request**, as well as permission to update this appropriation as necessary based on subsequent Committee common policy decisions.

AGRICULTURAL MARKETS DIVISION, AGRICULTURAL PRODUCTS INSPECTION, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 APPROPRIATION</b>						
SB 23-214 (Long Bill)	\$120,868	\$0	\$120,868	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$120,868</b>	<b>\$0</b>	<b>\$120,868</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$120,868	\$0	\$120,868	\$0	\$0	0.0
R6 Commissioners office indirect cost	43,816	0	43,816	0	0	0.0
Indirect cost assessment	955	0	955	0	0	0.0
<b>TOTAL</b>	<b>\$165,639</b>	<b>\$0</b>	<b>\$165,639</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$44,771</b>	<b>\$0</b>	<b>\$44,771</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	37.0%	0.0%	37.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$165,639</b>	<b>\$0</b>	<b>\$165,639</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## (4) BRAND BOARD

The Brand Board records and administers livestock brands; inspects and verifies ownership prior to the sale, transport, or slaughter of livestock; inspects and licenses alternative livestock facilities; and facilitates the return of stray or stolen livestock. Pursuant to Section 35-41-101(5)(a), C.R.S., the Brand Board constitutes an enterprise for the purposes of Section 20 of Article X of the State constitution (TABOR).

BRAND BOARD						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 Appropriation</b>						
SB 23-214 (Long Bill)	\$5,055,218	\$0	\$5,055,218	\$0	\$0	59.0
<b>TOTAL</b>	<b>\$5,055,218</b>	<b>\$0</b>	<b>\$5,055,218</b>	<b>\$0</b>	<b>\$0</b>	<b>59.0</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$5,055,218	\$0	\$5,055,218	\$0	\$0	59.0
R5 Cash fund op increase	645,743	0	645,743	0	0	0.0
R6 Commissioners office indirect cost	78,514	0	78,514	0	0	0.0
Indirect cost assessment	1,711	0	1,711	0	0	0.0
<b>TOTAL</b>	<b>\$5,781,186</b>	<b>\$0</b>	<b>\$5,781,186</b>	<b>\$0</b>	<b>\$0</b>	<b>59.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$725,968</b>	<b>\$0</b>	<b>\$725,968</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	14.4%	0.0%	14.4%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$5,781,186</b>	<b>\$0</b>	<b>\$5,781,186</b>	<b>\$0</b>	<b>\$0</b>	<b>59.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### DECISION ITEMS – BRAND BOARD (NONE)

The Department did not submit any decision items specific to the Brand Board.

### LINE ITEM DETAIL – BRAND BOARD

#### BRAND INSPECTION

This line item funds all personal services and operating costs related to the services provided by the Brand Board.

*STATUTORY AUTHORITY:* Sections 35-1-104, 35-41-101, and 35-55-112, C.R.S.

*REQUEST:* The Department requests an appropriation of \$5,429,025 cash funds.

*RECOMMENDATION:* **Staff recommends approval of the Department's request**, which includes a \$645,743 increase to the Brand Inspection Cash Fund's spending authority (R-05).

BRAND BOARD, BRAND INSPECTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 APPROPRIATION</b>						

BRAND BOARD, BRAND INSPECTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 23-214 (Long Bill)	\$4,783,282	\$0	\$4,783,282	\$0	\$0	59.0
<b>TOTAL</b>	<b>\$4,783,282</b>	<b>\$0</b>	<b>\$4,783,282</b>	<b>\$0</b>	<b>\$0</b>	<b>59.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$4,783,282	\$0	\$4,783,282	\$0	\$0	59.0
R5 Cash fund op increase	645,743	0	645,743	0	0	0.0
<b>TOTAL</b>	<b>\$5,429,025</b>	<b>\$0</b>	<b>\$5,429,025</b>	<b>\$0</b>	<b>\$0</b>	<b>59.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$645,743</b>	<b>\$0</b>	<b>\$645,743</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	13.5%	0.0%	13.5%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$5,429,025</b>	<b>\$0</b>	<b>\$5,429,025</b>	<b>\$0</b>	<b>\$0</b>	<b>59.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### ALTERNATIVE LIVESTOCK

This line item supports the inspection and licensing of alternative livestock facilities including the selling, trading, bartering, or otherwise transferring of any domesticated elk or fallow deer in the State. This line item is funded by the Alternative Livestock Farm Cash Fund.

*STATUTORY AUTHORITY:* Title 35, Article 41.5, C.R.S.

*REQUEST:* The Department requests a continuation-level appropriation of \$15,355 cash funds.

*RECOMMENDATION:* **Staff recommends approval of the Department's request.**

### BRAND ESTRAY FUND

This line item funds the care of any livestock found on public or private lands within Colorado, whose owner is either unknown or are outside the limits of their usual range or pasture. Additionally, the line item supports reimbursements to owners of estray animals. The sale of estray animals generates revenue for this fund, and moneys are exempt from the TABOR spending limit as they are managed by the Brand Board, which is intended to be an enterprise pursuant to Section 35-41-101, C.R.S.

*STATUTORY AUTHORITY:* Section 35-41-101 and 102, C.R.S.

*REQUEST:* The Department requests a continuation appropriation of \$40,000 cash funds.

*RECOMMENDATION:* **Staff recommends approval of the Department's request.**

### INDIRECT COST ASSESSMENT

This line item funds a portion of the costs of the Commissioner's Office as well as the Division's share of statewide indirect costs.

*STATUTORY AUTHORITY:* Sections 24-75-1401, 35-1-104, 35-41-102, and 35-41.5.116, C.R.S.

*REQUEST:* The Department requests an appropriation of \$296,806 cash funds.



**RECOMMENDATION:** Staff recommends approval of the Department's request, as well as permission to update this appropriation as necessary based on subsequent Committee common policy decisions.

BRAND BOARD, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$216,581	\$0	\$216,581	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$216,581</b>	<b>\$0</b>	<b>\$216,581</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$216,581	\$0	\$216,581	\$0	\$0	0.0
R6 Commissioners office indirect cost	78,514	0	78,514	0	0	0.0
Indirect cost assessment	1,711	0	1,711	0	0	0.0
<b>TOTAL</b>	<b>\$296,806</b>	<b>\$0</b>	<b>\$296,806</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$80,225</b>	<b>\$0</b>	<b>\$80,225</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	37.0%	0.0%	37.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$296,806</b>	<b>\$0</b>	<b>\$296,806</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## (5) COLORADO STATE FAIR

The Colorado State Fair Authority is administered by an eleven-member Board of Commissioners and is primarily responsible for putting on the eleven-day State Fair event held each August. Much of the funding for this division comes from the revenue collected during the annual fair event and from non-fair events held at the fairgrounds during the rest of the year. The Fair also receives funding from a variety of other sources including: the City of Pueblo, Pueblo County, various small grants, and 25.0 percent of the interest earned on the sale of unclaimed securities, pursuant to Section 38-13-801.5, C.R.S.

COLORADO STATE FAIR						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 Appropriation</b>						
SB 23-214 (Long Bill)	\$10,885,247	\$1,000,000	\$9,885,247	\$0	\$0	26.9
<b>TOTAL</b>	<b>\$10,885,247</b>	<b>\$1,000,000</b>	<b>\$9,885,247</b>	<b>\$0</b>	<b>\$0</b>	<b>26.9</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$10,885,247	\$1,000,000	\$9,885,247	\$0	\$0	26.9
R5 Cash fund op increase	382,513	0	382,513	0	0	0.0
R6 Commissioners office indirect cost	45,743	0	45,743	0	0	0.0
Indirect cost assessment	997	0	997	0	0	0.0
<b>TOTAL</b>	<b>\$11,314,500</b>	<b>\$1,000,000</b>	<b>\$10,314,500</b>	<b>\$0</b>	<b>\$0</b>	<b>26.9</b>
<b>INCREASE/(DECREASE)</b>	<b>\$429,253</b>	<b>\$0</b>	<b>\$429,253</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	3.9%	0.0%	4.3%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$876,979	\$0	\$876,979	\$0	\$0	0.0

### DECISION ITEMS – COLORADO STATE FAIR (NONE)

The Department did not submit any decision items specific to the Colorado State Fair.

### LINE ITEM DETAIL – COLORADO STATE FAIR

#### PROGRAM COSTS

This line item includes all personal services and operating costs related to running and maintaining the State Fair and fairgrounds in Pueblo, Colorado.

*STATUTORY AUTHORITY:* Sections 35-1-104 and 35-65-100.3 through 408, C.R.S.

*REQUEST:* The Department requests an appropriation of \$11,039,064 total funds, including \$450,000 General Fund and \$10,589,064 cash funds.

*RECOMMENDATION:* Staff recommends an appropriation of \$10,162,085 total funds, including \$450,000 General Fund and \$9,712,085 cash funds. The recommendation is lower than the request due to staff's recommendation not to approve the full inflation adjustment for the State Fair Authority Cash Fund (R-05).

COLORADO STATE FAIR, PROGRAM COSTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$9,779,572	\$450,000	\$9,329,572	\$0	\$0	26.9
<b>TOTAL</b>	<b>\$9,779,572</b>	<b>\$450,000</b>	<b>\$9,329,572</b>	<b>\$0</b>	<b>\$0</b>	<b>26.9</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$9,779,572	\$450,000	\$9,329,572	\$0	\$0	26.9
R5 Cash fund op increase	382,513	0	382,513	0	0	0.0
<b>TOTAL</b>	<b>\$10,162,085</b>	<b>\$450,000</b>	<b>\$9,712,085</b>	<b>\$0</b>	<b>\$0</b>	<b>26.9</b>
<b>INCREASE/(DECREASE)</b>	<b>\$382,513</b>	<b>\$0</b>	<b>\$382,513</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	3.9%	0.0%	4.1%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$876,979	\$0	\$876,979	\$0	\$0	0.0

### FFA AND 4H PROGRAM FUNDING

This line item provides funding to maintain and support 4H and Future Farmers of America (FFA) programs, ensure youth participation and the success of the Junior Livestock Sale, and enhance the financial stability of the State Fair.

*STATUTORY AUTHORITY:* Section 35-1-104, C.R.S.

*REQUEST:* The Department requests a continuation-level appropriation of \$550,000 total funds, including \$250,000 General Fund and \$300,000 cash funds from the Marijuana Tax Cash Fund.

*RECOMMENDATION:* **Staff recommends approving the Department's request.**

### STATE FAIR FACILITIES MAINTENANCE

This line item provides funding for the rehabilitation and maintenance of the Colorado State Fairgrounds' facilities and grounds.

*STATUTORY AUTHORITY:* Sections 35-1-104 and 35-65-100.3 through 408, C.R.S.

*REQUEST:* The Department requests a continuation-level appropriation \$429,492 total funds, including \$300,000 General Fund and \$129,294 cash funds.

*RECOMMENDATION* **Staff recommends approving the Department's request.**

### INDIRECT COST ASSESSMENT

The State Fair currently provides its own accounting services, assists with one-third of the personal services associated with the Department's Public Information Officer, and provides all of the Department's controlled maintenance services. As a result, the State Fair's indirect cost assessment is lower than other divisions.

*STATUTORY AUTHORITY:* Sections 24-75-1401 and 35-1-104, C.R.S.

*REQUEST:* The Department requests an appropriation of \$172,923 cash funds.

**RECOMMENDATION:** Staff recommends approval of the Department's request, as well as permission to update this appropriation as necessary based on subsequent Committee common policy decisions.

COLORADO STATE FAIR, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$126,183	\$0	\$126,183	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$126,183</b>	<b>\$0</b>	<b>\$126,183</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$126,183	\$0	\$126,183	\$0	\$0	0.0
R6 Commissioners office indirect cost	45,743	0	45,743	0	0	0.0
Indirect cost assessment	997	0	997	0	0	0.0
<b>TOTAL</b>	<b>\$172,923</b>	<b>\$0</b>	<b>\$172,923</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$46,740</b>	<b>\$0</b>	<b>\$46,740</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	37.0%	0.0%	37.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$172,923</b>	<b>\$0</b>	<b>\$172,923</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## (6) CONSERVATION BOARD

The Conservation Board oversees programs to conserve Colorado's soil and natural resources in conjunction with 78 local districts and helps coordinate regional and statewide efforts to address conservation issues. The State Conservation Board is comprised of eight members from the conservation districts and one appointee of the Governor. Issues addressed by this division include soil erosion, agricultural runoff, forest/rangeland management, noxious weed control, salinity, and energy conservation. The Board is also responsible for maintaining the official maps and legal descriptions of the 78 districts as well as monitoring local board elections.

CONSERVATION BOARD						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 Appropriation</b>						
SB 23-214 (Long Bill)	\$2,641,799	\$1,235,018	\$900,000	\$0	\$506,781	5.2
<b>TOTAL</b>	<b>\$2,641,799</b>	<b>\$1,235,018</b>	<b>\$900,000</b>	<b>\$0</b>	<b>\$506,781</b>	<b>5.2</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$2,641,799	\$1,235,018	\$900,000	\$0	\$506,781	5.2
<b>TOTAL</b>	<b>\$2,641,799</b>	<b>\$1,235,018</b>	<b>\$900,000</b>	<b>\$0</b>	<b>\$506,781</b>	<b>5.2</b>
<b>INCREASE/(DECREASE)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$2,641,799</b>	<b>\$1,235,018</b>	<b>\$900,000</b>	<b>\$0</b>	<b>\$506,781</b>	<b>5.2</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### DECISION ITEMS – CONSERVATION BOARD (NONE)

The Department did not submit any decision items specific to the Conservation Board.

### LINE ITEM DETAIL – CONSERVATION BOARD

#### PROGRAM COSTS

This line item funds the personal services and operating expenses for the Conservation Board.

*STATUTORY AUTHORITY:* Sections 35-1-104 and 35-70-101 through 122, C.R.S.

*REQUEST:* The Department requests a continuation-level appropriation of \$526,251 General Fund and 5.2 FTE.

*RECOMMENDATION:* **Staff recommends approval of the Department's request.**

#### DISTRIBUTIONS TO SOIL CONSERVATION DISTRICTS

The Conservation Board distributes funds directly to local conservation districts to assist with operating expenses (e.g., travel, clerical and technical assistance, office expenses, district elections). Distributions are made via a competitive grant process according to evaluation criteria, which examine

a district's long range plans, annual workload, number of district meetings held each year, participation in conservation activities, and plan to implement education programs.

*STATUTORY AUTHORITY:* Sections 35-1-106.7 and 35-70-103(5)(g), C.R.S.

*REQUEST:* The Department requests a continuation-level appropriation of \$483,767 General Fund.

*RECOMMENDATION:* **Staff recommends approval of the Department's request.**

#### MATCHING GRANTS TO DISTRICTS

This line item provides funds for conservation districts to address on-the-ground conservation problems that have been identified at the local level. The conservation districts that receive funds must provide a dollar-for-dollar match. Funding for this line item is from funds transferred from the Operational Account of the Severance Tax Trust Fund to the Conservation District Grant Fund pursuant to Section 39-29-109.3(1)(g), C.R.S. Money in the Conservation District Grant Fund are continuously appropriated, per Section 35-1-106.7, C.R.S., and are included in the Long Bill for information purposes.

*STATUTORY AUTHORITY:* Sections 35-1-106.7 and 35-70-103(5)(g), C.R.S.

*REQUEST:* The Department requests a continuation-level appropriation of \$675,000 total funds, including \$225,000 General Fund and \$450,000 cash funds.

*RECOMMENDATION:* **Staff recommends approval of the Department's request.**

#### SALINITY CONTROL GRANTS

The salinity control grants from the U.S. Bureau of Reclamation are distributed to five soil conservation districts in the Upper Colorado River Basin through the Department of Natural Resources. These moneys fund projects to line irrigation canals, install water pipes, and implement other irrigation management practices that minimize exposure of water to salt bearing soils.

*STATUTORY AUTHORITY:* Section 35-70-103(5)(g), C.R.S.

*REQUEST:* The Department requests a continuation-level appropriation of \$506,781 federal funds.

*RECOMMENDATION:* **Staff recommends approval of the Department's request.**

## LONG BILL FOOTNOTES AND REQUESTS FOR INFORMATION

### LONG BILL FOOTNOTES

Staff recommends **continuing and modifying** the following footnote:

N1 Department of Agriculture, Agricultural Markets Division, Agricultural Markets, Agriculture Workforce Development Program -- This appropriation remains available for expenditure until the close of the ~~2024-25~~ 2025-26 state fiscal year.

**COMMENT:** This footnote explains legislative intent.

Staff recommends **continuing** the following footnote:

N2 Department of Agriculture, Agricultural Markets Division, Agricultural Markets, Agriculture Workforce Development Program – It is the General Assembly's intent that \$64,108 General Fund of this appropriation is designated to be used for purposes of the Workforce Development program.

**COMMENT:** This footnote explains the legislative intent that the funding for the Adult Agriculture Leadership Grant Program and the Agriculture Workforce Development Program be kept separate after the programs were merged into one line item in FY 2021-22.

Staff recommends **adding** the following footnotes:

N3 Department of Agriculture, Commissioner's Office, Operating Expenses – It is the General Assembly's intent that \$207,099 General Fund of this appropriation remain available for expenditure until the close of the 2026-27 state fiscal year. These funds are intended to be used for the implementation of a Human Resources and Business Operations solution within OnBase.

**COMMENT:** This footnote grants three-year roll-forward authority for the Department's R-10 request.

N4 Department of Agriculture, Agricultural Services, Conservation Services Division – It is the General Assembly's intent that \$500,000 General Fund of this appropriation remains available for expenditure until the close of the 2026-27 state fiscal year. These funds are intended to be used for the grants for renewable energy and energy efficiency projects.

**COMMENT:** This footnote grants three-year roll-forward authority for the approved portion of the Department's R-03 request that is to be used for grant funding.

N5 Department of Agriculture, Agricultural Markets Division, Program Costs – It is the General Assembly's intent that \$39,825 General Fund of this appropriation be used for the International Markets program, and \$26,550 General Fund be used for the Colorado Proud program.

**COMMENT:** This footnote explains legislative intent for the Department's R-04 request.

## REQUESTS FOR INFORMATION

Staff recommends continuing and **CONTINUING AND MODIFYING** the following requests for information:

- 1 Department of Agriculture, Colorado State Fair, State Fair Facilities Maintenance – The Department is requested to provide on November 1, ~~2023~~ 2024 a report on facility maintenance projects for the Colorado State Fairgrounds. This report should include the following for each facility with planned maintenance: facility name, the type and nature of maintenance, the anticipated cost of the maintenance, the expenditures to-date on the maintenance, and the anticipated completion date.

**COMMENT:** This request will provide the Department's planned facility maintenance at the Colorado State Fairgrounds and will aid in the Committee's oversight of the Authority. The information will allow for greater accuracy in planning future appropriations for this purpose.

- 2 The Department is requested to provide on November 1, ~~2023~~ 2024, a report on the development of climate and drought-smart agricultural markets for Colorado producers. This reports should include the number of producers and acreage in the STAR Plus program, the estimated number of businesses and purchasing climate and drought-smart products, the attendance at climate-smart training sessions and events, and the findings of climate-smart research conducted by Colorado State University and partner universities.

**COMMENT:** This request will provide information the Department's efforts to create a sustainable market for climate and drought-smart products, particularly after the Committee decision to fund a climate drought-smart marketing specialist in FY 2023-24, for three years. The information will allow for greater accuracy in planning future appropriations for this purpose.

Staff recommends continuing and **ADDING** the following requests for information:

- 3 Department of Agriculture, Agricultural Services, Conservation Services – The Department is requested to provide on November 1, 2024 a report on ACRE3 program performance. At a minimum, this report should include the following: number of applicants and requested funding amounts, number and amount of awards, co-funding amounts (if federal funding was also secured), type of project, and annual energy cost savings (if applicable).

**COMMENT:** This request will allow for greater accuracy in evaluating program performance and planning future appropriations for this purpose.



## APPENDIX A: NUMBERS PAGES

Appendix A details actual expenditures for the last two state fiscal years, the appropriation for the current fiscal year, and the requested and recommended appropriations for next fiscal year. This information is listed by line item and fund source.

*JBC Staff Figure Setting - FY 2024-25*  
*Staff Working Document - Does Not Represent Committee Decision*

## Appendix A: Numbers Pages

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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**DEPARTMENT OF AGRICULTURE**  
**Kate Greenberg, Commissioner**

### (1) COMMISSIONER'S OFFICE AND ADMINISTRATIVE SERVICES

This office provides administrative and technical support for the Department, including accounting, budgeting, and human resources. Cash funds are from various fees and reappropriated funds are from departmental and statewide indirect cost recoveries. Federal funds are from federal grants for agricultural purposes and COVID-19 stimulus funding.

Personal Services	<u>2,132,348</u>	<u>2,310,709</u>	<u>2,525,741</u>	<u>3,276,227</u>	<u>3,244,429</u> *
FTE	17.6	19.0	21.4	21.8	21.5
General Fund	622,858	741,489	962,925	1,073,369	1,041,571
Cash Funds	0	0	0	0	0
Reappropriated Funds	1,331,288	1,368,649	1,446,323	2,086,365	2,086,365
Federal Funds	178,202	200,571	116,493	116,493	116,493
Health, Life, and Dental	<u>2,387,445</u>	<u>2,790,575</u>	<u>4,339,695</u>	<u>4,751,345</u>	<u>4,679,326</u> *
General Fund	806,680	936,114	1,564,098	1,811,242	1,716,853
Cash Funds	1,580,765	1,854,461	2,770,522	2,935,028	2,957,398
Reappropriated Funds	0	0	5,075	5,075	5,075
Short-term Disability	<u>20,937</u>	<u>24,303</u>	<u>31,530</u>	<u>46,407</u>	<u>45,407</u> *
General Fund	8,749	9,930	13,195	17,460	19,202
Cash Funds	12,188	14,373	18,250	28,862	26,120
Reappropriated Funds	0	0	85	85	85

NOTE: An asterisk (\*) indicates that the FY 2024-25 request for a line item is affected by one or more decision items.

*JBC Staff Figure Setting - FY 2024-25*  
*Staff Working Document - Does Not Represent Committee Decision*

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Paid Family and Medical Leave Insurance	<u>0</u>	<u>0</u>	<u>0</u>	<u>99,016</u>	<u>136,225</u> *
General Fund	0	0	0	53,124	48,797
Cash Funds	0	0	0	45,892	87,424
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	4
Unfunded Liability Amortization Equalization					
Disbursement Payments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,027,221</u> *
General Fund	0	0	0	0	1,280,180
Cash Funds	0	0	0	0	1,746,957
Federal Funds	0	0	0	0	84
S.B. 04-257 Amortization Equalization Disbursement	<u>689,562</u>	<u>795,785</u>	<u>1,050,687</u>	<u>1,544,364</u>	<u>0</u> *
General Fund	289,070	323,967	439,603	579,074	0
Cash Funds	400,492	471,818	608,424	962,630	0
Reappropriated Funds	0	0	2,660	2,660	0
S.B. 06-235 Supplemental Amortization Equalization					
Disbursement	<u>689,562</u>	<u>795,785</u>	<u>1,050,687</u>	<u>1,544,365</u>	<u>0</u> *
General Fund	289,070	323,967	439,603	579,074	0
Cash Funds	400,492	471,818	608,424	962,631	0
Reappropriated Funds	0	0	2,660	2,660	0
PERA Direct Disbursement	<u>490,167</u>	<u>308,025</u>	<u>75,702</u>	<u>511,148</u>	<u>507,289</u>
General Fund	157,808	0	31,526	181,882	213,061
Cash Funds	332,359	308,025	44,176	329,266	294,228

*JBC Staff Figure Setting - FY 2024-25*  
*Staff Working Document - Does Not Represent Committee Decision*

	<b>FY 2021-22 Actual</b>	<b>FY 2022-23 Actual</b>	<b>FY 2023-24 Appropriation</b>	<b>FY 2024-25 Request</b>	<b>FY 2024-25 Recommendation</b>
Salary Survey	<u>75,162</u>	<u>523,318</u>	<u>1,136,763</u>	<u>4,076,822</u>	<u>1,348,465</u>
General Fund	31,528	211,167	475,981	1,450,213	566,355
Cash Funds	43,634	312,151	660,782	2,626,609	782,110
Step Pay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,776,869</u>
General Fund	0	0	0	0	746,285
Cash Funds	0	0	0	0	1,030,584
Shift Differential	<u>0</u>	<u>0</u>	<u>5,090</u>	<u>55,349</u>	<u>48,897</u>
General Fund	0	0	48	1,139	1,006
Cash Funds	0	0	5,042	53,187	47,053
Reappropriated Funds	0	0	0	0	7
Federal Funds	0	0	0	1,023	831
Information Technology Services	<u>0</u>	<u>0</u>	<u>72,150</u>	<u>72,150</u>	<u>72,150</u>
Cash Funds	0	0	72,150	72,150	72,150
Temporary Employees Related to Authorized Leave	<u>0</u>	<u>0</u>	<u>41,536</u>	<u>41,536</u>	<u>41,536</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	41,536	41,536	41,536
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Workers' Compensation	<u>163,456</u>	<u>176,126</u>	<u>201,026</u>	<u>308,986</u>	<u>299,675</u>
General Fund	32,328	34,834	39,759	61,113	59,270
Cash Funds	131,128	141,292	161,267	247,873	240,405

*JBC Staff Figure Setting - FY 2024-25*  
*Staff Working Document - Does Not Represent Committee Decision*

	<b>FY 2021-22 Actual</b>	<b>FY 2022-23 Actual</b>	<b>FY 2023-24 Appropriation</b>	<b>FY 2024-25 Request</b>	<b>FY 2024-25 Recommendation</b>
Operating Expenses	<u>278,216</u>	<u>470,022</u>	<u>422,607</u>	<u>1,121,496</u>	<u>603,274</u> *
General Fund	777	206,135	151,593	858,354	340,132
Reappropriated Funds	258,615	263,887	270,064	262,192	262,192
Federal Funds	18,824	0	950	950	950
IT Accessibility	<u>0</u>	<u>0</u>	<u>1,637,964</u>	<u>98,693</u>	<u>0</u>
General Fund	0	0	1,061,400	63,952	0
Cash Funds	0	0	576,564	34,741	0
Legal Services	<u>1,041,912</u>	<u>970,527</u>	<u>860,862</u>	<u>1,007,325</u>	<u>952,510</u> *
General Fund	163,666	183,328	198,634	270,761	215,946
Cash Funds	878,246	787,199	662,228	736,564	736,564
Digital Trunk Radio Payments	<u>0</u>	<u>0</u>	<u>31,690</u>	<u>27,984</u>	<u>27,984</u> *
General Fund	0	0	20,599	18,190	18,190
Cash Funds	0	0	11,091	9,794	9,794
Administrative Law Judge Services	<u>14,130</u>	<u>19,491</u>	<u>22,148</u>	<u>750</u>	<u>704</u>
Cash Funds	14,130	19,491	22,148	750	704
Payment to Risk Management and Property Funds	<u>329,363</u>	<u>428,108</u>	<u>495,886</u>	<u>349,638</u>	<u>418,801</u>
General Fund	199,693	259,549	300,625	211,969	253,906
Cash Funds	129,670	168,559	195,261	137,669	164,895
Annual Depreciation- Lease Equivalent Payment	<u>461,617</u>	<u>461,617</u>	<u>461,617</u>	<u>461,617</u>	<u>461,617</u>
FTE	0.0	0.0	0.0	0.0	0.0
Cash Funds	461,617	461,617	461,617	461,617	461,617

*JBC Staff Figure Setting - FY 2024-25*  
*Staff Working Document - Does Not Represent Committee Decision*

	<b>FY 2021-22 Actual</b>	<b>FY 2022-23 Actual</b>	<b>FY 2023-24 Appropriation</b>	<b>FY 2024-25 Request</b>	<b>FY 2024-25 Recommendation</b>
Vehicle Lease Payments	<u>320,231</u>	<u>297,606</u>	<u>364,820</u>	<u>472,931</u>	<u>440,703</u> *
General Fund	120,734	111,266	151,332	252,816	220,588
Cash Funds	199,401	186,160	208,462	214,933	214,933
Federal Funds	96	180	5,026	5,182	5,182
Information Technology Asset Maintenance	<u>16,004</u>	<u>42,033</u>	<u>42,041</u>	<u>42,041</u>	<u>42,041</u>
General Fund	16,004	42,033	42,041	42,041	42,041
Leased Space	<u>19,180</u>	<u>19,180</u>	<u>19,301</u>	<u>19,301</u>	<u>19,301</u>
Cash Funds	19,180	19,180	19,301	19,301	19,301
Office Consolidation COP	<u>521,827</u>	<u>524,713</u>	<u>529,063</u>	<u>529,063</u>	<u>529,063</u>
FTE	0.0	0.0	0.0	0.0	0.0
Cash Funds	521,827	524,713	529,063	529,063	529,063
Agrivoltaic Grants	<u>0</u>	<u>0</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
General Fund	0	0	500,000	500,000	500,000
CORE Operations	<u>129,458</u>	<u>156,241</u>	<u>129,937</u>	<u>65,091</u>	<u>42,721</u> *
General Fund	17,469	21,310	17,722	8,903	5,827
Cash Funds	95,029	117,971	98,110	42,083	32,257
Reappropriated Funds	16,960	16,960	14,105	14,105	4,637
Payments to OIT	<u>2,686,642</u>	<u>3,132,967</u>	<u>2,933,555</u>	<u>3,563,301</u>	<u>3,563,301</u>
General Fund	1,947,065	2,030,269	1,900,982	2,355,810	2,355,810
Cash Funds	739,577	1,102,698	1,032,573	1,207,491	1,207,491

*JBC Staff Figure Setting - FY 2024-25*  
*Staff Working Document - Does Not Represent Committee Decision*

	<b>FY 2021-22 Actual</b>	<b>FY 2022-23 Actual</b>	<b>FY 2023-24 Appropriation</b>	<b>FY 2024-25 Request</b>	<b>FY 2024-25 Recommendation</b>
Utilities	<u>240,000</u>	<u>240,000</u>	<u>240,000</u>	<u>240,000</u>	<u>240,000</u>
General Fund	50,000	50,000	50,000	50,000	50,000
Reappropriated Funds	190,000	190,000	190,000	190,000	190,000
Indirect Cost Assessment	<u>87,004</u>	<u>79,629</u>	<u>157,190</u>	<u>215,415</u>	<u>215,415</u> *
Cash Funds	87,004	79,629	157,190	215,415	215,415
DPA Administration Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>34,899</u>	<u>34,899</u> *
General Fund	0	0	0	21,156	21,156
Cash Funds	0	0	0	13,743	13,743
Office of the State Architect	<u>0</u>	<u>0</u>	<u>0</u>	<u>24,473</u>	<u>24,473</u> *
General Fund	0	0	0	14,836	14,836
Cash Funds	0	0	0	9,637	9,637
DHR State Agency Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>58,764</u>	<u>58,764</u> *
General Fund	0	0	0	35,623	35,623
Cash Funds	0	0	0	23,141	23,141
DHR Training Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>11,845</u>	<u>11,845</u> *
General Fund	0	0	0	7,180	7,180
Cash Funds	0	0	0	4,665	4,665
DHR Labor Relations	<u>0</u>	<u>0</u>	<u>0</u>	<u>82,416</u>	<u>82,416</u> *
General Fund	0	0	0	49,961	49,961
Cash Funds	0	0	0	32,455	32,455

*JBC Staff Figure Setting - FY 2024-25*  
*Staff Working Document - Does Not Represent Committee Decision*

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Financial Ops and Reporting Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>110,707</u>	<u>110,707</u> *
General Fund	0	0	0	67,111	67,111
Cash Funds	0	0	0	43,596	43,596
Procurement and Contracts Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>68,562</u>	<u>68,562</u> *
General Fund	0	0	0	41,562	41,562
Cash Funds	0	0	0	27,000	27,000
Agriculture Management Fund	<u>1,341,645</u>	<u>1,634,127</u>	<u>2,048,914</u>	<u>2,048,914</u>	<u>2,048,914</u>
FTE	2.0	2.0	2.0	2.0	2.0
Cash Funds	1,341,645	1,634,127	2,048,914	2,048,914	2,048,914
<b>TOTAL - (1) Commissioner's Office and Administrative Services</b>	14,135,868	16,200,887	21,428,202	27,482,941	25,725,504
FTE	<u>19.6</u>	<u>21.0</u>	<u>23.4</u>	<u>23.8</u>	<u>23.5</u>
General Fund	4,753,499	5,485,358	8,361,666	10,677,915	9,932,449
Cash Funds	7,388,384	8,675,282	11,013,095	14,118,236	13,121,150
Reappropriated Funds	1,796,863	1,839,496	1,930,972	2,563,142	2,548,361
Federal Funds	197,122	200,751	122,469	123,648	123,544



*JBC Staff Figure Setting - FY 2024-25*  
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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**(2) AGRICULTURAL SERVICES**

The section is divided into four distinct divisions: (1) Animal Industry; (2) Plant Industry; (3) Inspection and Consumer Services; and (4) Conservation Services.

Animal Industry Division	<u>2,419,312</u>	<u>2,981,226</u>	<u>2,848,926</u>	<u>3,619,298</u>	<u>3,570,340</u> *
FTE	17.5	19.3	20.5	26.0	25.1
General Fund	1,695,554	1,990,606	2,265,741	3,036,113	2,987,155
Cash Funds	388,687	268,294	405,925	405,925	405,925
Federal Funds	335,071	722,326	177,260	177,260	177,260
Plant Industry Division	<u>6,013,256</u>	<u>5,519,063</u>	<u>6,996,254</u>	<u>7,370,235</u>	<u>7,370,235</u> *
FTE	58.3	58.2	59.2	59.3	59.3
General Fund	521,573	528,421	546,768	546,768	546,768
Cash Funds	4,348,600	3,861,273	5,647,630	6,021,611	6,021,611
Federal Funds	1,143,083	1,129,369	801,856	801,856	801,856
Inspection and Consumer Services Division	<u>5,691,121</u>	<u>5,552,109</u>	<u>5,386,750</u>	<u>5,975,227</u>	<u>5,966,328</u> *
FTE	56.2	56.2	56.2	58.0	58.0
General Fund	1,279,437	1,382,366	1,129,275	1,366,041	1,357,142
Cash Funds	3,255,246	3,289,620	3,857,632	4,209,343	4,209,343
Reappropriated Funds	81,891	84,000	84,000	84,000	84,000
Federal Funds	1,074,547	796,123	315,843	315,843	315,843
Conservation Services Division	<u>5,242,971</u>	<u>7,173,689</u>	<u>4,660,837</u>	<u>5,758,867</u>	<u>5,464,393</u> *
FTE	18.6	20.5	21.5	23.5	22.6
General Fund	1,533,008	2,330,530	1,232,828	2,161,507	1,867,033
Cash Funds	1,439,401	1,774,192	1,901,705	2,071,056	2,071,056
Reappropriated Funds	710,347	692,973	700,000	700,000	700,000
Federal Funds	1,560,215	2,375,994	826,304	826,304	826,304

*JBC Staff Figure Setting - FY 2024-25*  
*Staff Working Document - Does Not Represent Committee Decision*

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Appropriation to the Noxious Weed Management					
Fund	<u>700,000</u>	<u>700,000</u>	<u>700,000</u>	<u>700,000</u>	<u>700,000</u>
General Fund	700,000	700,000	700,000	700,000	700,000
Lease Purchase Lab Equipment	<u>0</u>	<u>0</u>	<u>99,360</u>	<u>99,360</u>	<u>99,360</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	99,360	99,360	99,360
Indirect Cost Assessment	<u>1,406,704</u>	<u>1,376,199</u>	<u>1,275,571</u>	<u>1,758,477</u>	<u>1,758,477</u> *
Cash Funds	884,563	873,667	1,046,861	1,434,636	1,434,636
Federal Funds	522,141	502,532	228,710	323,841	323,841
Community Food Access Program	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
<b>TOTAL - (2) Agricultural Services</b>	21,473,364	23,302,286	21,967,698	25,281,464	24,929,133
FTE	<u>150.6</u>	<u>154.2</u>	<u>157.4</u>	<u>166.8</u>	<u>165.0</u>
General Fund	5,729,572	6,931,923	5,874,612	7,810,429	7,458,098
Cash Funds	10,316,497	10,067,046	12,959,113	14,241,931	14,241,931
Reappropriated Funds	792,238	776,973	784,000	784,000	784,000
Federal Funds	4,635,057	5,526,344	2,349,973	2,445,104	2,445,104

*JBC Staff Figure Setting - FY 2024-25*  
*Staff Working Document - Does Not Represent Committee Decision*

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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**(3) AGRICULTURAL MARKETS DIVISION**

This division provides marketing assistance and related support to Colorado agricultural-based businesses competing in local, national, and international arenas.

**(A) Agricultural Markets**

Program Costs	<u>3,716,662</u>	<u>3,776,426</u>	<u>2,138,192</u>	<u>2,289,704</u>	<u>2,206,079</u> *
FTE	5.4	6.3	7.3	6.4	6.4
General Fund	1,878,456	2,003,566	1,177,511	1,329,023	1,245,398
Cash Funds	675,372	226,540	32,451	32,451	32,451
Federal Funds	1,162,834	1,546,320	928,230	928,230	928,230
Wine Promotion Board	<u>715,912</u>	<u>687,992</u>	<u>574,246</u>	<u>574,246</u>	<u>574,246</u>
FTE	1.5	1.5	1.5	1.5	1.5
Cash Funds	715,912	687,992	574,246	574,246	574,246
Agriculture Workforce Development Program	<u>148,998</u>	<u>375,982</u>	<u>232,708</u>	<u>669,025</u>	<u>660,261</u> *
FTE	0.3	0.3	0.3	1.0	1.0
General Fund	68,718	209,045	82,708	519,025	510,261
Cash Funds	80,280	166,937	150,000	150,000	150,000
Indirect Cost Assessment	<u>28,795</u>	<u>89,039</u>	<u>34,579</u>	<u>47,982</u>	<u>47,982</u> *
Cash Funds	22,918	25,064	21,526	29,499	29,499
Federal Funds	5,877	63,975	13,053	18,483	18,483
Community Food Access Program	<u>0</u>	<u>0</u>	<u>172,238</u>	<u>172,238</u>	<u>172,238</u>
FTE	0.0	0.0	2.0	2.0	2.0
General Fund	0	0	172,238	172,238	172,238
Cash Funds	0	0	0	0	0

*JBC Staff Figure Setting - FY 2024-25*  
*Staff Working Document - Does Not Represent Committee Decision*

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
ARPA Appropriations	<u>39,977</u>	<u>127,009</u>	<u>0</u>	<u>0</u>	<u>0</u>
Federal Funds	39,977	127,009	0	0	0
<b>SUBTOTAL - (A) Agricultural Markets</b>	4,650,344	5,056,448	3,151,963	3,753,195	3,660,806
<i>FTE</i>	<u>7.2</u>	<u>8.1</u>	<u>11.1</u>	<u>10.9</u>	<u>10.9</u>
General Fund	1,947,174	2,212,610	1,432,457	2,020,286	1,927,897
Cash Funds	1,494,482	1,106,534	778,223	786,196	786,196
Federal Funds	1,208,688	1,737,304	941,283	946,713	946,713
<b>(B) Agricultural Products Inspection</b>					
Program Costs	<u>1,904,643</u>	<u>2,379,225</u>	<u>2,546,379</u>	<u>2,801,519</u>	<u>2,538,757</u> *
FTE	34.5	34.5	34.5	34.5	34.5
General Fund	190,000	190,000	200,000	138,379	138,379
Cash Funds	1,714,643	2,189,225	2,346,379	2,663,140	2,400,378
Indirect Cost Assessment	<u>79,988</u>	<u>83,813</u>	<u>120,868</u>	<u>165,639</u>	<u>165,639</u> *
Cash Funds	79,988	83,813	120,868	165,639	165,639
<b>SUBTOTAL - (B) Agricultural Products Inspection</b>	1,984,631	2,463,038	2,667,247	2,967,158	2,704,396
<i>FTE</i>	<u>34.5</u>	<u>34.5</u>	<u>34.5</u>	<u>34.5</u>	<u>34.5</u>
General Fund	190,000	190,000	200,000	138,379	138,379
Cash Funds	1,794,631	2,273,038	2,467,247	2,828,779	2,566,017
<b>TOTAL - (3) Agricultural Markets Division</b>	6,634,975	7,519,486	5,819,210	6,720,353	6,365,202
<i>FTE</i>	<u>41.7</u>	<u>42.6</u>	<u>45.6</u>	<u>45.4</u>	<u>45.4</u>
General Fund	2,137,174	2,402,610	1,632,457	2,158,665	2,066,276
Cash Funds	3,289,113	3,379,572	3,245,470	3,614,975	3,352,213
Federal Funds	1,208,688	1,737,304	941,283	946,713	946,713

*JBC Staff Figure Setting - FY 2024-25*  
*Staff Working Document - Does Not Represent Committee Decision*

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	<b>FY 2021-22 Actual</b>	<b>FY 2022-23 Actual</b>	<b>FY 2023-24 Appropriation</b>	<b>FY 2024-25 Request</b>	<b>FY 2024-25 Recommendation</b>
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*JBC Staff Figure Setting - FY 2024-25*  
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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**(4) BRAND BOARD**

The Brand Board is responsible for inspecting cattle, horse, and alternative livestock brands to verify ownership at the time of sale, transport, or slaughter, and constitutes an enterprise for the purposes of Section 20 of Article X of the Colorado Constitution.

Brand Inspection	<u>4,388,238</u>	<u>4,550,029</u>	<u>4,783,282</u>	<u>5,429,025</u>	<u>5,429,025</u> *
FTE	59.0	59.0	59.0	59.0	59.0
Cash Funds	4,388,238	4,550,029	4,783,282	5,429,025	5,429,025
Alternative Livestock	<u>10,326</u>	<u>145</u>	<u>15,355</u>	<u>15,355</u>	<u>15,355</u>
General Fund	0	0	0	0	0
Cash Funds	10,326	145	15,355	15,355	15,355
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Brand Estray Fund	<u>0</u>	<u>0</u>	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	40,000	40,000	40,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>150,130</u>	<u>234,456</u>	<u>216,581</u>	<u>296,806</u>	<u>296,806</u> *
General Fund	0	0	0	0	0
Cash Funds	150,130	234,456	216,581	296,806	296,806
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*JBC Staff Figure Setting - FY 2024-25*  
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
<b>TOTAL - (4) Brand Board</b>	4,548,694	4,784,630	5,055,218	5,781,186	5,781,186
<i>FTE</i>	<u>59.0</u>	<u>59.0</u>	<u>59.0</u>	<u>59.0</u>	<u>59.0</u>
General Fund	0	0	0	0	0
Cash Funds	4,548,694	4,784,630	5,055,218	5,781,186	5,781,186
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*JBC Staff Figure Setting - FY 2024-25*  
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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**(5) COLORADO STATE FAIR**

This division administers the State Fair under the guidance of the State Fair Authority. Cash funds are from fees collected by the annual State Fair event, and from non-fair events held at the State Fairgrounds in Pueblo, Colorado. The Marijuana Tax Cash Fund provides funding to support the activities of 4-H and Future Farmers of America (FFA) youth programs.

Program Costs	<u>8,942,296</u>	<u>14,075,104</u>	<u>9,779,572</u>	<u>11,039,064</u>	<u>10,162,085</u> *
FTE	26.9	26.9	26.9	26.9	26.9
General Fund	450,000	450,000	450,000	450,000	450,000
Cash Funds	8,492,296	13,625,104	9,329,572	10,589,064	9,712,085
FFA and 4H Funding	<u>969,101</u>	<u>987,725</u>	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>
General Fund	250,000	250,000	250,000	250,000	250,000
Cash Funds	719,101	737,725	300,000	300,000	300,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
State Fair Facilities Maintenance	<u>649,043</u>	<u>612,849</u>	<u>429,492</u>	<u>429,492</u>	<u>429,492</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	300,000	300,000	300,000	300,000	300,000
Cash Funds	349,043	312,849	129,492	129,492	129,492
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>113,903</u>	<u>146,572</u>	<u>126,183</u>	<u>172,923</u>	<u>172,923</u> *
General Fund	0	0	0	0	0
Cash Funds	113,903	146,572	126,183	172,923	172,923
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0



*JBC Staff Figure Setting - FY 2024-25*  
*Staff Working Document - Does Not Represent Committee Decision*

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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
<b>TOTAL - (5) Colorado State Fair</b>	10,674,343	15,822,250	10,885,247	12,191,479	11,314,500
<i>FTE</i>	<u>26.9</u>	<u>26.9</u>	<u>26.9</u>	<u>26.9</u>	<u>26.9</u>
General Fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Cash Funds	9,674,343	14,822,250	9,885,247	11,191,479	10,314,500
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*JBC Staff Figure Setting - FY 2024-25*  
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
<b>(6) CONSERVATION BOARD</b>					
This division works to preserve Colorado's natural resources including reducing soil erosion and flood damage, as well as protecting underground water reserves.					
Program Costs	<u>505,597</u>	<u>510,921</u>	<u>526,251</u>	<u>526,251</u>	<u>526,251</u>
FTE	5.2	5.2	5.2	5.2	5.2
General Fund	505,597	510,921	526,251	526,251	526,251
Distribution to Soil Conservation Districts	<u>483,767</u>	<u>483,767</u>	<u>483,767</u>	<u>483,767</u>	<u>483,767</u>
General Fund	483,767	483,767	483,767	483,767	483,767
Matching Grants to Districts	<u>370,585</u>	<u>733,182</u>	<u>675,000</u>	<u>675,000</u>	<u>675,000</u>
General Fund	225,000	225,000	225,000	225,000	225,000
Cash Funds	145,585	508,182	450,000	450,000	450,000
Salinity Control Grants	<u>102,223</u>	<u>100,538</u>	<u>506,781</u>	<u>506,781</u>	<u>506,781</u>
FTE	0.0	0.0	0.0	0.0	0.0
Federal Funds	102,223	100,538	506,781	506,781	506,781
Appropriation to the Conservation District Grant					
Fund	<u>0</u>	<u>0</u>	<u>450,000</u>	<u>450,000</u>	<u>450,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	450,000	450,000	450,000
<b>TOTAL - (6) Conservation Board</b>	1,462,172	1,828,408	2,641,799	2,641,799	2,641,799
FTE	<u>5.2</u>	<u>5.2</u>	<u>5.2</u>	<u>5.2</u>	<u>5.2</u>
General Fund	1,214,364	1,219,688	1,235,018	1,235,018	1,235,018
Cash Funds	145,585	508,182	900,000	900,000	900,000
Federal Funds	102,223	100,538	506,781	506,781	506,781

*JBC Staff Figure Setting - FY 2024-25*  
*Staff Working Document - Does Not Represent Committee Decision*

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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**(7) DIVISION OF ANIMAL WELFARE**

This is a new division proposed in the FY 2024-25 budget through the Department's R-02 request. The division would administer two existing programs, the Pet Animal Care and Facilities Act (PACFA) and Bureau of Animal Protection (BAP) programs, in addition to new initiatives related to animal welfare. Staff recommends denial of the proposed Division, and instead recommends allocating additional staff to the existing Animal Industry Division within the Agricultural Services Division.

Program Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>611,621</u>	<u>0</u> *
FTE	0.0	0.0	0.0	3.6	0.0
General Fund	0	0	0	611,621	0

<b>TOTAL - (7) Division of Animal Welfare</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>611,621</u>	<u>0</u>
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>3.6</u>	<u>0.0</u>
General Fund	0	0	0	611,621	0

<b>TOTAL - Department of Agriculture</b>	58,929,416	69,457,947	67,797,374	80,710,843	76,757,324
FTE	<u>303.0</u>	<u>308.9</u>	<u>317.5</u>	<u>330.7</u>	<u>325.0</u>
General Fund	14,834,609	17,039,580	18,103,753	23,493,648	21,691,841
Cash Funds	35,362,616	42,236,962	43,058,143	49,847,807	47,710,980
Reappropriated Funds	2,589,101	2,616,469	2,714,972	3,347,142	3,332,361
Federal Funds	6,143,090	7,564,937	3,920,506	4,022,246	4,022,142

## APPENDIX B: INDIRECT COST ASSESSMENT METHODOLOGY

### Description of Indirect Cost Assessment Methodology

The Department of Agriculture’s indirect cost assessment methodology is calculated based on three components: an “Indirect Cost Pool”, an “Indirect Cost Base”, and an “Indirect Cost Rate”.

The Indirect Cost Pool is based on the estimated personal services, operating, utilities line, and CORE operation items for the requested budget year in the Commissioner’s and Administrative Services Office. For the FY 2024-25 request, the Department’s Indirect Cost Pool is \$2,620,492, as shown in the Table 1 below.

Table 1 Department of Agriculture Indirect Cost Pool		
Division	Line Item	FY 2024-25 Request
Executive Director’s Office	Personal Services	\$2,146,323
	Operating	\$270,064
	Utilities	\$190,000
	CORE Operations	<u>\$14,105</u>
<b>FY 2024-25 Indirect Cost Pool</b>		<b>\$2,620,492</b>

The Indirect Cost Base is set equal to the Indirect Cost Pool, or the amount of indirect costs the Department needs to collect.

The Indirect Cost Rate is initially set at 10.0 percent for most cash funds in the department. Statutory caps on indirect cost rates are in place for the Brand Board and Alternative Livestock (3.6 percent cap), and Agricultural Products Inspection (5.0 percent cap) on cash funds. Indirect costs for the Colorado State Fair are assessed at a lower rate (1.5 percent) because it uses very few Department resources. The Department’s plan also includes approximately \$523,000 collected from federal sources. The Department adjusts the Indirect Cost Rate over time to ensure that collected indirect costs are exactly equal to the Indirect Cost Base. Table 2 summarizes the Department’s Indirect Cost Base by division.

Table 2	
Department of Agriculture Indirect Cost Base	
Division	Base
Commissioner	\$213,308
Agricultural Services	\$1,731,097
Agricultural Markets	\$210,950
Brand Board	\$294,019
State Fair	<u>\$171,118</u>
<b>Total Indirect Cost Base</b>	<b>\$2,620,492</b>

### FY 2024-25 Indirect Cost Assessment Request

For FY 2024-25 the Department has requested a total \$2,620,492 for indirect cost assessments. Table 3 shows the FY 2024-25 Department indirect cost assessment based on the November 1 request for each division.

Table 3			
Department Indirect Cost Assessment Request			
Division	Total	CF	FF
Commissioner's Office	\$213,308	\$213,308	\$0
Agricultural Services	\$1,731,097	\$1,412,575	\$318,522
Agricultural Markets	\$210,950	\$129,523	\$81,427
Brand Board	\$294,019	\$294,019	\$0
State Fair	<u>\$171,118</u>	<u>\$171,118</u>	<u>\$0</u>
<b>Total FY 2024-25 Request</b>	<b>\$2,620,492</b>	<b>\$2,220,543</b>	<b>\$399,948</b>
FY 2023-24 Indirect Cost Pool	\$1,920,492	\$1,678,729	\$241,763
<b>Difference</b>	<b>\$700,000</b>	<b>\$541,814</b>	<b>\$158,185</b>