



**Legislative
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**REVISED
FISCAL NOTE**

(replaces fiscal note dated February 21, 2018)

Drafting Number: LLS 18-0458 **Date:** April 3, 2018
Prime Sponsors: Rep. McLachlan; Becker J. **Bill Status:** House Appropriations
 Sen. Baumgardner **Fiscal Analyst:** Clare Pramuk | 303-866-2677
 Clare.Pramuk@state.co.us

Bill Topic: SUNSET FOOD SYSTEMS ADVISORY COUNCIL

- Summary of Fiscal Impact:**
- State Revenue *(continuing, potential)*
 - State Expenditure
 - State Transfer
 - TABOR Refund
 - Local Government
 - Statutory Public Entity

Sunset bill. HB 18-1236 continues and expands the responsibilities of the Food Systems Advisory Council in the Department of Agriculture, which is scheduled to repeal on September 1, 2018. The bill increases ongoing state expenditures and may increase revenue. The program is continued indefinitely.

Appropriation Summary: The bill requires an appropriation of \$140,060 to the Department of Agriculture.

Fiscal Note Status: The revised fiscal note reflects the bill as amended by the House Agriculture Committee.

**Table 1
State Fiscal Impacts under HB 18-1236**

		FY 2018-19	FY 2019-20
Revenue		-	-
Expenditures	General Fund	\$140,060	\$147,622
	Centrally Appropriated	\$49,711	\$56,113
	Total	\$189,771	\$203,735
	Total FTE	1.6 FTE	2.0 FTE
Transfers		-	-

Summary of Legislation

This bill continues indefinitely the Food Systems Advisory Council (council) in the Department of Agriculture, which is scheduled to repeal on September 1, 2018, and repeals the Farm-to-School Coordination Task Force. This bill combines certain duties of the task force with the council. The terms of the existing membership of the council expire and new membership must be appointed by August 30, 2018. The duties of the council are expanded to include additional collaboration, coordination, and outreach with schools, farmers, food producers, state and federal agencies, and consumers; research and data collection on food systems and food access, and other tasks to provide advice and assistance to those involved in the food system.

The bill modifies the size and composition of the council to include 22 voting members, with 6 members appointed by the heads of various state agencies, and 16 members appointed by the Governor. Members serve without compensation, but may be reimbursed for expenses from the Food Systems Advisory Council Fund or from appropriations from the General Assembly. The bill removes the restriction under current law that the council receive no General Fund for staff or operations.

Background

The 15-member council was created by Senate Bill 10-106 and continued by Senate Bill 13-174. Its mission is to foster a healthy food supply, enhance the state's agricultural and natural resources, encourage economic growth, expand the viability of agriculture, and improve the health of Colorado communities and residents by making recommendations to state agencies and the General Assembly. During the most recent sunset review period, the council did not seek or receive any gifts, grants, or donations but received administrative support from Colorado State University and website support from LiveWell Colorado.

Continuing Program Impacts

The bill continues the council indefinitely. Should the council receive gifts, grants, or donations, it will have an increase in revenue beginning in FY 2018-19. The council is not currently included in an agency budget and does not currently receive an appropriation. If the bill is not enacted, the council will repeal in FY 2018-19.

State Expenditures

By expanding the size and duties of the council, the bill increases expenditures in the Department of Agriculture by \$189,771 and 1.6 FTE in FY 2018-19 and \$203,735 and 2.0 FTE in FY 2019-20 from the General Fund. However, if gifts, grants, or donations become available, the amount of General Fund required may be reduced. The costs of the bill are summarized in Table 2 and discussed below.

**Table 2
 Expenditures Under HB 18-1236**

Cost Components	FY 2018-19	FY 2019-20
Department of Agriculture		
Personal Services	\$82,942	\$99,530
Operating Expenses and Capital Outlay Costs	\$10,926	\$1,900
Grant Funding	\$20,000	\$20,000
Farm-to-School Expenses	\$21,000	\$21,000
Member and Staff Reimbursement	\$5,192	\$5,192
Centrally Appropriated Costs*	\$49,711	\$56,113
FTE – Personal Services	1.6 FTE	2.0 FTE
Total	\$189,771	\$203,735
Total FTE	1.6 FTE	2.0 FTE

* Centrally appropriated costs are not included in the bill's appropriation.

Personal services. By expanding the duties of the council to include coordinating food systems and farm-to-school activities, conducting research and data collection, and other tasks, the Department of Agriculture requires an additional 2.0 FTE for a marketing specialist and a researcher. Costs for staff and associated operating and capital outlay expenses are shown in Table 2. Personal services costs are prorated in the first year to adjust for an August 8, 2018, start date and to account for the General Fund payday shift.

Grant funds. The council is expected to pursue grants that require cash matching funds. For this purpose, the Department of Agriculture will require \$20,000 per year.

Marketing and farm-to-school activities. The Department of Agriculture will have costs of \$21,000 per year to conduct marketing and to support farm-to-school activities. These costs include providing Colorado Proud and other marketing materials (\$10,000), holding farm-to-school community meetings and events (\$7,000), participating in trade shows and events (\$3,500), and maintaining a website (\$500).

Member and staff reimbursement. Based on expenses of \$236 per meeting for hotel and meals, the Department of Agriculture will have costs of \$5,192 per year to reimburse 5 committee members for 4 meetings per year and 2 staff members for one meeting outside of the metro area per year.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance, supplemental employee retirement payments, and leased space, are estimated to be \$49,711 in FY 2018-19 and \$56,113 in FY 2019-20.

State Appropriations

The bill requires a General Fund appropriation of \$140,060 to the Department of Agriculture and an allocation of 1.6 FTE.

Effective Date

The bill takes effect August 8, 2018, if the General Assembly adjourns on May 9, 2018, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

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