

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

INTRODUCED

LLS NO. 21-0851.01 Thomas Morris x4218

HOUSE BILL 21-1242

HOUSE SPONSORSHIP

Arndt,

SENATE SPONSORSHIP

Donovan,

House Committees

Agriculture, Livestock, & Water

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF AN AGRICULTURAL DROUGHT AND**
102 **CLIMATE RESILIENCE OFFICE IN THE DEPARTMENT OF**
103 **AGRICULTURE.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Section 1 of the bill creates in the department of agriculture the agricultural drought and climate resilience office (office). The office may provide voluntary technical assistance, nonregulatory programs, and incentives that increase the ability to anticipate, prepare for, mitigate, adapt to, and respond to hazardous events, trends, or disturbances related

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

to drought or the climate. The office may accept gifts, grants, and donations for these purposes. On July 1, 2021, the state treasurer shall transfer all unobligated money in the agriculture value-added cash fund to the newly created agriculture drought and climate resiliency cash fund. The commissioner of agriculture shall appoint the head of the office and may promulgate rules necessary for the administration of the office's assistance, programs, and incentives.

Section 2 annually transfers \$500,000 from tier 2 of the severance tax operational fund to the new cash fund until July 1, 2029.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 35-1-114 as
3 follows:

4 **35-1-114. Agricultural drought and climate resilience office -**
5 **creation - cash fund - rules- repeal. (1) Legislative declaration.** THE

6 GENERAL ASSEMBLY HEREBY:

7 (a) FINDS THAT:

8 (I) MORE FREQUENT AND SEVERE DROUGHTS WILL ADD PRESSURE
9 TO COLORADO'S ALREADY STRAINED WATER SUPPLY; AND

10 (II) A STRONG, PROSPEROUS, DIVERSE, AND RESILIENT
11 AGRICULTURAL SECTOR IS FUNDAMENTAL TO THE FABRIC OF COLORADO;

12 (b) DETERMINES THAT:

13 (I) COLORADO'S AGRICULTURAL PRODUCERS ARE STEWARDS OF
14 OUR LANDS, WATERS, AND ECOSYSTEMS; AND

15 (II) COLORADO'S AGRICULTURAL SECTOR IS A LEADER IN
16 IMPLEMENTING PRACTICES THAT BUILD RESILIENCY AND ENHANCE OUR
17 ENVIRONMENT; AND

18 (c) DECLARES THAT CREATING THE AGRICULTURAL DROUGHT AND
19 CLIMATE RESILIENCE OFFICE WILL SUPPORT AND ELEVATE PRODUCERS IN
20 THEIR RESILIENCY EFFORTS THROUGH NONREGULATORY, VOLUNTARY,

1 AND INCENTIVE-BASED PROGRAMS.

2 (2) **Office created.** THERE IS HEREBY CREATED IN THE
3 DEPARTMENT THE AGRICULTURAL DROUGHT AND CLIMATE RESILIENCE
4 OFFICE, REFERRED TO IN THIS SECTION AS THE "OFFICE". THE OFFICE MAY
5 PROVIDE VOLUNTARY TECHNICAL ASSISTANCE, NONREGULATORY
6 PROGRAMS, AND INCENTIVES THAT INCREASE THE ABILITY TO ANTICIPATE,
7 PREPARE FOR, MITIGATE, ADAPT TO, AND RESPOND TO HAZARDOUS
8 EVENTS, TRENDS, OR DISTURBANCES RELATED TO DROUGHT OR THE
9 CLIMATE. THE COMMISSIONER SHALL APPOINT THE HEAD OF THE OFFICE.

10 (3) **Rules.** THE COMMISSIONER MAY PROMULGATE RULES
11 NECESSARY FOR THE ADMINISTRATION OF THE OFFICE'S ASSISTANCE,
12 PROGRAMS, AND INCENTIVES.

13 (4) **Cash fund.** (a) THE AGRICULTURE DROUGHT AND CLIMATE
14 RESILIENCY CASH FUND, REFERRED TO IN THIS SECTION AS THE "FUND", IS
15 HEREBY CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF
16 MONEY CREDITED TO THE FUND PURSUANT TO THIS SUBSECTION (4),
17 MONEY TRANSFERRED TO THE FUND FROM THE SEVERANCE TAX
18 OPERATIONAL FUND PURSUANT TO SECTION 39-29-109.3 (2)(t), AND ANY
19 OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR
20 TRANSFER TO THE FUND. THE STATE TREASURER SHALL CREDIT ALL
21 INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF
22 MONEY IN THE FUND TO THE FUND. MONEY IN THE FUND IS HEREBY
23 CONTINUOUSLY APPROPRIATED TO THE OFFICE FOR ITS DIRECT AND
24 INDIRECT EXPENSES INCURRED IN ADMINISTERING THIS SECTION.

25 (b) (I) ON JULY 1, 2021, THE STATE TREASURER SHALL TRANSFER
26 ALL UNOBLIGATED MONEY IN THE AGRICULTURE VALUE-ADDED CASH
27 FUND, CREATED IN SECTION 35-75-205 (1), TO THE FUND.

1 (II) THIS SUBSECTION (4)(b) IS REPEALED, EFFECTIVE SEPTEMBER
2 1, 2023.

3 (c) THE OFFICE MAY SEEK, ACCEPT, AND EXPEND GIFTS, GRANTS,
4 AND DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE ASSISTANCE,
5 PROGRAMS, AND INCENTIVES ADMINISTERED UNDER THIS SECTION.

6 (d) THE DEPARTMENT SHALL REPORT ANNUALLY THE AMOUNT AND
7 SOURCE OF MONEY RECEIVED UNDER THIS SUBSECTION (4) IN THE PRIOR
8 FISCAL YEAR AT THE HEARING REQUIRED BY THE "STATE MEASUREMENT
9 FOR ACCOUNTABLE, RESPONSIVE, AND TRANSPARENT (SMART)
10 GOVERNMENT ACT", PART 2 OF ARTICLE 7 OF TITLE 2.

11 **SECTION 2.** In Colorado Revised Statutes, 39-29-109.3, **add**
12 (2)(t) as follows:

13 **39-29-109.3. Severance tax operational fund - core reserve -**
14 **grant program reserve - definitions - repeal.** (2) Subject to the
15 requirements of subsections (3) and (3.5) of this section, if the general
16 assembly chooses not to spend up to one hundred percent of the money
17 in the operational fund on core departmental programs, the state treasurer
18 shall transfer the following amounts:

19 (t) FOR EACH STATE FISCAL YEAR COMMENCING ON OR AFTER JULY
20 1, 2021, THROUGH JULY 1, 2029, FIVE HUNDRED THOUSAND DOLLARS PER
21 YEAR TO THE AGRICULTURE DROUGHT AND CLIMATE RESILIENCY CASH
22 FUND CREATED IN SECTION 35-1-114.

23 **SECTION 3. Safety clause.** The general assembly hereby finds,
24 determines, and declares that this act is necessary for the immediate
25 preservation of the public peace, health, or safety.