

Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO

PREAMENDEDINTRODUCED

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

LLS NO. 22-1018.01 Jery Payne x2157

SENATE BILL 22-209

SENATE SPONSORSHIP

Donovan and Sonnenberg,

HOUSE SPONSORSHIP

Roberts and Pelton,

Senate Committees

Agriculture & Natural Resources
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING EXPANDING SMALL MEAT PROCESSING IN COLORADO BY**
102 **PROVIDING BUSINESS APPLICATION ASSISTANCE TO OBTAIN**
103 **CAPITAL, AND, IN CONNECTION THEREWITH, MAKING AN**
104 **APPROPRIATION.**

Bill Summary

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

The bill instructs the commissioner of agriculture to hire an employee or engage a contractor to provide grant and loan application assistance to small meat processors or people attempting to start a small

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.

meat processor business. The grant or loan must be used to start, expand, or support a small meat processor business. The employee or contractor may also assist agricultural producers and agricultural businesses in applying for and obtaining grants.

The grant and loan application assistance program repeals on July 1, 2024.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 35-1-116 as
3 follows:

4 **35-1-116. Meat processing - grant and loan application**
5 **assistance - definitions - legislative declaration - repeal.**

6 (1) **Legislative declaration.** THE GENERAL ASSEMBLY HEREBY FINDS AND
7 DECLARES THAT:

8 (a) CATTLE PRODUCTION IS THE LARGEST COMPONENT OF
9 COLORADO'S AGRICULTURAL SECTOR, AND BEEF IS COLORADO'S LARGEST
10 EXPORT;

11 (b) THE PRODUCTION AND SALE OF FEEDER AND LIVE CATTLE BY
12 COLORADO'S INDIVIDUAL PRODUCERS CONTRIBUTES THREE BILLION SEVEN
13 HUNDRED MILLION DOLLARS TO THE STATE'S ECONOMY;

14 (c) INDIVIDUAL PRODUCERS IN COLORADO ARE DEPENDENT ON THE
15 PRICE THAT PROCESSORS AND PACKERS ARE WILLING TO PAY FOR FED
16 CATTLE;

17 (d) INDIVIDUAL PRODUCERS HAVE NOT SEEN AN EQUITABLE
18 RETURN FOR THEIR CATTLE IN COMPARISON TO PROCESSOR AND PACKER
19 PROFITS;

20 (e) THE UNITED STATES BEEF PROCESSING MARKET IS HIGHLY
21 CONCENTRATED, WITH THE FOUR LARGEST BEEF PROCESSORS
22 CONTROLLING OVER EIGHTY PERCENT OF UNITED STATES BEEF

1 PROCESSING, LEADING TO LARGE PROFIT MARGINS;

2 (f) SMALL, INDEPENDENT MEAT PROCESSORS CAN SERVE AS AN
3 ALTERNATIVE TO THE LARGE MEAT PROCESSORS AND INTRODUCE
4 COMPETITION IN THE MARKET;

5 (g) ON FEBRUARY 24, 2021, THE UNITED STATES PRESIDENT
6 SIGNED EXECUTIVE ORDER 14017, WHICH DECLARES, "THE UNITED
7 STATES NEEDS RESILIENT, DIVERSE, AND SECURE SUPPLY CHAINS TO
8 ENSURE OUR ECONOMIC PROSPERITY AND NATIONAL SECURITY";

9 (h) ON FEBRUARY 24, 2022, THE UNITED STATES DEPARTMENT OF
10 AGRICULTURE ANNOUNCED THAT THE DEPARTMENT WILL MAKE TWO
11 HUNDRED FIFTEEN MILLION DOLLARS AVAILABLE FOR GRANTS AND OTHER
12 SUPPORT TO EXPAND MEAT PROCESSING OPTIONS, STRENGTHEN THE FOOD
13 SUPPLY CHAIN, AND CREATE JOBS AND ECONOMIC OPPORTUNITIES IN
14 RURAL AREAS;

15 (i) THE RURAL DEVELOPMENT AGENCY IN THE UNITED STATES
16 DEPARTMENT OF AGRICULTURE CREATED THE MEAT AND POULTRY
17 PROCESSING EXPANSION PROGRAM, WHICH IS OFFERING GRANTS OF UP TO
18 TWENTY-FIVE MILLION DOLLARS TO EXPAND MEAT AND POULTRY
19 PROCESSING; AND

20 (j) EXPANDING SMALL MEAT PROCESSING BUSINESSES WILL
21 BENEFIT COLORADO'S AGRICULTURAL PRODUCERS, ECONOMY, AND
22 CONSUMERS.

23 (2) **Grant and loan application assistance.** (a) THE
24 COMMISSIONER SHALL HIRE ONE EMPLOYEE OR ENGAGE A CONTRACTOR TO
25 HELP SMALL MEAT PROCESSORS AND PEOPLE ATTEMPTING TO START A
26 SMALL MEAT PROCESSOR BUSINESS APPLY FOR AND OBTAIN GRANTS AND
27 LOANS OFFERED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE

1 AND OTHER ENTITIES. EACH GRANT OR LOAN MUST BE USED TO START,
2 EXPAND, OR SUPPORT A SMALL MEAT PROCESSOR BUSINESS.

3 (b) IF THE EMPLOYEE OR CONTRACTOR HIRED OR ENGAGED BY THE
4 COMMISSIONER IS ABLE, AFTER PERFORMING THE DUTIES DESCRIBED IN
5 SUBSECTION (2)(a) OF THIS SECTION, THE EMPLOYEE OR CONTRACTOR MAY
6 ASSIST AGRICULTURAL PRODUCERS AND AGRICULTURAL BUSINESSES IN
7 APPLYING FOR AND OBTAINING GRANTS FROM THE UNITED STATES
8 DEPARTMENT OF AGRICULTURE AND OTHER ENTITIES.

9 (3) AS USED IN THIS SECTION, "SMALL MEAT PROCESSOR" MEANS
10 A BUSINESS THAT:

11 (a) EMPLOYS FIVE HUNDRED OR FEWER INDIVIDUALS; AND

12 (b) SLAUGHTERS, DRESSES, CUTS, PREPARES, TRIMS, WRAPS, OR
13 PACKAGES AN ANIMAL, MEAT, OR MEAT PRODUCT FROM AN ANIMAL.

14 (4) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2024.

15 **SECTION 2. Appropriation.** For the 2022-23 state fiscal year,
16 \$62,885 is appropriated to the department of agriculture for use by the
17 agricultural markets division. This appropriation is from the general fund
18 and is based on an assumption that the division will require an additional
19 0.9 FTE. To implement this act, the division may use this appropriation
20 for program costs related to agricultural markets.

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