

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

**REVISED**

*This Version Includes All Amendments Adopted  
on Second Reading in the Second House*

LLS NO. 23-0486.02 Pierce Lively x2059

**HOUSE BILL 23-1008**

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**A BILL FOR AN ACT**

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

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**Bill Summary**

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

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

SENATE  
Amended 2nd Reading  
April 26, 2023

HOUSE  
3rd Reading Unamended  
March 20, 2023

HOUSE  
Amended 2nd Reading  
March 17, 2023

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19 

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1     SECTION:

2             (I) (A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER  
3     JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2025, ANY MEMBER OF THE  
4     FOOD CONSORTIUM IS ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY  
5     THIS ARTICLE 22 IN AN AMOUNT EQUAL TO EIGHTY-FIVE PERCENT OF THE  
6     AMOUNT CERTAIN SPENT BY THE MEMBER OF THE CONSORTIUM ON  
7     COMPLETING ITS DUTIES AND RESPONSIBILITIES MINUS ANY AMOUNT  
8     AWARDED TO THE MEMBER OF THE CONSORTIUM PURSUANT TO SECTION  
9     35-1-117 (2) FOR THE COMPLETION OF ITS DUTIES AND RESPONSIBILITIES;

10            (B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY  
11    1, 2025, BUT BEFORE JANUARY 1, 2031, ANY MEMBER OF THE FOOD  
12    CONSORTIUM IS ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS  
13    ARTICLE 22 IN AN AMOUNT EQUAL TO SEVENTY-FIVE PERCENT OF THE  
14    AMOUNT CERTAIN SPENT BY THE MEMBER OF THE CONSORTIUM ON  
15    COMPLETING ITS DUTIES AND RESPONSIBILITIES MINUS ANY AMOUNT  
16    AWARDED TO THE MEMBER OF THE CONSORTIUM PURSUANT TO SECTION  
17    35-1-117 (2) FOR THE COMPLETION OF ITS DUTIES AND RESPONSIBILITIES;

18    AND

19            (II) (A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER  
20    JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2025, ANY PURCHASER OF  
21    SMALL FOOD BUSINESS RECOVERY AND RESILIENCE GRANT PROGRAM  
22    EQUIPMENT IS ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS  
23    ARTICLE 22 IN AN AMOUNT EQUAL TO EIGHTY-FIVE PERCENT OF THE  
24    PURCHASE PRICE OF THE RELEVANT SMALL FOOD BUSINESS RECOVERY AND  
25    RESILIENCE GRANT PROGRAM EQUIPMENT MINUS THE AMOUNT OF ANY  
26    GRANT AWARDED UNDER THE SMALL FOOD BUSINESS RECOVERY AND  
27    RESILIENCE GRANT PROGRAM FOR THE PURCHASE OF THE SAME SMALL



1 FOOD BUSINESS RECOVERY AND RESILIENCE GRANT PROGRAM EQUIPMENT.

2 (B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY  
3 1, 2025, BUT BEFORE JANUARY 1, 2031, ANY PURCHASER OF SMALL FOOD  
4 BUSINESS RECOVERY AND RESILIENCE GRANT PROGRAM EQUIPMENT IS  
5 ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE 22 IN AN  
6 AMOUNT EQUAL TO SEVENTY-FIVE PERCENT OF THE PURCHASE PRICE OF  
7 THE RELEVANT SMALL FOOD BUSINESS RECOVERY AND RESILIENCE GRANT  
8 PROGRAM EQUIPMENT MINUS THE AMOUNT OF ANY GRANT AWARDED  
9 UNDER THE SMALL FOOD BUSINESS RECOVERY AND RESILIENCE GRANT  
10 PROGRAM FOR THE PURCHASE OF THE SAME SMALL FOOD BUSINESS  
11 RECOVERY AND RESILIENCE GRANT PROGRAM EQUIPMENT.

12 [REDACTED]

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

18 [REDACTED]

19 (4) (a) A MEMBER OF THE CONSORTIUM OR A PURCHASER OF SMALL  
20 FOOD BUSINESS RECOVERY GRANT PROGRAM EQUIPMENT MAY SUBMIT AN  
21 APPLICATION TO THE DEPARTMENT OF AGRICULTURE FOR THE ISSUANCE OF  
22 A LETTER OF ELIGIBILITY FOR A TAX CREDIT CERTIFICATE ALLOWED IN THIS  
23 SECTION BY THE DEADLINES ESTABLISHED IN THE RULES PROMULGATED BY  
24 THE DEPARTMENT OF AGRICULTURE. THE APPLICATION MUST INCLUDE:

25 (I) A CERTIFICATION THAT THE APPLICANT IS EITHER:  
26 (A) A PURCHASER WHO IS A SMALL FOOD RETAILER OR SMALL  
27 FAMILY FARM THAT PURCHASED SMALL FOOD BUSINESS RECOVERY AND

1 RESILIENCE GRANT PROGRAM EQUIPMENT; OR

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

4 (II) DETAILED INFORMATION REGARDING:

5 (A) THE PURCHASE PRICE THAT WOULD BE INCURRED BY A  
6 PURCHASER OF SMALL FOOD BUSINESS RECOVERY AND RESILIENCE GRANT  
7 PROGRAM EQUIPMENT AND THE DATE ON WHICH THE PURCHASE WOULD BE  
8 MADE; OR

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

13 (b) IF THE DEPARTMENT OF AGRICULTURE DETERMINES THAT THE  
14 APPLICATION FILED PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION IS  
15 COMPLETE, THE DEPARTMENT OF AGRICULTURE SHALL DETERMINE  
16 WHETHER THE APPLICANT WOULD QUALIFY FOR THE CREDIT ALLOWED  
17 PURSUANT TO THIS SECTION IF THE APPLICANT MADE THE PURCHASE  
18 DESCRIBED IN THE APPLICATION AND THE DEPARTMENT OF AGRICULTURE  
19 HAD NOT ISSUED TAX CREDIT CERTIFICATES IN EXCESS OF A TOTAL OF TEN  
20 MILLION DOLLARS FOR THE INCOME TAX YEAR. IF THE DEPARTMENT OF  
21 AGRICULTURE APPROVES THE APPLICATION, THE DEPARTMENT OF  
22 AGRICULTURE SHALL ISSUE A LETTER OF ELIGIBILITY TO THE APPLICANT  
23 THAT INDICATES THE AMOUNT OF THE TAX CREDIT THAT THE PURCHASER  
24 OR MEMBER OF THE CONSORTIUM COULD CLAIM FOR THE SPECIFIED  
25 INCOME TAX YEAR IF THEY WERE TO MAKE THE PURCHASE DESCRIBED IN  
26 THE APPLICATION AND IF THE DEPARTMENT OF AGRICULTURE HAS NOT  
27 ISSUED TAX CREDIT CERTIFICATES IN EXCESS OF A TOTAL OF TEN MILLION

1 DOLLARS FOR THE INCOME TAX YEAR.

2 (5) (a) A MEMBER OF THE CONSORTIUM OR A PURCHASER OF SMALL  
3 FOOD BUSINESS RECOVERY GRANT PROGRAM EQUIPMENT SHALL SUBMIT  
4 AN APPLICATION TO THE DEPARTMENT OF AGRICULTURE FOR THE  
5 ISSUANCE OF A TAX CREDIT CERTIFICATE ALLOWED IN THIS SECTION BY  
6 THE DEADLINES ESTABLISHED IN THE RULES PROMULGATED BY THE  
7 DEPARTMENT OF AGRICULTURE. THE APPLICATION MUST INCLUDE:

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

9 (A) A PURCHASER WHO IS A SMALL FOOD RETAILER OR SMALL  
10 FAMILY FARM THAT PURCHASED SMALL FOOD BUSINESS RECOVERY AND  
11 RESILIENCE GRANT PROGRAM EQUIPMENT; OR

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

14 (II) DETAILED INFORMATION REGARDING:

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

18 (B) AN ITEMIZED TOTAL OF THE AMOUNT CERTAIN SPENT BY A  
19 MEMBER OF THE CONSORTIUM ON COMPLETING ITS DUTIES AND  
20 RESPONSIBILITIES, AND THE DATE OR DATES THAT THE MEMBER OF THE  
21 CONSORTIUM SPENT THE AMOUNTS.

22 (b) IF THE DEPARTMENT OF AGRICULTURE DETERMINES THAT THE  
23 APPLICATION FILED PURSUANT TO SUBSECTION (5)(a) OF THIS SECTION IS  
24 COMPLETE, THE DEPARTMENT OF AGRICULTURE SHALL DETERMINE  
25 WHETHER THE APPLICANT QUALIFIES FOR THE CREDIT ALLOWED PURSUANT  
26 TO THIS SECTION. IF THE DEPARTMENT OF AGRICULTURE APPROVES THE  
27 APPLICATION, THE DEPARTMENT OF AGRICULTURE SHALL ISSUE A TAX

1 CREDIT CERTIFICATE TO THE APPLICANT THAT INDICATES THE AMOUNT OF  
2 THE TAX CREDIT THAT THE PURCHASER OR MEMBER OF THE CONSORTIUM  
3 MAY CLAIM FOR THE SPECIFIED INCOME TAX YEAR; EXCEPT THAT THE  
4 TOTAL AMOUNT OF TAX CREDIT CERTIFICATES ISSUED BY THE  
5 DEPARTMENT OF AGRICULTURE IN A GIVEN INCOME TAX YEAR MUST NOT  
6 EXCEED A TOTAL OF TEN MILLION DOLLARS.

7 (c) THE DEPARTMENT OF AGRICULTURE SHALL ISSUE TAX CREDIT  
8 CERTIFICATES ALLOWED IN THIS SECTION IN AN ORDER THAT ACCORDS  
9 WITH THE RULES PROMULGATED BY THE DEPARTMENT OF AGRICULTURE.  
10 THE DEPARTMENT OF AGRICULTURE SHALL REVIEW AND APPROVE OR  
11 DISAPPROVE AN APPLICATION FILED PURSUANT TO SUBSECTION (5)(a) OF  
12 THIS SECTION WITHIN A REASONABLE TIME, NOT TO EXCEED NINETY DAYS  
13 AFTER THE FILING OF A COMPLETED APPLICATION.

14 (6) TO CLAIM THE INCOME TAX CREDIT ALLOWED PURSUANT TO  
15 THIS SECTION, THE PURCHASER OR MEMBER OF THE CONSORTIUM SHALL  
16 ATTACH A COPY OF THE TAX CREDIT CERTIFICATE TO ITS STATE INCOME  
17 TAX RETURN. NO TAX CREDIT IS ALLOWED PURSUANT TO THIS SECTION  
18 UNLESS THE PURCHASER OR MEMBER OF THE CONSORTIUM PROVIDES A  
19 COPY OF THE TAX CREDIT CERTIFICATE WITH ITS FILED STATE INCOME TAX  
20 RETURN. THE AMOUNT OF THE CREDIT THAT THE PURCHASER OR MEMBER  
21 OF THE CONSORTIUM MAY CLAIM PURSUANT TO THIS SECTION IS THE  
22 AMOUNT STATED ON THE TAX CREDIT CERTIFICATE.

23 (7) IN A SUFFICIENTLY TIMELY MANNER TO ALLOW THE  
24 DEPARTMENT OF REVENUE TO PROCESS RETURNS CLAIMING THE INCOME  
25 TAX CREDIT ALLOWED PURSUANT TO THIS SECTION, THE DEPARTMENT OF  
26 AGRICULTURE SHALL PROVIDE THE DEPARTMENT OF REVENUE WITH AN  
27 ELECTRONIC REPORT OF EACH PURCHASER OR MEMBER OF THE

1 CONSORTIUM THAT THE DEPARTMENT OF AGRICULTURE APPROVED FOR  
2 THE INCOME TAX CREDIT ALLOWED PURSUANT TO THIS SECTION FOR THE  
3 PRECEDING CALENDAR YEAR THAT INCLUDES THE FOLLOWING  
4 INFORMATION:

5 (a) THE TAXPAYER'S NAME; AND

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

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

13 (9) THE DEPARTMENT OF AGRICULTURE AND THE DEPARTMENT OF  
14 REVENUE MAY PROMULGATE RULES IN ACCORDANCE WITH ARTICLE 4 OF  
15 TITLE 24 AS MAY BE NECESSARY TO EFFECTUATE THE PURPOSES OF THIS  
16 SECTION.

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

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

21 **35-1-117. Community food access program - creation -**  
22 **purpose - duties and responsibilities - grant program - funding -**  
23 **reporting - rules - definitions - repeal.** (2) (b) (III) Money spent  
24 pursuant to this subsection ~~(2)~~ (2)(b) must conform with the allowable  
25 purposes set forth in the federal "American Rescue Plan Act of 2021",  
26 Pub.L. 117-2, as amended. The department shall either spend or obligate  
27 such appropriation prior to December 30, 2024, and expend the

1 appropriation on or before December 31, 2026.

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

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

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

16 (III) Money spent pursuant to this subsection ~~(3)~~ (3)(c) must  
17 conform with the allowable purposes set forth in the federal "American  
18 Rescue Plan Act of 2021", Pub.L. 117-2, as amended. The department  
19 shall either spend or obligate such appropriation prior to December 30,  
20 2024, and expend the appropriation on or before December 31, 2026.

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

22 (e) "Small food retailer" means:

23 (I) An independent or nonprofit-managed, Colorado-owned, and  
24 Colorado-operated small food retail business, defined as a food retailer  
25 with less than ~~five~~ TEN thousand square feet of retail space that carries at  
26 least three categories of federally defined staple foods, as described in the  
27 federal "Food and Nutrition Act of 2008", secs. 3 and 9, the

1 "Consolidated Appropriations Act of 2017", sec. 76, and the federal  
2 "Enhancing Retailer Standards in the Supplemental Nutrition Assistance  
3 Program", 81 Fed. Reg. 90675, and be located in or provide food to local,  
4 state, or federally defined low-income, low-access neighborhoods; or

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

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

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

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

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

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

20 (2) For the 2023-24 state fiscal year, \$44,411 is appropriated to  
21 the department of law. This appropriation is from reappropriated funds  
22 received from the department of agriculture under subsection (1)(c) of  
23 this section. To implement this act, the department of law may use this  
24 appropriation to provide legal services for the department of agriculture.

25 (3) For the 2023-24 state fiscal year, \$250,000 is appropriated to  
26 the department of public health and environment for use by the prevention  
27 services division. This appropriation is from the general fund. To

1 implement this act, the division may use this appropriation for chronic  
2 disease and cancer prevention grants for the purposes specified in  
3 25-20.5-104 (2.5)(a), C.R.S. \_\_\_\_\_

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