

HOUSE COMMITTEE OF REFERENCE REPORT

_____ April 13, 2022
Chair of Committee Date

Committee on Transportation & Local Government.

After consideration on the merits, the Committee recommends the following:

HB22-1301 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

1 Amend printed bill, page 2, lines 3 and 4, strike "(1.6)(a)(VI),
2 (1.6)(b)(III), and (3.3)" and substitute "(3.3) and (6.2)".

3 Page 2, strike lines 7 and 8 and substitute:

4 "(1.1) (a) "Agricultural and livestock products" means plant or
5 animal products in a raw or unprocessed state that are".

6 Page 3, strike lines 3 through 9 and substitute:

7 "(b) ON AND AFTER JANUARY 1, 2023, FOR THE PURPOSES OF THIS
8 SUBSECTION (1.1), "AGRICULTURAL AND LIVESTOCK PRODUCTS" INCLUDES
9 CROPS GROWN WITHIN A CONTROLLED ENVIRONMENT AGRICULTURAL
10 FACILITY IN A RAW OR UNPROCESSED STATE FOR HUMAN OR LIVESTOCK
11 CONSUMPTION. FOR THE PURPOSES OF THIS SUBSECTION (1.1)(b),
12 "AGRICULTURAL AND LIVESTOCK PRODUCTS" DOES NOT INCLUDE
13 MARIJUANA, AS DEFINED IN SECTION 18-18-102 (18)(a), OR ANY OTHER
14 NONFOOD CROP AGRICULTURAL PRODUCTS."

15 Page 3, strike lines 20 through 27 and substitute:

16 "(III) ANY PERSONAL PROPERTY WITHIN A FACILITY, WHETHER
17 ATTACHED TO A BUILDING OR NOT, THAT IS CAPABLE OF BEING REMOVED
18 FROM THE FACILITY, AND IS USED IN DIRECT CONNECTION WITH THE
19 OPERATION OF A CONTROLLED ENVIRONMENT AGRICULTURAL FACILITY,
20 WHICH FACILITY IS USED SOLELY FOR PLANTING, GROWING, OR
21 HARVESTING CROPS IN A RAW OR UNPROCESSED STATE."

1 Page 4, strike lines 1 through 3.

2 Page 4, lines 5 and 6, strike "STRUCTURE OF NO LESS THAN ONE
3 THOUSAND SQUARE FEET" and substitute "NONRESIDENTIAL STRUCTURE".

4 Page 4, line 8, strike "HYDROPONIC PLANT GROWING," and substitute
5 "HYDROPONICS,".

6 Page 4, line 10, strike "PRIMARY" and substitute "SOLE".

7 Page 4, after line 13, insert:

8 "(6.2) "HYDROPONICS" MEANS A SYSTEM IN WHICH WATER
9 SOLUBLE PRIMARY OR SECONDARY PLANT NUTRIENTS OR
10 MICRONUTRIENTS, OR A COMBINATION OF SUCH NUTRIENTS, ARE PLACED
11 IN INTIMATE CONTACT WITH A PLANT'S ROOT SYSTEM THAT IS BEING
12 GROWN IN WATER OR AN INERT SUPPORTIVE MEDIUM THAT SUPPLIES
13 PHYSICAL SUPPORT FOR THE ROOTS."

14 Page 4, line 27, after "**valuation -**" insert "**affidavit -**".

15 Page 5, strike lines 3 through 8 and substitute:

16 "(2) A CEA FACILITY IS VALUED FOR ASSESSMENT PURPOSES AS
17 ALL OTHER AGRICULTURAL PROPERTY USING THE COST, MARKET, AND
18 INCOME APPROACHES TO VALUE."

19 Page 5, line 9, strike "PRIMARY" and substitute "SOLE".

20 Page 5, strike lines 11 and 12 and substitute "PROPERTY IS CLASSIFIED
21 AND VALUED FOR ASSESSMENT PURPOSES BASED ON ACTUAL USE.

22 (4) AS PART OF THE PERSONAL DECLARATION THE OWNER OF A
23 CEA FACILITY SIGNS AND RETURNS TO THE COUNTY ASSESSOR PURSUANT
24 TO SECTIONS 39-5-107 AND 39-5-108, THE OWNER SHALL INCLUDE AN
25 AFFIDAVIT EXECUTED BY THE OWNER IN WHICH THE OWNER AFFIRMS THAT
26 THE CEA FACILITY MEETS THE REQUIREMENTS OF SECTION 39-1-102 (3.3),
27 INCLUDING THE REQUIREMENTS THAT THE FACILITY OPTIMIZES
28 HYDROPONICS AND THAT THE SOLE PURPOSE OF THE CEA FACILITY IS TO
29 OBTAIN A MONETARY PROFIT FROM THE WHOLESALE OF PLANT-BASED
30 FOOD FOR HUMAN OR LIVESTOCK CONSUMPTION. IF THE CROP GROWN IN
31 THE CEA FACILITY IS HEMP, THE OWNER MUST ALSO INCLUDE A COPY OF
32 A LICENSE TO VERIFY TO THE ASSESSOR THAT THE CROP IS NOT
33 MARIJUANA.

1 (5) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A CEA
2 FACILITY SHALL NOT VIOLATE THE TERMS AND CONDITIONS OF ANY
3 APPLICABLE WATER COURT DECREE ISSUED PURSUANT TO ARTICLE 92 OF
4 TITLE 37 AND SHALL NOT MATERIALLY INJURE WATER RIGHTS OR
5 CONDITIONAL WATER RIGHTS GRANTED UNDER ARTICLE 92 OF TITLE 37."

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