

Summary of Legislation

This bill continues the regulation of custom meat processing in the Department of Agriculture, which is scheduled to repeal on July 1, 2018, through September 1, 2023. In addition, the bill authorizes licensed poultry processors who process more than 1,000 but less than 20,000 birds per year, to sell poultry to retail food establishments and individuals.

Background

Custom meat processing is the slaughter or processing, for a fee or other compensation, of meat or meat products of an animal that is not owned by the processor and not intended for sale by the owner of the animal. Custom meat processing facilities are licensed by the Division of Inspection and Consumer Services in the Department of Agriculture. Facilities can be traditional, stand-alone buildings, or mobile units. The program is funded by fees and federal reimbursements for inspections.

Continuing Program Impacts

Based on the its FY 2018-19 budget request, the Department of Agriculture is expected to have cash funds revenue of \$33,000 and expenditures of \$38,000 to administer the Custom Processing of Meat Animals program. Expenditures exceed revenue to bring the Inspection and Consumer Services Cash Fund into compliance with its statutory fund limit. The fiscal note assumes that revenue and expenditures will balance once the cash fund comes into compliance. If this bill is enacted, current revenue and expenditures will continue for the program starting in FY 2019-20. If this bill is not enacted, the program will end on July 1, 2019, following a wind-down period, and state revenue and expenditures will decrease starting in FY 2019-20 by the amounts shown in Table 1.

TABOR Refund

This bill continues state revenue from fees, which will increase the amount of money required to be refunded under TABOR for FY 2019-20.

Since the bill increases the TABOR refund obligation without a corresponding change in General Fund revenue, the amount of money available in the General Fund for the budget will decrease by an identical amount.

State revenue subject to TABOR is not estimated for years beyond FY 2019-20.

Effective Date

The bill takes effect July 1, 2018.

State and Local Government Contacts

Agriculture Information Technology