**Summary of Legislation**

This bill establishes enclosure standards for farm owners or operators (producers) to house female domesticated chickens, turkeys, ducks, geese, or guinea fowl (hens) kept for the purpose of commercial egg production. Beginning January 1, 2022, a producer is prohibited from knowingly confining an egg-laying hen in an enclosure with less than one square foot of usable floor space per hen. Beginning January 1, 2024, the enclosure standard becomes:

- a cage-free housing system;
- one square foot of usable floor space per hen with unfettered access to vertical space; or
- one and one-half square feet of usable floor space per hen without unfettered access to vertical space.

The enclosure standards do not apply to a producer with less than 3,000 egg-laying hens or a producer selling less than 25 cases of 30 dozen eggs per week. Also exempted from the standards are:

- medical research;
- veterinary care;
- transportation;
- exhibitions;
- slaughter; or
- temporary periods for animal husbandry purposes.
The Commissioner of Agriculture is required to promulgate rules for enforcement including inspection of farms, shell eggs, and egg products to ensure compliance with the enclosure standards. The commissioner may use a government or private inspection process verification provider to ensure compliance.

To sell eggs, a producer must have a certificate from the Colorado Department of Agriculture (CDA) that verifies that the shell eggs and egg products were produced in compliance with the enclosure standards. A buyer must obtain a copy of the certificate.

Violations of the provisions of the bill are subject to a civil penalty of up to $1,000 per violation.

**State Revenue**

To the extent that producers violate the effective enclosure standards, penalty revenue will increase. Because there are only six producers subject to the bill, penalty revenue is not expected to be significant and is not estimated for the fiscal note. Any penalties collected will be subject to TABOR.

**State Expenditures**

This bill is expected to increase workload for the CDA and may increase workload for the Judicial Department as explained below.

**Colorado Department of Agriculture.** Beginning in FY 2020-21, the CDA will have an increase in workload to work with stakeholders and promulgate rules. Because egg producers are already inspected by the CDA, the bill changes what inspectors will be looking for in enclosure design. Producers can have either the CDA or the United States Department of Agriculture conduct the certification required under the bill. The increase in workload for the CDA can be accomplished within existing appropriations.

**Judicial Department.** Trial courts in the Judicial Department may see an increase in cases if producers do not remit their civil fines. The fiscal note assumes that producers will comply with any penalties levied so few, if any cases, are expected.

**TABOR refunds.** The bill may increase state General Fund obligations for TABOR refunds by a minimal amount in FY 2021-22.

**Effective Date**

The bill takes effect August 5, 2020, if the General Assembly adjourns on May 6, 2020, as scheduled, and no referendum petition is filed.

**State and Local Government Contacts**

Agriculture  
Law  
Information Technology  
Public Health and Environment  
Judicial

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit: [leg.colorado.gov/fiscalnotes](http://leg.colorado.gov/fiscalnotes).