

## CHAPTER 429

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**AGRICULTURE**

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## SENATE BILL 22-209

BY SENATOR(S) Donovan and Sonnenberg, Bridges, Buckner, Coram, Fields, Gardner, Hinrichsen, Holbert, Jaquez Lewis, Kolker, Lee, Rankin, Simpson, Story;  
also REPRESENTATIVE(S) Roberts and Pelton, Bockenfeld, Duran, Esgar, Jodeh, Lindsay, McCluskie, McCormick, Valdez D., Young.

**AN ACT**

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

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

**SECTION 1.** In Colorado Revised Statutes, **add** 35-1-118 as follows:

**35-1-118. Meat processing - grant and loan application assistance - definitions - legislative declaration - repeal.** (1) **Legislative declaration.** THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

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

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

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

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

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

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*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

OF UNITED STATES BEEF PROCESSING, LEADING TO LARGE PROFIT MARGINS;

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

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

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

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

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

(2) **Grant and loan application assistance.** (a) THE COMMISSIONER SHALL HIRE ONE EMPLOYEE OR ENGAGE A CONTRACTOR TO HELP SMALL MEAT PROCESSORS AND PEOPLE ATTEMPTING TO START A SMALL MEAT PROCESSOR BUSINESS APPLY FOR AND OBTAIN GRANTS AND LOANS OFFERED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE AND OTHER ENTITIES. EACH GRANT OR LOAN MUST BE USED TO START, EXPAND, OR SUPPORT A SMALL MEAT PROCESSOR BUSINESS.

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

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

(a) EMPLOYS FIVE HUNDRED OR FEWER INDIVIDUALS; AND

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

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

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

division may use this appropriation for program costs related to agricultural markets.

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

Approved: June 8, 2022