

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

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 23-0486.02 Pierce Lively x2059

HOUSE BILL 23-1008

HOUSE SPONSORSHIP

Weissman,

SENATE SPONSORSHIP

Fields,

House Committees

Finance
Appropriations

Senate Committees

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, PROVIDING**
105 **FUNDING FOR THE SMALL BUSINESS RECOVERY AND RESILIENCE**
106 **GRANT PROGRAM, CREATING A TAX CREDIT FOR CERTAIN**
107 **PURCHASES ELIGIBLE FOR THAT GRANT PROGRAM AND FOR**
108 **ACTIVITIES BY THE COMMUNITY FOOD CONSORTIUM FOR SMALL**
109 **FOOD RETAILERS AND COLORADO-OWNED AND**
110 **COLORADO-OPERATED FARMS, AND PROVIDING FUNDING FOR**
111 **HEALTHY EATING PROGRAM INCENTIVES.**

Bill Summary

*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.*

(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 <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.

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;

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

3 (d) Certain communities, including communities of color, seniors,
4 and lower-income Coloradans, are prone to higher-than-average rates of
5 food insecurity;

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

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

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

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

22 **SECTION 2.** In Colorado Revised Statutes, 25-20.5-104, **add**
23 (2.5) as follows:

24 **25-20.5-104. Functions of division.** (2.5) (a) FOR STATE FISCAL
25 YEARS 2024-25 THROUGH 2029-30, THE GENERAL ASSEMBLY SHALL
26 ANNUALLY APPROPRIATE ONE MILLION DOLLARS TO THE DIVISION FOR THE
27 DIVISION TO PARTNER WITH A STATEWIDE NONPROFIT ORGANIZATION TO

1 PROVIDE HEALTHY EATING PROGRAM INCENTIVES AMONG COLORADO'S
2 LOW-INCOME POPULATIONS. THESE PROGRAM INCENTIVES MUST ATTEMPT
3 TO IMPROVE ACCESS TO FRESH COLORADO GROWN FRUITS AND
4 VEGETABLES AMONG COLORADO'S LOW-INCOME POPULATIONS.

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

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

18 (d) THIS SUBSECTION (2.5) IS REPEALED, EFFECTIVE SEPTEMBER 1,
19 2031.

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

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

25 (s) (I) FOR INCOME TAX YEARS COMMENCING ON OR AFTER
26 JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2031, AN AMOUNT EQUAL TO
27 A FEDERAL DEDUCTION CLAIMED FOR A BUSINESS MEAL PURSUANT TO

1 SECTION 274 (k) OF THE INTERNAL REVENUE CODE.

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

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

6 39-22-304. Net income of corporation - legislative declaration
7 - definitions - repeal. (2) There shall be added to federal taxable income:

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

12 (II) THIS SUBSECTION (2)(k) IS REPEALED, EFFECTIVE DECEMBER
13 31, 2035.

14 SECTION 5. In Colorado Revised Statutes, add 39-22-549 as
15 follows:

16 39-22-549. Credit against tax - small food business recovery
17 and resilience grant program equipment - community food
18 consortium duties and responsibilities - tax preference performance
19 statement - legislative declaration - definitions - repeal. (1) (a) THE

20 GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT, IN ACCORDANCE
21 WITH SECTION 39-21-304 (1), WHICH REQUIRES EACH BILL THAT CREATES
22 A NEW TAX EXPENDITURE TO INCLUDE A TAX PREFERENCE PERFORMANCE
23 STATEMENT AS PART OF A STATUTORY LEGISLATIVE DECLARATION, THE
24 GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT THE PURPOSES
25 OF THE TAX EXPENDITURE CREATED IN SUBSECTION (3) OF THIS SECTION
26 ARE TO:

27 (I) INDUCE CERTAIN DESIGNATED BEHAVIOR BY TAXPAYERS,

1 SPECIFICALLY THE PURCHASE AND USE OF SMALL FOOD BUSINESS
2 RECOVERY AND RESILIENCE GRANT PROGRAM EQUIPMENT AND THE
3 INCREASE OF ACTIVITIES OF THE COMMUNITY FOOD CONSORTIUM FOR
4 SMALL FOOD RETAILERS AND COLORADO-OWNED AND
5 COLORADO-OPERATED FARMS; AND

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

10 (b) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL
11 MEASURE THE EFFECTIVENESS OF THE TAX CREDITS IN ACHIEVING THE
12 PURPOSES SPECIFIED IN SUBSECTION (1)(a)(I) OF THIS SECTION BASED ON
13 THE NUMBER OF THE TAX CREDITS CREATED IN THIS SECTION THAT
14 TAXPAYERS CLAIM. THE DEPARTMENT OF AGRICULTURE AND THE
15 DEPARTMENT OF REVENUE SHALL PROVIDE THE STATE AUDITOR WITH ANY
16 AVAILABLE INFORMATION THAT WOULD ASSIST THE STATE AUDITOR IN
17 THIS MEASUREMENT.

18 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
19 REQUIRES:

20 (a) "AMOUNT CERTAIN SPENT BY THE MEMBER OF THE
21 CONSORTIUM ON COMPLETING ITS DUTIES AND RESPONSIBILITIES" MEANS
22 THE AMOUNT SPENT ON PALLET, PALLET BREAK, DISTRIBUTION, AND
23 DELIVERY FEES THAT IS ELIGIBLE FOR A SUBSIDY FROM THE CONSORTIUM
24 BUT IS NOT OTHERWISE COVERED BY THE CONSORTIUM.

25 (b) "DUTIES AND RESPONSIBILITIES" MEANS THE DUTIES AND
26 RESPONSIBILITIES OF THE MEMBERS OF CONSORTIUM PURSUANT TO
27 SECTION 35-1-117 (2)(a).

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

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

10 (e) "PURCHASER" MEANS A SMALL FOOD RETAILER OR SMALL
11 FAMILY FARM THAT PURCHASES SMALL FOOD BUSINESS RECOVERY AND
12 RESILIENCE GRANT PROGRAM EQUIPMENT.

13
14 (f) "SMALL FAMILY FARM" HAS THE SAME MEANING AS SET FORTH
15 IN SECTION 35-1-117 (8)(d).

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

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

21 (3) (a) SUBJECT TO THE PROVISIONS OF SUBSECTION (4) OF THIS
22 SECTION, FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
23 1, 2024, BUT BEFORE JANUARY 1, 2031:

24 (I) ANY MEMBER OF THE FOOD CONSORTIUM IS ALLOWED A CREDIT
25 AGAINST THE TAX IMPOSED BY THIS ARTICLE 22 IN AN AMOUNT EQUAL TO
26 SEVENTY-FIVE PERCENT OF THE AMOUNT CERTAIN SPENT BY THE MEMBER
27 OF THE CONSORTIUM ON COMPLETING ITS DUTIES AND RESPONSIBILITIES

1 MINUS ANY AMOUNT AWARDED TO THE MEMBER OF THE CONSORTIUM
2 PURSUANT TO SECTION 35-1-117 (2) FOR THE COMPLETION OF ITS DUTIES
3 AND RESPONSIBILITIES; AND

4 (II) ANY PURCHASER OF SMALL FOOD BUSINESS RECOVERY AND
5 RESILIENCE GRANT PROGRAM EQUIPMENT IS ALLOWED A CREDIT AGAINST
6 THE TAX IMPOSED BY THIS ARTICLE 22 IN AN AMOUNT EQUAL TO
7 SEVENTY-FIVE PERCENT OF THE PURCHASE PRICE OF THE RELEVANT SMALL
8 FOOD BUSINESS RECOVERY AND RESILIENCE GRANT PROGRAM EQUIPMENT
9 MINUS THE AMOUNT OF ANY GRANT AWARDED UNDER THE SMALL FOOD
10 BUSINESS RECOVERY AND RESILIENCE GRANT PROGRAM FOR THE
11 PURCHASE OF THE SAME SMALL FOOD BUSINESS RECOVERY AND
12 RESILIENCE GRANT PROGRAM EQUIPMENT.

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

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

26 (I) A CERTIFICATION THAT THE APPLICANT IS EITHER:
27 (A) A PURCHASER WHO IS A SMALL FOOD RETAILER OR SMALL

1 FAMILY FARM THAT PURCHASED SMALL FOOD BUSINESS RECOVERY AND
2 RESILIENCE GRANT PROGRAM EQUIPMENT; OR

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

5 (II) DETAILED INFORMATION REGARDING:

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

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

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

1 AGRICULTURE HAS NOT ISSUED TAX CREDIT CERTIFICATES IN EXCESS OF A
2 TOTAL OF ELEVEN MILLION DOLLARS FOR THE INCOME TAX YEAR.

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

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

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

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

15 (II) DETAILED INFORMATION REGARDING:

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

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

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

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

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

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

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

1 ELECTRONIC REPORT OF EACH PURCHASER OR MEMBER OF THE
2 CONSORTIUM THAT THE DEPARTMENT OF AGRICULTURE APPROVED FOR
3 THE INCOME TAX CREDIT ALLOWED PURSUANT TO THIS SECTION FOR THE
4 PRECEDING CALENDAR YEAR THAT INCLUDES THE FOLLOWING
5 INFORMATION:

6 (a) THE TAXPAYER'S NAME; AND

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

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

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

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

19 **SECTION 6.** In Colorado Revised Statutes, 35-1-117, **amend**
20 **(2)(b)(III), (3)(a) introductory portion, (3)(c)(I), (3)(c)(III), (8)(e)(I), and**
21 **(9); repeal (2)(b)(V); and add (3.5) as follows:**

22 **35-1-117. Community food access program - creation -**
23 **purpose - duties and responsibilities - grant program - funding -**
24 **reporting - rules - definitions - repeal.** (2) (b) (V) ~~This subsection (2)~~
25 ~~is repealed, effective September 1, 2027.~~

26 (2) (b) (III) Money spent pursuant to this subsection ~~(2)~~ (2)(b)
27 must conform with the allowable purposes set forth in the federal

1 "American Rescue Plan Act of 2021", Pub.L. 117-2, as amended. The
2 department shall either spend or obligate such appropriation prior to
3 December 30, 2024, and expend the appropriation on or before December
4 31, 2026.

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

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

18 (III) Money spent pursuant to this subsection ~~(3)~~ (3)(c) must
19 conform with the allowable purposes set forth in the federal "American
20 Rescue Plan Act of 2021", Pub.L. 117-2, as amended. The department
21 shall either spend or obligate such appropriation prior to December 30,
22 2024, and expend the appropriation on or before December 31, 2026.

23 (3.5) (a) FOR STATE FISCAL YEARS 2024-25 THROUGH 2029-30,
24 THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE NINE MILLION
25 FOUR HUNDRED THOUSAND DOLLARS TO THE DEPARTMENT OF
26 AGRICULTURE FOR THE PURPOSES OF IMPLEMENTING SUBSECTIONS (2) AND
27 (3) OF THIS SECTION.

1 (b) FOR STATE FISCAL YEARS 2023-24 AND 2030-31, THE GENERAL
2 ASSEMBLY SHALL ANNUALLY APPROPRIATE FOUR MILLION SEVEN
3 HUNDRED THOUSAND DOLLARS TO THE DEPARTMENT OF AGRICULTURE FOR
4 THE PURPOSES OF IMPLEMENTING SUBSECTIONS (2) AND (3) OF THIS
5 SECTION.

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

7 (e) "Small food retailer" means:

8 (I) An independent or nonprofit-managed, Colorado-owned, and
9 Colorado-operated small food retail business, defined as a food retailer
10 with less than five TEN thousand square feet of retail space that carries at
11 least three categories of federally defined staple foods, as described in the
12 federal "Food and Nutrition Act of 2008", secs. 3 and 9, the
13 "Consolidated Appropriations Act of 2017", sec. 76, and the federal
14 "Enhancing Retailer Standards in the Supplemental Nutrition Assistance
15 Program", 81 Fed. Reg. 90675, and be located in or provide food to local,
16 state, or federally defined low-income, low-access neighborhoods; or

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

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