

**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, PROVIDING FUNDING FOR**
111 **HEALTHY EATING PROGRAM INCENTIVES, AND MAKING AN**
112 **APPROPRIATION.**

*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.*

Bill Summary

(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

1 children to have enough to eat;

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

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

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

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

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

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

23 

24 **SECTION 2.** In Colorado Revised Statutes, 39-22-104, **add** (3)(s)
25 as follows:

26 **39-22-104. Income tax imposed on individuals, estates, and**
27 **trusts - single rate - report - legislative declaration - definitions -**

1 **repeal.** (3) There shall be added to the federal taxable income:

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

6 (II) THIS SUBSECTION (3)(s) IS REPEALED, EFFECTIVE DECEMBER
7 31, 2035.

8 **SECTION 3.** In Colorado Revised Statutes, 39-22-304, **add**
9 (2)(k) as follows:

10 **39-22-304. Net income of corporation - legislative declaration**
11 **- definitions - repeal.** (2) There shall be added to federal taxable income:

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

16 (II) THIS SUBSECTION (2)(k) IS REPEALED, EFFECTIVE DECEMBER
17 31, 2035.

18 **SECTION 4.** In Colorado Revised Statutes, **add** 39-22-549 as
19 follows:

20 **39-22-549. Credit against tax - small food business recovery**
21 **and resilience grant program equipment - community food**
22 **consortium duties and responsibilities - tax preference performance**

23 **statement - legislative declaration - definitions - repeal.** (1) (a) THE
24 GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT, IN ACCORDANCE
25 WITH SECTION 39-21-304 (1), WHICH REQUIRES EACH BILL THAT CREATES
26 A NEW TAX EXPENDITURE TO INCLUDE A TAX PREFERENCE PERFORMANCE
27 STATEMENT AS PART OF A STATUTORY LEGISLATIVE DECLARATION, THE

1 GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT THE PURPOSES
2 OF THE TAX EXPENDITURE CREATED IN SUBSECTION (3) OF THIS SECTION
3 ARE TO:

4 (I) INDUCE CERTAIN DESIGNATED BEHAVIOR BY TAXPAYERS,
5 SPECIFICALLY THE PURCHASE AND USE OF SMALL FOOD BUSINESS
6 RECOVERY AND RESILIENCE GRANT PROGRAM EQUIPMENT AND THE
7 INCREASE OF ACTIVITIES OF THE COMMUNITY FOOD CONSORTIUM FOR
8 SMALL FOOD RETAILERS AND COLORADO-OWNED AND
9 COLORADO-OPERATED FARMS; AND

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

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

22 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
23 REQUIRES:

24 (a) "AMOUNT CERTAIN SPENT BY THE MEMBER OF THE
25 CONSORTIUM ON COMPLETING ITS DUTIES AND RESPONSIBILITIES" MEANS
26 THE AMOUNT SPENT ON PALLET, PALLET BREAK, DISTRIBUTION, AND
27 DELIVERY FEES THAT IS ELIGIBLE FOR A SUBSIDY FROM THE CONSORTIUM

1 BUT IS NOT OTHERWISE COVERED BY THE CONSORTIUM.

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

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

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

14 (e) "PURCHASER" MEANS A SMALL FOOD RETAILER OR SMALL
15 FAMILY FARM THAT PURCHASES SMALL FOOD BUSINESS RECOVERY AND
16 RESILIENCE GRANT PROGRAM EQUIPMENT.

17 [REDACTED]
18 (f) "SMALL FAMILY FARM" HAS THE SAME MEANING AS SET FORTH
19 IN SECTION 35-1-117 (8)(d).

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

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

25 (3) (a) [REDACTED] SUBJECT TO THE PROVISIONS OF SUBSECTION (4) OF THIS
26 SECTION, FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
27 1, 2024, BUT BEFORE JANUARY 1, 2031:

1 (I) ANY MEMBER OF THE FOOD CONSORTIUM IS ALLOWED A CREDIT
2 AGAINST THE TAX IMPOSED BY THIS ARTICLE 22 IN AN AMOUNT EQUAL TO
3 SEVENTY-FIVE PERCENT OF THE AMOUNT CERTAIN SPENT BY THE MEMBER
4 OF THE CONSORTIUM ON COMPLETING ITS DUTIES AND RESPONSIBILITIES
5 MINUS ANY AMOUNT AWARDED TO THE MEMBER OF THE CONSORTIUM
6 PURSUANT TO SECTION 35-1-117 (2) FOR THE COMPLETION OF ITS DUTIES
7 AND RESPONSIBILITIES; AND

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

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

23
24 (4) (a) A MEMBER OF THE CONSORTIUM OR A PURCHASER OF SMALL
25 FOOD BUSINESS RECOVERY GRANT PROGRAM EQUIPMENT MAY SUBMIT AN
26 APPLICATION TO THE DEPARTMENT OF AGRICULTURE FOR THE ISSUANCE OF
27 A LETTER OF ELIGIBILITY FOR A TAX CREDIT CERTIFICATE ALLOWED IN THIS

1 SECTION BY THE DEADLINES ESTABLISHED IN THE RULES PROMULGATED BY
2 THE DEPARTMENT OF AGRICULTURE. THE APPLICATION MUST INCLUDE:

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

4 (A) A PURCHASER WHO IS A SMALL FOOD RETAILER OR SMALL
5 FAMILY FARM THAT PURCHASED SMALL FOOD BUSINESS RECOVERY AND
6 RESILIENCE GRANT PROGRAM EQUIPMENT; OR

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

9 (II) DETAILED INFORMATION REGARDING:

10 (A) THE PURCHASE PRICE THAT WOULD BE INCURRED BY A
11 PURCHASER OF SMALL FOOD BUSINESS RECOVERY AND RESILIENCE GRANT
12 PROGRAM EQUIPMENT AND THE DATE ON WHICH THE PURCHASE WOULD BE
13 MADE; OR

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

18 (b) IF THE DEPARTMENT OF AGRICULTURE DETERMINES THAT THE
19 APPLICATION FILED PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION IS
20 COMPLETE, THE DEPARTMENT OF AGRICULTURE SHALL DETERMINE
21 WHETHER THE APPLICANT WOULD QUALIFY FOR THE CREDIT ALLOWED
22 PURSUANT TO THIS SECTION IF THE APPLICANT MADE THE PURCHASE
23 DESCRIBED IN THE APPLICATION AND THE DEPARTMENT OF AGRICULTURE
24 HAD NOT ISSUED TAX CREDIT CERTIFICATES IN EXCESS OF A TOTAL OF TEN
25 MILLION DOLLARS FOR THE INCOME TAX YEAR. IF THE DEPARTMENT OF
26 AGRICULTURE APPROVES THE APPLICATION, THE DEPARTMENT OF
27 AGRICULTURE SHALL ISSUE A LETTER OF ELIGIBILITY TO THE APPLICANT

1 THAT INDICATES THE AMOUNT OF THE TAX CREDIT THAT THE PURCHASER
2 OR MEMBER OF THE CONSORTIUM COULD CLAIM FOR THE SPECIFIED
3 INCOME TAX YEAR IF THEY WERE TO MAKE THE PURCHASE DESCRIBED IN
4 THE APPLICATION AND IF THE DEPARTMENT OF AGRICULTURE HAS NOT
5 ISSUED TAX CREDIT CERTIFICATES IN EXCESS OF A TOTAL OF TEN MILLION
6 DOLLARS FOR THE INCOME TAX YEAR.

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

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

14 (A) A PURCHASER WHO IS A SMALL FOOD RETAILER OR SMALL
15 FAMILY FARM THAT PURCHASED SMALL FOOD BUSINESS RECOVERY AND
16 RESILIENCE GRANT PROGRAM EQUIPMENT; OR

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

19 (II) DETAILED INFORMATION REGARDING:

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

23 (B) AN ITEMIZED TOTAL OF THE AMOUNT CERTAIN SPENT BY A
24 MEMBER OF THE CONSORTIUM ON COMPLETING ITS DUTIES AND
25 RESPONSIBILITIES, AND THE DATE OR DATES THAT THE MEMBER OF THE
26 CONSORTIUM SPENT THE AMOUNTS.

27 (b) IF THE DEPARTMENT OF AGRICULTURE DETERMINES THAT THE

1 APPLICATION FILED PURSUANT TO SUBSECTION (5)(a) OF THIS SECTION IS
2 COMPLETE, THE DEPARTMENT OF AGRICULTURE SHALL DETERMINE
3 WHETHER THE APPLICANT QUALIFIES FOR THE CREDIT ALLOWED PURSUANT
4 TO THIS SECTION. IF THE DEPARTMENT OF AGRICULTURE APPROVES THE
5 APPLICATION, THE DEPARTMENT OF AGRICULTURE SHALL ISSUE A TAX
6 CREDIT CERTIFICATE TO THE APPLICANT THAT INDICATES THE AMOUNT OF
7 THE TAX CREDIT THAT THE PURCHASER OR MEMBER OF THE CONSORTIUM
8 MAY CLAIM FOR THE SPECIFIED INCOME TAX YEAR; EXCEPT THAT THE
9 TOTAL AMOUNT OF TAX CREDIT CERTIFICATES ISSUED BY THE
10 DEPARTMENT OF AGRICULTURE IN A GIVEN INCOME TAX YEAR MUST NOT
11 EXCEED A TOTAL OF TEN MILLION DOLLARS.

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

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

1 (7) IN A SUFFICIENTLY TIMELY MANNER TO ALLOW THE
2 DEPARTMENT OF REVENUE TO PROCESS RETURNS CLAIMING THE INCOME
3 TAX CREDIT ALLOWED PURSUANT TO THIS SECTION, THE DEPARTMENT OF
4 AGRICULTURE SHALL PROVIDE THE DEPARTMENT OF REVENUE WITH AN
5 ELECTRONIC REPORT OF EACH PURCHASER OR MEMBER OF THE
6 CONSORTIUM THAT THE DEPARTMENT OF AGRICULTURE APPROVED FOR
7 THE INCOME TAX CREDIT ALLOWED PURSUANT TO THIS SECTION FOR THE
8 PRECEDING CALENDAR YEAR THAT INCLUDES THE FOLLOWING
9 INFORMATION:

10 (a) THE TAXPAYER'S NAME; AND

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

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

18 (9) THE DEPARTMENT OF AGRICULTURE AND THE DEPARTMENT OF
19 REVENUE MAY PROMULGATE RULES IN ACCORDANCE WITH ARTICLE 4 OF
20 TITLE 24 AS MAY BE NECESSARY TO EFFECTUATE THE PURPOSES OF THIS
21 SECTION.

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

23 **SECTION 5.** In Colorado Revised Statutes, 35-1-117, **amend**
24 (2)(b)(III), (3)(a) introductory portion, (3)(c)(I), (3)(c)(III), (8)(e)(I), and
25 (9); and **repeal** (2)(b)(V) as follows:

26 **35-1-117. Community food access program - creation -**
27 **purpose - duties and responsibilities - grant program - funding -**

1 **reporting - rules - definitions - repeal.** (2) (b) (III) Money spent
2 pursuant to this subsection ~~(2)~~ (2)(b) must conform with the allowable
3 purposes set forth in the federal "American Rescue Plan Act of 2021",
4 Pub.L. 117-2, as amended. The department shall either spend or obligate
5 such appropriation prior to December 30, 2024, and expend the
6 appropriation on or before December 31, 2026.

7 (V) This subsection ~~(2)~~ is repealed, effective September 1, 2027.

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

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

21 (III) Money spent pursuant to this subsection ~~(3)~~ (3)(c) must
22 conform with the allowable purposes set forth in the federal "American
23 Rescue Plan Act of 2021", Pub.L. 117-2, as amended. The department
24 shall either spend or obligate such appropriation prior to December 30,
25 2024, and expend the appropriation on or before December 31, 2026.

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

27 (e) "Small food retailer" means:

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

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

12 **SECTION 6. Appropriation.** (1) For the 2023-24 state fiscal
13 year, \$337,878 General Fund is appropriated to the department of
14 agriculture. To implement this act, the department may use this
15 appropriation as follows:

16 (a) \$88,286 for use by the commissioner's office for personal
17 services, which amount is based on an assumption that the commissioner's
18 office will require an additional 1.0 FTE;

19 (b) \$44,411 for use by the commissioner's office for legal
20 services;

21 (c) \$205,181 for use by the agricultural markets division for the
22 community food access program, which amount is based on an
23 assumption that the department will require an additional 1.8 FTE.

24 (2) For the 2023-24 state fiscal year, \$44,411 is appropriated to the
25 department of law. This appropriation is from reappropriated funds
26 received from the department of agriculture under subsection (1)(b) of
27 this section. To implement this act, the department of law may use this

1 appropriation to provide legal services for the department of agriculture."

2 (3) For the 2023-24 state fiscal year, \$162,477 is appropriated to
3 the department of revenue for use by the taxation business group. This
4 appropriation is from the general fund. To implement this act, the division
5 may use this appropriation as follows:

6 (a) \$64,862 for personal services related to taxation services,
7 which amount is based on an assumption that the division will require an
8 additional 0.7 FTE;

9 (b) \$7,615 for operating expense related to taxation services; and

10 (c) \$90,000 tax administration IT system (gentax) support.

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