



JOINT BUDGET COMMITTEE STAFF FY 2023-24 BUDGET BRIEFING SUMMARY

Colorado General Assembly
Joint Budget Committee

Department of Agriculture

The Department of Agriculture regulates, promotes and supports various agricultural activities throughout Colorado. Department personnel perform a wide range of services including: regulatory and inspection services relating to agriculture; investigations and hearings; standardizing, grading, inspecting, labeling, handling, storage, and marketing of agricultural products; and agriculture-related policy analysis. Recently, the Department has taken on several new program areas including community food access, agricultural labor, soil health, drought and climate resilience, and lending. The Department's FY 2022-23 appropriation represents approximately 0.2 percent of statewide operating appropriations and 0.1 percent of statewide General Fund appropriations.

FY 2022-23 APPROPRIATION AND FY 2023-24 REQUEST

DEPARTMENT OF AGRICULTURE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION:						
HB 22-1329 (Long Bill)	63,207,573	14,449,738	42,187,409	2,623,496	3,946,930	306.7
Other Legislation	8,284,766	313,133	7,971,633	0	0	4.0
TOTAL	\$71,492,339	\$14,762,871	\$50,159,042	\$2,623,496	\$3,946,930	310.7
FY 2023-24 REQUESTED APPROPRIATION:						
FY 2022-23 Appropriation	\$71,492,339	14,762,871	\$50,159,042	\$2,623,496	\$3,946,930	310.7
R1 Climate drought-smart agriculture marketing specialist	245,831	245,831	0	0	0	0.9
R2 Commissioners office support	156,848	156,848	0	0	0	0.9
R3 Fruit and vegetable fund adjustments	10,000	10,000	0	0	0	0.0
R4 Insectary lab technician	71,023	0	71,023	0	0	1.0
R5 Inspection and consumer services funds adjustments	0	(300,000)	300,000	0	0	0.0
R6 Animal health and welfare	238,505	238,505	0	0	0	0.9
Non-prioritized decision items	899,350	231,456	667,801	195	(102)	0.0
Indirect cost assessment	213,036	0	162,137	14,188	36,711	0.0
Centrally appropriated line items	793,129	822,555	(29,426)	0	0	0.1
Annualize prior year budget actions	(38,217)	(74,505)	34,570	1,718	0	0.4
Annualize prior year legislation	(123,406)	(123,406)	0	0	0	0.2
TOTAL	\$73,958,438	\$15,970,155	\$51,365,147	\$2,639,597	\$3,983,539	315.1
INCREASE/(DECREASE)	\$2,466,099	\$1,207,284	\$1,206,105	\$16,101	\$36,609	4.4
Percentage Change	3.4%	8.2%	2.4%	0.6%	0.9%	1.4%

R1 CLIMATE DROUGHT-SMART AGRICULTURE MARKETING SPECIALIST: The request includes an increase of \$245,831 General Fund and 0.9 FTE to hire a Marketing and Communications Specialist to create and amplify market opportunities for Colorado producers who grow climate and drought-smart commodities. The request annualizes to \$248,677 General Fund and 1.0 FTE in FY 2024-25 and beyond. The Department identified this request as evidence-informed.

R2 COMMISSIONER’S OFFICE SUPPORT: The request includes an increase of \$156,849 General Fund and 0.9 FTE in FY 2023-24 to fund the newly created Deputy Commissioner of Operations position in the Commissioner’s office. The request annualizes to \$162,787 General Fund and 1.0 FTE in FY 2024-25 and beyond. The Deputy Commissioner’s responsibilities include providing oversight to the Department’s daily operations including the new programming areas of community food access, agricultural labor, soil health, drought and climate resilience, and lending.

R3 FRUIT AND VEGETABLE FUNDS ADJUSTMENTS: The request includes a \$10,000 General Fund increase in FY 2023-24 to the Fruit and Vegetable Program. The request annualizes to \$10,000 General Fund in FY 2024-25 and beyond. The increase in funding would restore the Fruit and Vegetable Program’s pre-pandemic total appropriation of \$200,000 General Fund and would allow the CDA’s Fruit and Vegetable Program inspectors to attend annual required refresher trainings provided by the United States Department of Agriculture. The Department identified this request as evidence-informed.

R4 INSECTARY LAB TECHNICIAN: The request includes \$71,023 in cash funds from the Plant Health, Pest Control, and Environmental Protection Cash Fund and 1.0 FTE for FY 2023-24 to hire a Lab Technician at the Palisade Insectary’s Request-a-Bug service to use natural techniques to mitigate invasive pests’ spread in the community and agriculture industry. The request annualizes to \$71,023 in cash funds from the Plant Health, Pest Control, and Environmental Protection Cash Fund and 1.0 FTE in FY 2024-25 and beyond. The Department identified this request as evidence-informed.

R5 INSPECTION AND CONSUMER SERVICES FUNDS ADJUSTMENT: The request includes an increase of \$300,000 in cash fund spending authority and a \$300,000 reduction in General Fund from the Inspection and Consumer Services Division (ICS). The Department believes this to be an appropriate realignment in spending authority due to a healthy cash fund balance and because the realignment will not result in increasing fees for the commercial scales, feed, and fertilizer programs. The request annualizes to the same \$300,000 shift in spending authority from General Fund to cash fund in FY 2024-25 and beyond.

R6 ANIMAL HEALTH AND WELFARE: The request includes an increase of \$238,505 in General Fund and 0.9 FTE to hire a full-time Western Slope Compliance Investigator, a social service and mental health contractor, and additional operational funding to the Bureau of Animal Protection (BAP). The request annualizes to \$239,045 General Fund and 1.0 FTE in FY 2024-25 and beyond. The Department identified this request as evidence-informed.

NON-PRIORITIZED DECISION ITEMS: The request includes an increase of \$899,350 total funds, including \$231,456 General Fund, for adjustments related to budget requests from the Department of Personnel for its legal allocations, COE common policy, transfer of performance budgeting to DPA, and an annual fleet vehicle request. *These request items will be addressed in separate staff briefings for the Department of Personnel and the Governor’s Office.*

NON-PRIORITIZED DECISION ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
NP5 Legal allocations	\$771,710	\$145,776	\$625,934	\$0	\$0	0.0
NP4 OIT Budget request package	127,049	82,328	44,721	0	0	0.0
NP1 COE Common Policy	6,229	6,229	0	0	0	0.0
NP2 Transfer of performance budgeting to DPA	1,788	243	1,350	195	0	0.0
NP3 Annual fleet vehicle request	(7,426)	(3,120)	(4,204)	0	(102)	0.0
TOTAL	\$899,350	\$231,456	\$667,801	\$195	(\$102)	0.0

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally appropriated line items for the following line items.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
Health, life, and dental	\$641,662	\$500,945	\$140,717	\$0	\$0	0.0
Salary survey	508,653	264,814	243,839	0	0	0.0
AED	88,271	110,231	(21,960)	0	0	0.0
SAED	88,271	110,231	(21,960)	0	0	0.0
Workers' compensation	22,650	4,027	18,623	0	0	0.0
DPS Digital trunk radio	20,222	13,144	7,078	0	0	0.0
ALJ services	4,928	0	4,928	0	0	0.0
Short-term disability	2,048	3,092	(1,044)	0	0	0.0
PERA direct distribution	(232,323)	31,526	(263,849)	0	0	0.0
Payments to OIT	(189,753)	(122,960)	(66,793)	0	0	0.0
Payment to risk management and property funds	(154,071)	(93,398)	(60,673)	0	0	0.0
CORE adjustment	(8,018)	(1,090)	(6,928)	0	0	0.0
Shift differential	(883)	521	(1,404)	0	0	0.0
TOTAL	\$791,657	\$821,083	(\$29,426)	0	0	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The FY 2023-24 request includes a net decrease of \$38,217 total funds for prior year budget actions, summarized in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
FY 22-23 Salary survey	\$628,110	\$211,167	\$416,943	\$0	\$0	0.0
FY 22-23 R1 Agriculture emergency coordinator	3,190	(246)	1,718	1,718	0	0.1
FY 22-23 R6 Improve agricultural pest response	909	0	909	0	0	0.1
FY 22-23 R5 San Luis Valley well monitoring	(385,000)	0	(385,000)	0	0	0.0
FY 22-23 Rural mental health programs	(200,000)	(200,000)	0	0	0	0.0
FY 22-23 AG Leadership program	(75,000)	(75,000)	0	0	0	0.0
FY 22-23 R2 Enhancing resources for bureau	(10,426)	(10,426)	0	0	0	0.2
TOTAL	(\$38,217)	(\$74,505)	\$34,570	\$1,718	0	0.4

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes a net decrease of \$121,934 total funds to reflect the FY 2023-24 impact of bills passed in previous sessions, summarized in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
SB 22-206 Disaster preparedness	\$1,472	\$1,472	\$0	\$0	\$0	0.1
HB 22-1353 Public safety communications transfer	0	0	0	0	0	0.0
HB22-1053 Blockchain agriculture	(66,568)	(66,568)	0	0	0	0.0
HB22-1308 Agriculture workforce	(52,314)	(52,314)	0	0	0	0.0
HB 21-1181 Soil health program	(3,260)	(3,260)	0	0	0	0.1
SB22-209 Meat processing grant	(1,264)	(1,264)	0	0	0	0.1
TOTAL	(\$121,934)	(\$121,934)	\$0	\$0	\$0	0.3

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

ONE-TIME FUNDING AUTHORIZED IN RECENT LEGISLATIVE SESSIONS: This issue discusses one-time funding allocated in General Fund and federal Coronavirus State Fiscal Recovery Funds (ARPA funds) by the General Assembly during the 2021 and 2022 legislative sessions. The Department received a total of \$84 million in one-time funding through six bills over the previous two years.

R1 CLIMATE DROUGHT-SMART AGRICULTURE MARKETING SPECIALIST: This issue discusses the Department's request for \$245,831 General Fund and 0.9 FTE in FY 2023-24 and \$248,677 General Fund and 1.0 FTE in FY 2024-25 and ongoing to work on the creation and promotion of a climate and drought-smart commodities market in Colorado. The Marketing Specialist's work would build on both state and federal investments made into a recently created soil health program in Colorado.

R2 COMMISSIONER'S OFFICE SUPPORT: This issue discusses a requested increase of \$156,849 General Fund and 0.9 FTE in FY 2023-24 and \$162,787 General Fund and 1.0 FTE in FY 2024-25 and beyond to fund the newly created Deputy Commissioner of Operations position in the Commissioner's office. With the expansion of the department's program areas to include community food access, agricultural labor, soil health, drought and climate resilience, and lending the Department has hired a Deputy Commissioner of Operations to lead their implementation and seeks to make the position permanent.

FOR MORE INFORMATION

JBC STAFF ANALYST: Matthew Valeta
(303) 866-5434
Matthew.Valeta@state.co.us

TO READ THE ENTIRE BRIEFING: Go to <http://leg.colorado.gov/content/budget/budget-documents> to use the budget document search tool. Select this department's name under *Department/Topic*, "Briefing" under *Type*, and select a *Start date* and *End date* to show documents released in November and December of 2022.