



# Colorado Department of Agriculture (CDA) Fiscal Year 2024-25 Legislative & Budget Request Summary

## Legislative Requests

### **CDA Leg- 01: Agricultural Stewardship Tax Credit (\$.529M GF):**

Provide up to \$10 million annually in refundable income tax credits for implementing agricultural practices with environmental benefits. Implementing qualified practices will allow a producer to be eligible for tax incentives that will be multiplied by the number of acres the practices are implemented on.

### **CDA Leg- 02: Agricultural Land and Equipment Access Program (\$80K GF DOR):**

This request seeks to provide a refundable income tax credit for selling or leasing agricultural assets to beginning or underserved and underrepresented producers. This proposal would build upon a previous deduction (original legislation: HB16-1194) to create an incentive program to provide the next generation and historically underserved and underrepresented communities with the land, water, and equipment needed to succeed in agriculture.

### **CDA Leg- 03: Veterinary Workforce Tax Credit (\$130K GF CDA & DOR):**

This request seeks to provide a refundable tax credit to incentivize professionals who provide or assist in the provision of veterinarian services in rural areas and in non-profit settings. This credit would provide a financial incentive to service providers who bolster veterinarian service in areas of the state that lack these services.

## **CDA Leg- 04: Division of Animal Welfare, Public Equine Facility Registration and Welfare Grants (\$500K TF/ \$350K GF):**

CDA is proposing to create a new Division of Animal Welfare that will align two existing programs: the Pet Animal Care and Facilities Act (PACFA) and the Bureau of Animal Protection (BAP) and to create an equine facility registration program for public-facing horse facilities to ensure animal welfare and protect consumers. As part of this request, CDA is also requesting \$200k in GF annually for 3 years (& 0.25 FTE) for grants that would assist in meeting animal welfare standards for horses or for support of individuals experiencing economic hardship who have horses under their care.

## **CDA Leg- 05: Gender Neutral Statute Updates:**

This request will remove gender-specific language from Title 35 (Agriculture) as well as require the Office of Legislative Legal Services to update any future statutes that are edited through the legislative process to be gender-neutral.

## **CDA Leg-06: HB24-1032 Wild Horse Authority Extension:**

This request will extend the Department of Agriculture's authority to spend funds associated with Senate Bill 23-275.

## **Budget Requests**

### **R-01: Agricultural Emergency Management Resilience:**

\$363,018 (2.7 FTE) in FY 24-25 and \$371,328 and 3.0 FTE ongoing to hire three (3) Emergency Preparedness and Communications Specialist IVs. These positions will strengthen the department's emergency response apparatus while providing critical support to an existing Agriculture Emergency Coordinator position. These regional field staff will engage directly with Colorado's rural agricultural communities and facilitate a comprehensive approach to disaster preparedness, response, recovery, and mitigation. As emergencies such as wildfire, flooding, severe winter weather, and animal disease impact agriculture more regularly, the exigency of a robust emergency infrastructure rises in parity. These new positions will enable the CDA to support a National Incident Management System, implement regional preparedness

training regiments, enhance succession planning, and provide strategic service delivery with exceptional logistic and planning development.

#### **R-02: Division of Animal Welfare:**

**\$741,628 (3.6 FTE) in FY 2024-25 and \$664,135 (4 FTE) ongoing** to develop a Division Of Animal Welfare (DAW). Under the DAW, CDA will align two existing programs: the Pet Animal Care and Facilities Act (PACFA) and the Bureau of Animal Protection (BAP), and build a framework to sustain new initiatives, including CDA's legislative proposal to license certain equine facilities. Through a new division dedicated to animal welfare, the Department will align its organizational structure to meet the need for proactive education and outreach; engage in additional initiatives related to animal welfare; and develop critical support to serve local law enforcement. This will lead to improved protection for animals, with the goal of preventing cruelty, neglect, and abuse. This request will advance the safety of communities by supporting good animal husbandry practices across the companion animal and livestock industries.

#### **R-03: Renewable Energy Adaptation & Development:**

**\$931,656 General Fund (1.9 FTE) in FY 24-25 and \$932,426 General Fund (2.0 FTE) ongoing** to expand programming through the Agricultural Drought and Climate Resilience Office (ADCRO). The additional funding will be used to: accelerate renewable energy distributed generation; capture federal funding for Colorado's rural and agricultural communities; and support a suite of on-farm resilience practices and renewable energy projects. This request will also continue funding for a "Program Management II," position and add a Grants Specialist IV position (1.0 FTE). This request also includes \$700,000 for grant funding and minor operating costs. This program will be a key contributor to meeting Colorado's state wide climate goals and advancing renewable energy production.

#### **R-04: General Fund Operational Increases:**

**\$195,000 in operating funds in FY 2024-25 and ongoing** to support the Markets and the Conservation Divisions operating budgets. Specifically, \$65,000 for the International Markets program, \$85,000 for the Colorado Proud program, and \$45,000 for the Colorado State Conservation Board (CSCB) program. These programs have seen an ongoing increase in

operating expenses due to inflationary pressures. Unlike many of the Department's other regulatory services, the identified programs within the Markets and Conservation Divisions do not have cash funds to support themselves. This request supports water-resilient agriculture by supporting the statewide CSCB, which promotes healthy soils and reduces water waste. This request will also support the Next Generation of Agriculturalists by strengthening and preserving strong markets for Colorado's agricultural commodities.

#### **R-05: Operational Cash Fund Increases:**

**\$3,174,718 in spending authority from various cash funds in FY2024-25 and ongoing.** The cash fund spending authority increase will be for the following six identified cash funds: Plant Industry Division (23S0), Inspection and Consumer Services (16R0), Conservation Services Division (23S0), Agriculture Products Inspection Fund (1030), Brands Division (1080), and Colorado State Fair (5100). With the exception of the State Fair, these cash funds have not seen an operating increase in at least a decade. Ongoing inflation has begun to strain associated program budgets, specifically regarding travel and transportation (hotel, fuel, airfare, conference fees); supplies and materials, professional services, maintenance and repairs, marketing and advertising, and research and development. This request seeks a 13.5%, ongoing, across-the-board increase (\$3,174,718) in cash fund spending authority for the six identified cash funds.

#### **R-06: Commissioner's Office Indirect Cost Assessment:**

**\$700,000 in reappropriated funds in FY2024-25 and ongoing** to support centralized services offered by the Commissioner's Office. Revenue to support the increase of the reappropriated fund will require a spending authority increase in the corresponding Indirect Cost Assessment lines, which are funded via cash and federal sources. These services include: Human Resources, Business Operations (Accounts Payable/Receivable, Payroll, etc.), Communications, as well as Budget and Legislative Development and support. This request is ongoing in order to maintain seamless support provided by the Commissioner's Office to the department's internal divisions in order to ensure that CDA is able to meet its Core Values of Partnership, Service, Professionalism, Proactivity, and Respect.

#### **R-07: Next Gen/Ag Leadership Program:**

\$451,021 General Fund in FY 2024-25 and \$444,021 ongoing in order to expand two interconnected programs (Agriculture Workforce Development and Next Generation Agriculture Leadership) to meet the demonstrated need for quality training; as well as educational and financial opportunities for beginning agriculturalists in our state. Equitable outcomes are more likely when greater and more inclusive opportunities exist, like the ones these programs provide for aspiring farmers and ranchers. This investment will allow the department to prioritize the future of agriculture by training Coloradoans for careers in agriculture while allowing businesses and interns to plan for the future with the security that these programs will be available consistently year after year. Specifically, \$451,021 would cover 1 FTE, support reimbursements for 45 internships per year within the Ag Workforce Development Program (\$175,000), and fund \$175,000 in Ag Leadership projects. This request supports a critical department goal of reducing barriers that beginning agriculturalists face in building a career in agriculture by providing training, education, and financial opportunities to the next generation of agricultural leaders and producers.

#### **R-08: Rural Mental and Behavioral Health Grant Program:**

One-time \$550,020 GF in FY 2024-25 to reinvigorate the department's Rural Mental Health Grant Program to support rural and agricultural communities, reduce health care costs, and decrease the stigma surrounding mental health services. CDA is requesting 0.25 FTE to manage both this program for the duration of this additional one-time General Fund infusion. Specifically, this request will support grants to behavioral health providers, radio public service announcements, and program operations. This program focuses on underserved, rural populations and will support increased access to behavioral health services.

#### **R-09: Workforce Services:**

\$289,788 (1.8 FTE) in FY 2024-25 and \$294,730 (2.0 FTE) ongoing to increase coordination and outreach to agricultural workers and employers as well as to address agricultural labor issues. With this funding, CDA will create a regional network of convenors and experts in agricultural workforce space that can coordinate efforts and create a consistent framework across the

state to help ensure proper working conditions, meet employer workforce needs, provide technical assistance, and facilitate access to other state services and federal resources.

#### **R-10: Business Operations Process Improvements:**

One-time \$207,009 GF in FY 2024-25 for a Human Resources (HR) and Business Operations (Biz Ops) Automation solution within OnBase. This tangible savings process improvement streamlines the multiple processes within the Business Operations and HR teams. Moving to an updated workflow tool to address the use of disconnected systems (such as spreadsheets, shared network file storage, and email) and centralize those functions on a single platform. With the installation of this tool, both the Business Operations and HR divisions will gain efficiencies in addition to eliminating vulnerabilities associated with utilizing outdated systems. Specifically, the department will be able to maximize staff time through the elimination of inefficient and cumbersome processes; increase data and security integrity through the implementation of IT best practices; and enhance efficacy and public transparency through the establishment of stronger audit mechanisms in this space. The goal of this project is to help bridge the digital divide between Biz Ops/HR and the division staff, which will lead to enhancements in service for CDA's internal customers.

### **Budget Amendments**

#### **BA-01: Wolf Reintroduction Technical Assistance:**

\$580,936 General Fund (2.8 FTE) in FY 2024-25 and \$424,647 General Fund (3.0 FTE) ongoing to provide non-lethal wolf depredation technical assistance and supplies to Colorado's farmers and ranchers through a network of three wildlife managers (classified as Administrators IV's). This network will work with Colorado Parks and Wildlife (CPW) to manage and recover gray wolf populations within Colorado while minimizing conflicts with livestock and agricultural producers.

## Controlled Maintenance Requests

### Colorado State Fair Creative Arts:

\$1,995,357 phase one in FY2024-25, \$1,469,932 in phase two for a total project amount of \$3,465,292. This request will remediate HVAC, fire suppression, ADA, and code compliance. This building holds many off-season community events and also holds the Creative Arts competitions during fair time.

### Colorado State Fair Events Center Seating:

\$1,943,571 GF in FY2024-25, this request will replace the retractable seating (pull-out bleachers) in the State Fair Events Center. This building is one of the most popular and holds some of the State Fair's highest-grossing ticketed events.