

CHAPTER 239

AGRICULTURE

SENATE BILL 07-244

BY SENATOR(S) Isgar, Brophy, Romer, Schwartz, Taylor, and Tochtrop;
also REPRESENTATIVE(S) Buescher, Curry, Gallegos, Gardner C., Hodge, Massey, McFadyen, and Rose.

AN ACT

CONCERNING THE AGRICULTURE VALUE-ADDED DEVELOPMENT FUND PROGRAM.

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

SECTION 1. 35-75-204 (1), (2) (a), and (5), Colorado Revised Statutes, are amended to read:

35-75-204. Duties of the board - agriculture value-added grants, loans and loan guarantees, equity investments, and tax credits. (1) The board has the power to make grants, loans and loan guarantees, and equity investments to ANY PERSON, INCLUDING eligible agricultural value-added cooperatives, as defined in section 35-75-202 (4), and to offer tax credits to such cooperatives pursuant to section 39-22-527, C.R.S., for new or ongoing rural agricultural ~~business~~ projects AND RESEARCH that add value to Colorado agricultural products and aid the economy of a rural Colorado ~~community~~ COMMUNITIES. Subject to the annual dollar limitations stated in sections 39-22-527 and 39-22-528, C.R.S., the board also has the power to fund market promotion activities of the department pursuant to section 35-75-205 (2) (f) and to offer tax credits to participants and to agricultural businesses other than eligible agricultural value-added cooperatives so long as such agricultural businesses are located solely in Colorado and comply with the criteria established by the board pursuant to subsection (2) of this section, add value to agricultural products, and aid the economy of a rural community.

(2) The board shall employ the following criteria in determining whether to award an agriculture value-added grant, loan, loan guarantee, or tax credit:

(a) ~~The amount of the cash funds invested in the rural agricultural project from private sources shall be at least five thousand dollars and, of the total amount of~~

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

~~such cash funds, at least fifty percent shall be from private individuals or entities who reside in Colorado more than half of each year or are domiciled in Colorado;~~

(5) The board may provide or facilitate grants, loans or loan guarantees, equity investments, or tax credits for ~~the member~~ ANY PERSON WHO MEETS THE CRITERIA SET FORTH IN THIS PART 2 OR ESTABLISHED BY THE BOARD UNDER PARAGRAPH (d) OF SUBSECTION (2.5) OF THIS SECTION, including, but not limited to, loans from the United States department of agriculture rural development program, subject to availability. Such financial assistance shall only be provided to feasible project concepts, ~~that may be operated profitably~~, and the amount of such financial assistance shall be the least amount necessary to cause the project to occur, as determined by the board. The board may structure the financial assistance in a way that causes the project to occur and also provides for a compensatory return on investment or loan payment to the board, based upon the risk of the project concept.

SECTION 2. 35-75-204 (2.5), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

35-75-204. Duties of the board - agriculture value-added grants, loans and loan guarantees, equity investments, and tax credits. (2.5) In addition to the criteria listed in subsection (2) of this section, the board may also consider:

(d) ANY OTHER CRITERIA THE BOARD DETERMINES ARE NECESSARY TO CARRY OUT THE PURPOSES OF THIS PART 2.

SECTION 3. 35-75-205 (1), Colorado Revised Statutes, is amended to read:

35-75-205. Tax credits, grants, loans and loan guarantees, and equity investments - agriculture value-added cash fund - created - repeal. (1) The moneys derived from purchases of tax credits from the board by participants in accordance with section 39-22-528, C.R.S., and moneys received by the board from public or private gifts, grants, or donations or from any other source shall be forwarded to the state treasurer and shall be credited to the agriculture value-added cash fund, which fund is hereby created. Moneys in the fund are continuously appropriated to the board and shall be used for ~~financial or technical assistance for~~ the purpose of preparing criteria and reviewing applications AS provided in section 35-75-204 AND FOR FINANCIAL OR TECHNICAL ASSISTANCE to ~~rural~~ agricultural projects, ~~and~~ project concepts, AND RESEARCH as approved by the board. All interest earned on the investment of moneys in the fund shall be credited to the fund. The board may provide or facilitate tax credits, grants, loans and loan guarantees, and equity investments for ~~rural~~ agricultural projects, ~~or~~ project concepts OR RESEARCH; except that such tax credits, grants, loans and loan guarantees, and equity investments shall be limited to two million dollars per project. Tax credits, grants, loans and loan guarantees, and equity investments may only be provided to feasible projects and for an amount that is the least amount necessary to cause the project to occur, as determined by the board. The board may structure the grants, loans and loan guarantees, and equity investments in a way that facilitates the project and also provides for a compensatory return on investment or loan payment to the board based on the risk of the project. Any moneys credited to the agriculture value-added cash fund and unexpended at the end of any given fiscal year shall remain in the fund and shall not revert to the general fund or any other fund.

SECTION 4. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 17, 2007