

**STATE  
FISCAL IMPACT**

**Drafting Number:** LLS 10-0029  
**Prime Sponsor(s):** Sen. Schwartz  
 Rep. Vigil

**Date:** February 3, 2010  
**Bill Status:** Senate Agriculture  
**Fiscal Analyst:** Clare Pramuk (303-866-2677)

**TITLE:** CONCERNING CREATION OF THE "COLORADO SEED POTATO ACT".

<b>Fiscal Impact Summary</b>	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>
<b>State Revenue</b>		
Cash Funds		
Seed Potato Cash Fund	\$2,959	\$2,559
<b>State Expenditures</b>		
Cash Funds		
Seed Potato Cash Fund	\$2,959	\$2,559
<b>FTE Position Change</b>		
<b>Effective Date:</b> July 1, 2010.		
<b>Appropriation Summary for FY 2010-2011:</b> See State Appropriations section.		
<b>Local Government Impact:</b> None.		

**Summary of Legislation**

This bill creates the Colorado Seed Potato Act which requires potato growers who plant 1 or more acres of potatoes to use certified seed potatoes, with some exceptions. The Commissioner of Agriculture is responsible for administration and enforcement of the act and can set fees, conduct inspections, issue subpoenas, impose civil penalties, and sue in court. Growers are required to maintain certain records, which may be reviewed by an independent auditor on a random basis. Colorado State University is the certifying authority for Colorado grown seed potatoes. Seed potatoes grown outside of Colorado must be certified by the certifying authority of the state, territory, or country of origin.

The bill creates the commissioner-appointed 9-member Seed Potato Advisory Committee, and specifies their duties. Both the role of the commissioner and the advisory committee are repealed September 1, 2019, upon sunset review.

**State Revenue**

This bill is expected to increase revenue to the Seed Potato Cash Fund by \$2,959 in FY 2010-11 and \$2,556 in FY 2011-12 from fees to be paid on a pro rata basis by the Colorado Potato Administrative Committees for Areas II and III. Growers are subject to fines but none are expected to be levied until after FY 2011-12.

**State Expenditures**

Administration of the act is expected to increase expenditures by \$2,959 in FY 2010-11 and \$2,556 in FY 2011-12. All expenditures are in the Department of Agriculture from the Seed Potato Cash Fund and are detailed in Table 1.

<b>Table 1. Expenditures Under SB10-072</b>		
<b>Cost Components</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>
Personal Services	\$1,412	\$1,537
Travel and per diem	642	642
Legal Services	905	377
<b>TOTAL</b>	<b>\$2,959</b>	<b>\$2,556</b>

The department will develop and maintain rules, oversee the program and conduct investigations which will require travel to the San Luis Valley. Legal services for rulemaking and investigation provided by the Department of Law are estimated at \$905 in FY 2010-11 for 12 hours and \$377 for 5 hours in FY 2011-12. The fiscal note assumes that the cost for an independent auditor to conduct record reviews will be billed directly to the Colorado Potato Administrative Committee for Area II.

**State Appropriations**

For FY 2010-11, the Department of Agriculture requires an appropriation of \$2,959 from the Seed Potato Cash Fund.

**Departments Contacted**

Agriculture

Higher Education

Judicial