

- the food is labeled with specific information including a disclaimer that it was produced in a home kitchen not subject to state licensure or inspection;
- net revenues from each eligible food product made in the home kitchen do not exceed \$5,000 in a calendar year; and
- the food is sold directly to ultimate consumers and only at the grower's residence, a farmers' market, or similar venue.

The bill allows the Colorado Food Systems Advisory Council to consider the feasibility of developing a subclassification of the Colorado Proud marketing program. It requires the Department of Agriculture to promote farmers' markets within existing appropriations. It allows small egg producers to sell their eggs on their premises or at local farmers' markets in accordance with the laws and rules regarding egg safety. Finally, the bill directs the Department of Transportation to promulgate rules regarding the safe placement of signs advertising farmers' markets and roadside stands.

State Expenditures

This bill will increase expenditures by \$5,466 in FY 2011-12 for the Department of Transportation from the State Highway Fund. These funds are required to promulgate rules for standards for signage for advertising farmers' markets, roadside stands and similar venues. Should these rules be put in place, the state would apparently violate the federal Highway Beautification Act and would lose 10 percent of the department's appropriation of federal highway funding, or approximately \$40 million per year.

Table 1. Expenditures Under SB 11-258	
Cost Components	FY 2011-12
Personal Services	\$3,532
Operating Expenses and Capital Outlay	100
Legal Services	1,834
Federal Funds	(40,000,000)
TOTAL	(\$39,994,534)

Local Government Impact

This bill will increase expenditures for local health departments to create and maintain grower registries but allows them to charge fees to cover their actual and direct costs. These costs will vary among departments and will depend on whether departments choose to implement optional authorities provided in the bill. These include rulemaking, suspension of a grower's registration if the food is determined to be hazardous, or revocation of a grower's registration for violation of the bill or rules.

State Appropriations

The Department of Transportation Administration line item requires an appropriation of \$5,466 from the State Highway Fund and a corresponding decrease to the informational Construction, Maintenance, and Operations line item for FY 2011-12.

Departments Contacted

Agriculture

Public Health and Environment

Transportation