

Background

The seven-member Agriculture Value-Added Development Board was created by House Bill 01-1086. The board makes grants, loans and loan guarantees, and equity investments to any person, including eligible agricultural value-added cooperatives, for new or ongoing agricultural research and projects that add value to Colorado agricultural products and aid the economy of rural Colorado communities. The board also has the authority to fund market promotion activities of the CDA. The board receives \$500,000 from the Severance Tax Operational Fund annually.

State Expenditures

This bill increases expenditures by the Colorado Agricultural Value-Added Development Board in the CDA by up to \$625,000 annually beginning in FY 2015-16 and ending in FY 2019-20.

The CDA staff will provide support to the board in administering the program. Because the requirements of the bill are consistent with the current operations of the board, with the exception of \$5,000 in travel costs annually, the board and staff workload will be addressed within existing appropriations. Travel is required for staff to meet with prospective businesses, business development agencies, and economic development agencies on the front end of the process, and grantees once grant awards have been made.

Effective Date

The bill takes effect August 5, 2015, if the General Assembly adjourns on May 6, 2015, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2015-16, the Department of Agriculture requires, and the bill includes, a General Fund appropriation of \$500,000.

State and Local Government Contacts

Agriculture