

First Regular Session
Seventy-third General Assembly
STATE OF COLORADO

REDRAFT

3.4.21

Double underlining
denotes changes from
prior draft

DRAFT

LLS NO. 21-0189.01 Bob Lackner x4350

HOUSE BILL

HOUSE SPONSORSHIP

Roberts,

SENATE SPONSORSHIP

(None),

BILL TOPIC: "Food Production Greenhouses As Ag Prop"

A BILL FOR AN ACT

101 CONCERNING THE INCLUSION OF CERTAIN LAND AREAS USED TO GROW
102 AGRICULTURAL FOOD PRODUCTS IN GREENHOUSES FOR
103 COMMERCIAL SALE AS AGRICULTURAL LAND FOR PROPERTY TAX
104 PURPOSES.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

A "controlled environment agricultural facility" (CEAF) is a structure, typically a greenhouse, that combines engineering, plant science, and computer management technologies to optimize plant growing, plant quality, and food production efficiency.

*Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

Commencing January 1, 2022, the bill includes within the definition of "agricultural products" for property tax purposes food products grown within a CEAF that do not include medical and retail marijuana and industrial hemp.

The bill excludes a CEAF from the definition of "all other agricultural property".

Commencing that same date, the bill includes within the property tax definition of "farm" a parcel of land underlying a CEAF, which facility contains at least 10,000 square feet and which has as its primary purpose obtaining a monetary profit from the sale of agricultural food products grown in the facility, along with any land areas or improvements integral to the operation of the facility. A CEAF meeting these requirements will be valued the same for property tax purposes as agricultural land that qualifies as a farm.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-1-102, **amend**
3 (1.1) and (3.5); and **add** (1.6)(b)(II) and (3.3) as follows:

4 **39-1-102. Definitions.** As used in articles 1 to 13 of this title 39,
5 unless the context otherwise requires:

6 (1.1) "Agricultural and livestock products" means:

7 (a) Plant or animal products in a raw or unprocessed state that are
8 derived from the science and art of agriculture, regardless of the use of
9 the product after its sale and regardless of the entity that purchases the
10 product. "Agriculture", for the purposes of this subsection (1.1), means
11 farming, ranching, animal husbandry, and horticulture.

12 (b) ON AND AFTER JANUARY 1, 2022, "AGRICULTURAL PRODUCTS",
13 FOR THE PURPOSES OF THIS SUBSECTION (1.1), INCLUDE FOOD PRODUCTS
14 GROWN WITHIN A CONTROLLED ENVIRONMENT AGRICULTURAL FACILITY
15 THAT DO NOT INCLUDE MEDICAL AND RETAIL MARIJUANA PRODUCTS AND
16 INDUSTRIAL HEMP, AS THOSE TERMS ARE DEFINED IN SECTION 44-10-103.

17 (1.6) (b) (III) ON AND AFTER JANUARY 1, 2022, "ALL OTHER
18 AGRICULTURAL PROPERTY" SHALL NOT INCLUDE A CONTROLLED

1 ENVIRONMENT AGRICULTURAL FACILITY.

2 (3.3) "CONTROLLED ENVIRONMENT AGRICULTURAL FACILITY" IS
3 A STRUCTURE, TYPICALLY A GREENHOUSE, THAT COMBINES ENGINEERING,
4 PLANT SCIENCE, AND COMPUTER MANAGEMENT TECHNOLOGIES TO
5 OPTIMIZE PLANT GROWING, PLANT QUALITY, AND FOOD PRODUCTION
6 EFFICIENCY.

7 (3.5) (a) "Farm" means a parcel of land ~~which~~ THAT is used to
8 produce agricultural products that originate from the land's productivity
9 for the primary purpose of obtaining a monetary profit.

10 (b) ON AND AFTER JANUARY 1, 2022, "FARM" INCLUDES A PARCEL
11 OF LAND UNDERLYING A CONTROLLED ENVIRONMENT AGRICULTURAL
12 FACILITY, WHICH FACILITY CONTAINS AT LEAST TEN THOUSAND SQUARE
13 FEET AND WHICH HAS AS ITS PRIMARY PURPOSE OBTAINING A MONETARY
14 PROFIT FROM THE SALE OF AGRICULTURAL FOOD PRODUCTS GROWN IN THE
15 FACILITY, ALONG WITH ANY LAND AREAS OR IMPROVEMENTS INTEGRAL TO
16 THE OPERATION OF THE FACILITY. A FARM SATISFYING THIS SUBSECTION
17 (3.5)(b) SHALL BE VALUED THE SAME AS AGRICULTURAL LAND THAT
18 QUALIFIES AS A FARM.

19 **SECTION 2. Act subject to petition - effective date.** This act
20 takes effect at 12:01 a.m. on the day following the expiration of the
21 ninety-day period after final adjournment of the general assembly; except
22 that, if a referendum petition is filed pursuant to section 1 (3) of article V
23 of the state constitution against this act or an item, section, or part of this
24 act within such period, then the act, item, section, or part will not take
25 effect unless approved by the people at the general election to be held in
26 November 2022 and, in such case, will take effect on the date of the
27 official declaration of the vote thereon by the governor.