FY 2027-28 Budget Briefing Summary

Department of Agriculture

The Department of Agriculture oversees, regulates, and promotes the state's agricultural sector. The Department's FY 2026-27 appropriation represents approximately 0.2 percent of statewide operating appropriations and 0.1 percent of statewide General Fund appropriations.

Summary of Request

Department of Agriculture

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2026-27 Appropriation						
HB 26-1410 (Long Bill)	$78,305,667	$18,429,238	$51,932,263	$3,132,026	$4,812,140	334.2
Other Legislation	-461,617	0	-461,617	0	0	0.0
Total	$77,844,050	$18,429,238	$51,470,646	$3,132,026	$4,812,140	334.2
FY 2027-28 Requested Appropriation						
FY 2026-27 Appropriation	$77,844,050	$18,429,238	$51,470,646	$3,132,026	$4,812,140	334.2
R1 Conservation division reduction	-522,500	-522,500	0	0	0	0.0
R2 Pet care act FTE and operations	247,560	0	247,560	0	0	1.0
R3 State fair spending authority	500,000	0	500,000	0	0	0.0
Employee compensation common policies	2,052,710	1,791,152	402,382	0	-140,824	0.0
Operating common policies	306,001	52,054	224,647	17,869	11,431	0.0
Technical adjustments	-5,139	-39	-3,182	-1,139	-779	0.5
Total	$80,422,682	$19,749,905	$52,842,053	$3,148,756	$4,681,968	335.7
Increase/-Decrease	$2,578,632	$1,320,667	$1,371,407	$16,730	-$130,172	1.5
Percentage Change	3.3%	7.2%	2.7%	0.5%	-2.7%	0.4%

Changes are assumed to be ongoing unless otherwise noted.

R1 Conservation division reduction: This request is to reduce General Fund appropriations for the Noxious Weed Program and eliminate appropriations for an unrelated concluded project. The Department expects to support noxious weed grants through in-kind and educational services, as well as external funding opportunities though securing those funds is not guaranteed.

Year 1: The requested appropriation reduction is $522,500 General Fund.

R2 Pet care act FTE and operations: This request is for additional cash fund spending authority from the Pet Animal Care and Facility Fund. The Department indicates that rising operational costs due to inflation have forced them to prioritize essential software costs over FTE, leading to the program being understaffed. Recent legislation authorized the Department to raise fees—a process they are considering regardless of this request.

Year 1: The request is for $247,560 of cash fund spending authority and 1.0 FTE.

Year 2: The request is for $248,936 of cash fund spending authority.

R3 State Fair spending authority: This request is for increased spending authority from the State Fair Cash Fund. A part of this will go towards physical security equipment, a part will go towards facility maintenance, and a part will increase entertainment offerings at the fair.

Year 1: The request is for $500,000 cash fund spending authority.

Employee compensation common policies: The request includes a net increase of $2.1 million for employee compensation common policies. A common policy refers to general policies applied consistently to all departments.

Employee compensation common policies

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Health, life, and dental	$1,179,706	$1,316,129	-$30,073	$0	-$106,350	0.0
Step plan	683,517	218,791	438,102	0	26,624	0.0
Salary survey	496,762	176,180	294,028	0	26,554	0.0
Unfunded liability amortization payments	-268,293	56,599	-241,511	0	-83,381	0.0
PERA direct distribution	-19,551	20,030	-39,581	0	0	0.0
Paid family and medical leave insurance	-11,436	2,706	-10,501	0	-3,641	0.0
Shift differential	-6,209	296	-6,448	0	-57	0.0
Short-term disability	-1,786	421	-1,634	0	-573	0.0
Total	$2,052,710	$1,791,152	$402,382	$0	-$140,824	0.0

Operating common policies: The request includes a net increase of $306,001 for operating common policies.

Operating common policies

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Departmental indirect cost adjustment	$235,512	$0	$205,734	$17,869	$11,909	0.0
Risk management & property	133,569	80,970	52,599	0	0	0.0
Legal services	12,429	3,620	8,809	0	0	0.0
NP Statewide training system	9,962	0	9,962	0	0	0.0
NP DPA Personnel Board	9,077	0	9,077	0	0	0.0
Administrative law judge services	401	0	401	0	0	0.0
Workers' compensation	-49,896	-9,869	-40,027	0	0	0.0
Vehicle lease payments	-43,725	-21,804	-21,443	0	-478	0.0
Digital trunked radios	-1,328	-863	-465	0	0	0.0
Total	$306,001	$52,054	$224,647	$17,869	$11,431	0.0

Impacts driven by other agencies: The request includes a net increase of $41,785 for requests from other state agencies. These are also called "non-prioritized requests." The amount shown in the table below applies only to this department and does not necessarily reflect the total value of the request.

Impacts driven by other agencies

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
NP IT accessibility	$110,043	$0	$110,043	$0	$0	0.0
NP State accounting system (CORE) staff	14,027	4,137	8,782	0	1,108	0.0
NP SB24-205 AI compliance	11,108	11,108	0	0	0	0.0
NP SB24-205 AI compliance	7,495	4,761	2,734	0	0	0.0
NP Statewide enable AI	3,761	2,389	1,372	0	0	0.0
NP IT operating offset	-80,326	-51,039	-29,287	0	0	0.0
NP IT efficiencies	-24,323	-15,455	-8,868	0	0	0.0
Total	$41,785	-$44,099	$84,776	$0	$1,108	0.0

Technical adjustments: The request includes two minor technical adjustments for leased space and the Department's accounting system costs.

Technical adjustments

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Leased space technical correction	2,638	0	2,638	0	0	0.5
CORE Operations technical adjustment	-7,777	-39	-5,820	-1,139	-779	0.0
Total	-$5,139	-$39	-$3,182	-$1,139	-$779	0.5

Issues Presented

Staff presented two issue briefs; one was about the Agricultural Management Fund, and the other was about the mountain pine beetle biocontrol program at the Palisade Insectary.

Update on Agricultural Management Fund

- During FY 2026-27 figure setting, the Long Bill appropriated $780,000 in Agricultural Management Fund (AMF) to offset General Fund appropriations, including $457,000 on an ongoing basis.
  - **Upcoming Appropriation Adjustment:** Staff will need to bring forward a recommendation during figure setting to address a technical accounting issue in how this reduction was implemented. **Consequently, General Fund appropriations for the Department should be $457,000 lower than what shows up in the request**.
- This budget action was supported by staff analysis demonstrating a healthy and growing fund balance, enabling the state to reduce General Fund without adversely impacting Department operations or FTE.
- In preparing for FY 2027-28, staff reassessed fund solvency and consulted with the Department regarding the sustainability of this arrangement and any downstream impacts on programmatic planning.
- Staff concludes the fund balance remains strong and could potentially support additional General Fund balancing options should budgetary conditions require.
- Staff cautions that AMF revenue is dependent on factors outside the legislature's control, and important for core Department operations. Thus, staff will continue monitoring revenues, expenditures, and balance projections closely, to ensure the committee and department continue to strike a sustainable balance for its usage.

Mountain Pine Beetle Biocontrol

1. Staff provides brief refresher on the nature of the growing Mountain Pine Beetle (MPB) infestation.
2. The Governor's letter to the JBC includes a funding placeholder for the Mountain Pine Beetle task force recommendations, but does not specify the exact priorities or amount of funding[1].
3. The key point of this pilot research project is to determine whether full-scale implementation is effective at achieving the ultimate goal of the MPB task force: developing strategies to mitigate the MPB infestation.
   a. Therefore, staff recommends the Committee request the Department speak about the long-term feasibility, operational timeline, and full cost of scaled implementation to inform future decisions.
4. The Department is in the early stages of this pilot, but has established testing sites, collected baseline population and tree health data, and successfully reared an initial cohort of natural enemies.

For More Information

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To read the entire briefing: Go to content.leg.colorado.gov/content/budget#budget-documents-section to use the budget document search tool. Select this department's name under Department/Topic, "Briefing" under Type, and select a Start date and End date to show documents released in November and December of 2026.

[1] Governor's budget letter, attachment 3 page 3