

SENATE COMMITTEE OF REFERENCE REPORT

	February 27, 2025
Chair of Committee	Date

Committee on Agriculture & Natural Resources.

After consideration on the merits, the Committee recommends the following:

SB25-176 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, page 4, after line 16 insert:

2 "SECTION 8. In Colorado Revised Statutes, 35-36-102, add
3 (24.5) as follows:

4 **35-36-102. Definitions.** As used in this article 36, unless the
5 context otherwise requires:

6 (24.5) "PATRONAGE INTEREST" MEANS SHARES OR MEMBERSHIP
7 INTERESTS, PARTNERSHIP INTERESTS, OR OTHER OWNERSHIP INTERESTS IN
8 A LICENSEE THAT IS A COOPERATIVE ASSOCIATION, WHICH SHARES OR
9 INTERESTS ARE ALLOCATED AND DISTRIBUTED TO THE PRODUCER IN
10 PROPORTION TO THAT PRODUCER'S PATRONAGE OF THE COOPERATIVE
11 ASSOCIATION.

12 **SECTION 9.** In Colorado Revised Statutes, 35-36-216, add
13 (1)(c)(III) as follows:

14 **35-36-216. Bonds or irrevocable letters of credit - exemptions.**

15 (1) (c) (III) A PRODUCER OR OWNER IS NOT ELIGIBLE FOR
16 REIMBURSEMENT FROM THE BOND OR THE IRREVOCABLE LETTER OF
17 CREDIT FOR A CLAIM SUBMITTED PURSUANT TO THIS SECTION IF, AT THE
18 TIME THE CLAIM IS SUBMITTED, THE PRODUCER OR OWNER IS:

19 (A) THE OWNER OF AT LEAST FIVE PERCENT OF THE VOTING
20 SHARES, EXCLUDING PATRONAGE INTERESTS, MEMBERSHIP INTERESTS,
21 PARTNERSHIP INTERESTS, OR PUBLICLY TRADED SHARES OF THE LICENSEE
22 WHOSE FAILURE IS THE BASIS OF THE CLAIM; OR

23 (B) THE OWNER OF AT LEAST FIVE PERCENT OF THE VOTING
24 SHARES, EXCLUDING PATRONAGE INTERESTS, MEMBERSHIP INTERESTS,
25 PARTNERSHIP INTERESTS, OR PUBLICLY TRADED SHARES OF THE PARENT
26 CORPORATION OF THE LICENSEE WHOSE FAILURE IS THE BASIS OF THE
27 CLAIM.

1 **SECTION 10.** In Colorado Revised Statutes, 35-36-304, add
2 (1)(c)(III) as follows:
3 **35-36-304. Bonds and irrevocable letters of credit -**
4 **exemptions.**
5 (1) (c) (III) A PRODUCER, OWNER, SMALL-VOLUME DEALER, OR
6 OTHER DEALER IS NOT ELIGIBLE FOR REIMBURSEMENT FROM THE BOND OR
7 THE IRREVOCABLE LETTER OF CREDIT FOR A CLAIM SUBMITTED PURSUANT
8 TO THIS SECTION IF, AT THE TIME THE CLAIM IS SUBMITTED, THE
9 PRODUCER, OWNER, SMALL-VOLUME, DEALER OR OTHER DEALER IS:
10 (A) THE OWNER OF AT LEAST FIVE PERCENT OF THE VOTING
11 SHARES, EXCLUDING PATRONAGE INTERESTS, MEMBERSHIP INTERESTS,
12 PARTNERSHIP INTERESTS, OR PUBLICLY TRADED SHARES OF THE LICENSEE
13 WHOSE FAILURE IS THE BASIS OF THE CLAIM; OR
14 (B) THE OWNER OF AT LEAST FIVE PERCENT OF THE VOTING
15 SHARES, EXCLUDING PATRONAGE INTERESTS, MEMBERSHIP INTERESTS,
16 PARTNERSHIP INTERESTS, OR PUBLICLY TRADED SHARES OF THE PARENT
17 CORPORATION OF THE LICENSEE WHOSE FAILURE IS THE BASIS OF THE
18 CLAIM."
19 Renumber succeeding section accordingly.

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