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0040 The Colorado State Department of Agriculture

Report to the Colorado General Assembly:

THE COLORADO STATE DEPARTMENT OF AGRICULTURE



COLORADO LEGISLATIVE COUNCIL

RESEARCH PUBLICATION NO.40

November 1960

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OF THE
COLORADO GENERAL ASSEMBLY

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The Legislative Council, which is composed of five Senators, six Representatives, and the presiding officers of the two houses, serves as a continuing research agency for the legislature through the maintenance of a trained staff. Between sessions, research activities are concentrated on the study of relatively broad problems formally proposed by legislators, and the publication and distribution of factual reports to aid in their solution.

During the sessions, the emphasis is on supplying legislators, on individual request, with personal memoranda, providing them with information needed to handle their own legislative problems. Reports and memoranda both give pertinent data in the form of facts, figures, arguments, and alternatives.

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THE COLORADO STATE DEPARTMENT
OF AGRICULTURE

LEGISLATIVE COUNCIL
REPORT TO THE
COLORADO GENERAL ASSEMBLY

Research Publication No. 40
November, 1960

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November 18, 1960

To Members of the Forty-third Colorado General Assembly:

Under the directives of House Joint Resolution No. 13, 1959 session, the Legislative Council submits herewith its report and recommendations in connection with the laws governing the agricultural industry of this state, the administration of those laws, fee changes for inspection services, and means of expanding the market for Colorado agricultural products.

The report of the committee appointed to carry out this assignment was adopted by the Legislative Council at its meeting November 17 for transmission to the Forty-third General Assembly.

Respectfully submitted,

Charles Conklin
Chairman

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Honorable Charles Conklin, Chairman
Colorado Legislative Council
State Capitol
Denver 2, Colorado

Dear Mr. Chairman:

Your committee appointed to carry out the study requested in House Joint Resolution No. 13, 1959 session, relating to the laws governing the agricultural industry of this state, the administration of those laws, fee schedules for inspection services, and the means of expanding the market for Colorado agricultural products, has completed its work and submits herewith its recommendations together with accompanying research material.

The committee wishes to express its appreciation to the employees of the State Department of Agriculture and to the members of the State Agricultural Commission whose cooperation and efforts assisted us greatly in our work.

Respectfully submitted,

Guy Poe, Chairman

FOREWORD

In accordance with the directives of House Joint Resolution No. 13, 1959 session, the Council's Committee on Agriculture adopted a program of study involving a section-by-section review of the various activities assigned the State Department of Agriculture. As instructed by the committee, the staff prepared memorandums on activities of the various sections based largely on a review of available records and interviews with personnel. The committee expanded on the material in these staff reports by holding a series of meetings at which the section heads and division chiefs concerned were able to discuss their activities personally with the committee.

At the conclusion of these meetings, the committee held a conference designed to obtain the opinions of interested groups and organizations on suggested changes, together with a meeting with the Commissioner of Agriculture and members of the State Agricultural Commission. The committee also met again with members of the State Agricultural Commission to review its final report before adopting it for submission to the Legislative Council.

Members of the committee were Representative Guy Poe, chairman; Representative Forrest G. Burns, vice chairman; Senators Fay DeBerard and Thelma S. Finley,* and Representatives C. P. Lamb, Noble M. Love, Hiram A. McNeil, and Clarence H. Quinlan. Miss Clair T. Sippel, secretary of the Legislative Reference Office, assisted the committee in preparing legislative changes in bill form. Phillip E. Jones, senior research analyst, had primary responsibility for preparing the research material, assisted by David Morrissey, research assistant.

The staff wishes to join the committee in expressing our appreciation for the assistance and cooperation extended by the personnel of the State Department of Agriculture.

November 2, 1960

Lyle C. Kyle
Director

* Replaced Senator Rockard E. Finley, deceased

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COLORADO LEGISLATIVE COUNCIL
REPORT OF THE COMMITTEE ON AGRICULTURE

November, 1960

In its 1959 Session, the Colorado General Assembly adopted House Joint Resolution No. 13 providing for a study of the laws governing the agricultural industry of this state, the administration of those laws, fee charges for inspection services, and means of expanding the market for Colorado agricultural products. The committee appointed by the Colorado Legislative Council to carry out this assignment held 18 days of meetings during the course of its study.

For the first year of its study, the committee engaged in a section-by-section review of the activities within the Colorado State Department of Agriculture, conferring with the officials responsible for the administration of these programs. Subsequently, the committee met with the members of the State Agricultural Commission, which is the general governing body of the department, and with representatives of various interested agricultural groups and associations. The report submitted herewith represents a culmination of the committee's efforts for the past 18 months.

LAWS GOVERNING THE AGRICULTURAL INDUSTRY

The first directive of H.J.R. 13, 1959 Session, was "to study the laws governing the agricultural industry of this state." In reviewing the application and administration of the laws assigned to the State Department of Agriculture, the committee adopted the general position of considering the adequacy of the present statutory provisions and whether any changes therein are critically needed. That is, these laws encompass such a wide range of activities that the committee believed it generally unwise to propose changes other than those which appear to be absolutely necessary at this time. However, in some instances the committee is by no means convinced it has all of the information and opinions necessary to recommend legislative changes. Consequently, the committee has prepared a few suggestions in bill form as a meeting ground on which to discuss more fully the issues involved and as a means to draw attention to these issues.

Colorado Poultry Law

At present, the use of antibiotics in processing poultry is permitted by the federal government, Canada, and all states except Colorado. Section 7-10-5 (5), C.R.S. 1953, which prohibits

the treating of poultry with "any ... preservative," should be amended to permit the use of antibiotics in processing poultry in accordance with federal provisions.

Section 7-10-10 (5), C.R.S. 1953, authorizes the State Agricultural Commission to set fees necessary to pay for the cost of inspections. This section should be amended to authorize a specific inspection fee of one-fourth cent per bird as now provided by departmental regulation.

Colorado Egg Law

While the committee has considered various changes in the Colorado Egg Law, Section 7-11-1 through 7-11-6, C.R.S. 1957 Supplement, it does not believe any are critically needed at this time.

Colorado Dairy Law

Permissive legislation should be adopted to authorize the establishment of a state-wide milk marketing order. In this connection, the committee does not foresee any immediate use being made of such a provision but at the same time it seems important for Colorado's milk industry to have this authorization available.

Currently the administration of laws regarding dairy products is divided between the State Department of Agriculture and the State Department of Public Health. The committee found this arrangement to be functioning as well as can be expected at this time. However, conditions may change in the future which will necessitate the consolidation of these functions in one of these state agencies.

Colorado Commercial Feeding Stuffs Law

The Commercial Feeding Stuffs Law of 1929, Sections 8-14-1 through 8-14-12, C.R.S. 1953, as amended in 1954, should require that, in the event companies registering feeds do not have a local representative located in this state, process may be served on the Secretary of State in order to carry out enforcement actions.

In Section 8-14-1, the present exemptions from the term "commercial feeds" relating to sugar beet by-products and cane molasses should be removed as these products are today quite prominent in the feed business. Also, at present "feeds that are ground and mixed for or by a feeder according to his specific direction and delivered directly to him for his sole use and not for distribution" are exempt from the definition of "commercial feeds." In order to assure equal protection to all under the law, this definition should be revised to exempt only feeds prepared by a mixer for his own use.

At present, some pet food manufacturers may emphasize a certain ingredient such as fish, liver, or chicken when a microscopic analysis reveals that the emphasized factor is less than one per cent of the contents. As it appears that some members of the pet food industry are not too eager to self-regulate this practice, the law (Section 8-14-2) should require that all pet food ingredients be listed in order of their percentage preponderance. Also, pet food manufacturers should be required to supply their methods of analysis to the agriculture department on a strictly confidential basis at the request of the department.

Section 8-14-6 provides: "Whenever a manufacturer, importer, jobber, firm, association, corporation or person manufacturing or selling a brand of commercial feeding stuffs shall have paid the license and inspection fee as required by Section 8-14-4, no other agent, importer, jobber, firm, association, corporation or person shall be required to pay such tax or fee upon such brand." However, in the feed industry, certain feeds are registered which may be prepared by various mixers over the state under one brand name. For example, a national concern such as Ralston-Purina may register a feed which is mixed and distributed by a local concern using the national company's basic concentrate and formula, and while the national concern will guarantee its concentrate, it cannot be certain of the quality of the additional products added by the local mixer. This situation should be changed to require local mixers to furnish reports on this type of production and to be responsible for the finished mix sold.

Colorado Livestock Disease Laws

In regard to livestock diseases, the committee recommends that the use of live virus vaccine for hog cholera be prohibited except by permission of the Commissioner of Agriculture. If this were done, live virus vaccine would still be available for use in case of emergency outbreaks but its application would be severely limited at all other times.

Sections 8-6-1 through 8-6-7, C.R.S. 1953, presently refer only to railroad cars in requiring disinfectant measures in transporting hogs. Where applicable, these provisions should be expanded to include trucks and other vehicles used in transporting hogs in light of modern marketing methods.

Colorado Fruit and Vegetables Law

The Colorado Fruit and Vegetables Law should be amended to allow the marketing of a premium grade of produce with less tolerance than now allowed under the present top grade of U.S. No. 1 for those products under state marketing orders. In addition to our present state-federal program of shipping-point inspections of fruits and vegetables, the committee recommends

the enactment of a separate supplemental inspection and enforcement program at the retail level. This proposed program should be limited to inspections of fruits and vegetables coming under state-wide marketing orders.

One major purpose of establishing such a program would be to promote Colorado agricultural products by providing additional incentives to the adoption of marketing orders with the result that uniform and better quality products would be offered to consumers. At the same time, this program would provide a means of insuring that out-of-state competitors meet required standards at the retail level, something which is not now being done under the present system of shipping-point inspections.

Through the checking of products packaged or offered for retail sale consumers would also benefit by receiving protection that the grade accompanying a product represents the actual grade and by being provided a better quality product as well. Because of the benefits afforded consumers, the necessary financing for this activity should be provided from general revenue funds and not from fees paid by growers and shippers.

As a related measure to a retail inspection program of fruits and vegetables, a provisions should be enacted requiring that when fruits and vegetables under state-wide marketing orders are offered for sale in other than a packaged form, such as in a bin or other receptacle, a placard must be displayed stating the correct official grade of the product.

Colorado Produce Dealers Law

The present bonding requirement specifying a maximum of \$10,000 is not sufficient to cover adequately the operations of some commission merchants, particularly in the lettuce industry, and should be increased to a maximum of \$50,000.

Colorado Frozen Food Provisioner's Law

A divided situation has resulted from the passage of the Frozen Food Provisioner's Law (Chapter 45, 1959 Session Laws) in that some of the persons engaged in preparing and selling frozen foods are regulated by the state under a policy of "let the seller beware" whereas others are unregulated and are under a policy of "let the buyer beware." In order to provide uniform protection to consumers and to the industry, the committee recommends that all who process and freeze meats for sale to consumers be brought within the provisions of this law. Also, the bonding provisions in this law should be clarified so that any actions thereunder will be instituted through the Commissioner's office.

Colorado Seed Inspection Law

Johnson Grass and Sorghum Almum should be added to the list of primary noxious weeds under the provisions of the Colorado Seed Inspection Law, Section 6-8-1 through 6-8-13, C.R.S. 1953. Also, the label requirements in Section 6-8-2 should be extended to require that the percentage of noxious weed seeds contained therein be specifically and separately listed. These changes will enable buyers to know exactly what seeds they will be planting in their soil, including any noxious weeds, and will serve to reduce mistaking seeds of Johnson Grass for Sorghum Almum which are largely, if not completely, indistinguishable from one another.

Colorado Insecticide, Fungicide, and Rodenticide Law

The Colorado Insecticide, Fungicide, and Rodenticide Law, Section 6-12-1 through 6-12-12, C.R.S. 1953, should include growth regulators, defoliants, nematocides, and desiccants within its provisions. By extending the coverage of the present law to these products, the public would be protected through the regulation of these economic poisons.

Colorado Soil Conservation District Law

In regard to the Colorado Soil Conservation District Law, Section 128-1-9, C.R.S. 1953, should be revised to meet the objections raised by the State Supreme Court in 1959 when it held that the provision pertaining to land-use ordinances was invalid as the section was an unconstitutional delegation of legislative power.

In addition, Section 128-1-15 (iv) (b), as amended by Chapter 226, Laws of 1959, provides that "...the board of its own initiative, may, upon sixty days' written notice to the owner or owners of the lands involved, cause such lands to be withdrawn from the district." This provision should be revised to the effect that the board, upon proper notification to the owner of lands involved through proper publication in legal newspapers, may on its own initiative cause such lands to be withdrawn from the district. This would eliminate the necessity of the board having to notify individually hundreds of landowners in housing developments that their lands are no longer included in a given soil conservation district.

Warehouse Law

In 1931, a Grain Warehouse Law for this state was enacted (Sections 7-16-1 through 7-16-19, C.R.S. 1953), but for several reasons this law proved impractical and has not been used. The

committee is aware of the need for a state warehouse law and believes that a completely new act should be written. However, the committee understands that industry representatives are working on such a bill for consideration at the 1961 session of the General Assembly; consequently, no draft of a bill is being presented by the committee at this time.

Predatory Animal Control Law

The predatory animal control program in Colorado is a cooperative activity financed by state, local, and federal funds. In a number of areas of the state, however, this financing program is insufficient and is supplemented by contributions from wool growers on a voluntary basis.

In order to provide a better method of supplemental financing in areas of the state where more predatory animal control work is needed, the committee recommends the enactment of a permissive or optional program for local financing on a county basis. This would in no way replace the present state-wide 20-mill levy on sheep for this purpose.

ADMINISTRATION OF LAWS

The administration of the laws assigned to the Colorado State Department of Agriculture has received careful consideration by the committee in the series of meetings held with the departmental officials and in the two meetings held with members of the State Agricultural Commission. As a result of its deliberations, the committee submits the following comments and recommendations.

Purpose of the State Department of Agriculture

A number of different activities have been given the agriculture department to administer, some of which appear to be more directly related to agriculture than others. That is, originally the state restricted its agricultural program generally to guarding against animal, insect, and plant diseases, and, later, to discovering methods of increasing crop production. Additional programs were adopted from time to time to protect growers and producers against irresponsible or dishonest buyers of their products, and sellers of goods used by growers in their operations. The state also provided programs to assist in the marketing of agricultural products, as well as a hail insurance protection program.

One department official reported to the committee that, "while the activities of the department may result in protection to the consumer, the main purpose of the department is to sell

agricultural products." The committee believes that this statement is too strong as the department has many functions. However, in view of the current economic trend downward for many persons engaged in agricultural pursuits and the apparent lack of a solution at the national level, the committee recommends that more emphasis should be placed on this function, at least in the immediate future.

Department Staffing

In order to provide for the proper administration of the laws, an adequate staff is necessary. The committee therefore directed a good deal of its attention to the question of staffing within the department. In this respect, the committee noted four areas where it believes additional staff is immediately needed.

Deputy Commissioner. In order to reduce the administrative burden now placed on the Commissioner and to accelerate the improvement of administration within the department, the position of deputy commissioner should be established. The primary duties of the deputy commissioner would consist of: (1) administering the department when the Commissioner is out-of-town (approximately 50 percent of the time); (2) making continuous surveys and recommendations concerning such administrative matters as consolidating inspection functions with the specific objective of increasing services and reducing the number of different departmental personnel visiting the same establishments; (3) investigating the value (services compared to cost) of a plan of decentralized administration of the department; and (4) such other duties as the Commissioner may assign. His qualifications should include considerable experience in public administration and he should be a person not presently employed within the agriculture department.

Marketing Specialist. An additional marketing specialist should be added to the Markets Division to provide greater assistance to groups having or interested in having marketing orders and agricultural cooperatives. (See also subsequent recommendations herein regarding additional funds to Markets Division for Hope-Flanigan program and agricultural advertising.)

Assistant Attorney General. In the past, the agriculture department has experienced difficulty in effecting compliance in regard to some of its laws and regulations. The committee believes that much of this difficulty could be alleviated with the appointment of a full-time Assistant Attorney General having his office within the department, and recommends that the appropriations to the Attorney General's Office be increased to provide for such a position. In addition, this person would also be of assistance in reviewing the condition of the various statutory provisions pertinent to the department as well as seeing that complete revisions thereof are maintained by the department.

Weights and Measures Inspector. An additional large-scale truck and driver are needed to provide the services required under the weights and measures law. (See also subsequent recommendations herein.)

Other Comments. In reviewing the need for additional staff within the agriculture department, the committee considered the appointment of a public information officer. However, the committee views this addition as unnecessary. It is the opinion of the committee that good public relations begins in the field in the daily face-to-face contacts made by departmental personnel. If these persons are efficient, competent, and courteous in their activities, the department should not have many public relations problems.

Department Organization

At present, Section 6-1-8, C.R.S. 1953, provides for the establishment of four divisions within the agriculture department, as follows:

- Divisions created.--There are hereby created in the department, four divisions as follows, the heads of which shall be appointed by the commissioner subject to the constitution and laws of the state:
- (1) The administrative services division shall conduct such central record keeping, filing, personnel, payroll, supply, communications, stenographic, typing, addressing, correspondence services, laboratory, public information, and any other services required by the department and several divisions thereto that can advantageously be so centralized. The administrative services division shall also perform other services such as compiling and publishing agricultural statistics, state hail insurance administration and other functions of the department that are not specifically assigned to some other division. The head of the division shall be the chief of administrative services division.
 - (2) The division of plant industry shall perform such duties relating to plants and plant products as defined in the functions of the commission under section 6-1-4. The head of the division shall be the chief of the division of plant industry.

(3) The division of animal industry shall perform such duties relating to the livestock industry, including dairying and poultry, in conformity with section 6-1-4, and other regulatory functions needed in the control and eradication of livestock diseases, and not contrary to law. The head of the division shall be the chief of the division of animal industry.

(4) The division of markets shall perform such duties relating to marketing of agricultural products as may be deemed advisable by the department and not contrary to law. The head of the division shall be the chief of the division of markets.

However, in order to spread the programs as equally as possible among the four divisions, not all of the duties assigned by the Commissioner to these divisions are felt to have been strictly in keeping with the statutory directive. For instance, the predator animal and rodent control and soil conservation programs are located in the Administrative Services Division, which division also administered the emergency grasshopper control program in 1958. Similarly, the Markets Division includes the regulation of frozen food provisioners and of weights and measures, and the Animal Industry Division regulates commercial feeds and fertilizer.

In this connection, however, the committee does not mean necessarily to imply criticism of the present arrangement. Rather, to place administrative responsibility where it belongs and to free the department of a somewhat awkward legislative restriction, the committee recommends that Section 6-1-8 be repealed and Section 6-1-6 (2) be amended to authorize the establishment of divisions by the State Agricultural Commission. This action would enable the department to make administrative adjustments based on the type of activities as well as the nature of the programs and would help to reduce sectional or divisional barriers to promoting over-all departmental policies and more unified performances. The committee also suggests that the commission consider creating a separate division to be known as the Livestock Sanitary Division, whose activities would be limited solely to livestock sanitary matters, with the State Veterinarian as its chief.

Financing Generally

Primarily as a means to reduce bookkeeping procedures, the committee believes that it would be best if cash fund collections of the agriculture department, excluding revolving funds and hail insurance revenues, be credited to the state general fund and that the department be financed on the basis of appropriations therefrom.

Financing Specifically: Present General Fund-Supported Activities

Markets Division. While past sessions of the General Assembly have provided the machinery for Colorado's agricultural industry to improve its production and marketing, the Markets Division needs additional funds to use in educating all of the various segments of the industry to help themselves. Already mentioned previously is the addition of another marketing specialist to assist marketing order boards of control and agricultural cooperatives. But this alone would not be sufficient.

The Markets Division should expand its activities under the federal Hope-Flanigan program of marketing research and should also embark on a program of advertising Colorado agricultural products within this state. However, in order to insure industry's participation in these two programs, appropriations should be limited on a dollar-for-dollar matching basis to the amounts budgeted for marketing research and advertising by marketing order boards of control.

Veterinarian Section. More funds are needed to provide for the necessary travel and subsistence expenses that the section now has, even at the present staffing level.

Weights and Measures Section. The Weights and Measures Section is required by law to provide certain services to the state without charge. In addition, the section engages in checking a number of packages and commodities in retail stores for which no fees are received. Also, the buying public benefits from the testing of scales as well as the producers and sellers who are presently carrying the costs of this program. Consequently, the state general fund should assume a part of the costs of this program on a regular basis. The committee suggests that one method of sharing this cost would be for the state to provide the money necessary to support the expenses of the additional large-scale truck and driver previously recommended.

Budget Presentation

The department's presentation to the Joint Budget Committee should be made on the basis of programs rather than dollars and should be well documented and carefully thought out. Further, the actual presentation should be made by the State Agricultural Commission with department staff members present to provide technical information only.

Coordination of Activities with Other State Agencies

The department should further investigate various ways and means of coordinating its activities with those of other state agencies and should report the results of any such efforts to the State Agricultural Commission for such action as the

commission sees fit. This would seem especially pertinent in regard to the Dairy Section and the State Department of Public Health, the Produce Dealers Section and the Ports of Entry, and the Weights and Measures Section and the State Inspector of Oils. As a general principle, it would be to the benefit of the state if over-all costs could be reduced as a result of coordinating various activities between state agencies just as it is in reducing costs by coordinating activities within any given department.

Produce Dealer's License

The committee believes that some producers accept a produce dealer's license issued by the state as evidence of a dealer's sound financial status, sometimes to their subsequent regret. Consequently, the committee recommends that the agriculture department revise its present produce dealer's license to include the notation thereon that the issuance of a license is not a guarantee of the licensee's credit rating.

MEANS OF EXPANDING THE MARKET FOR COLORADO AGRICULTURAL PRODUCTS

The tools to expand the market for Colorado agricultural products are available in the form of the Agricultural Marketing Act of 1939, the Cooperative Marketing Law of 1923, and the establishment of the Markets Division of the State Department of Agriculture in 1949. However, these tools cannot be used as they were intended to be without greater financial participation on the part of the state and greater efforts on the part of the various segments and organizations of the agricultural industry within this state.

It has been reported that markets are being killed in various places because the growers do not have a sound marketing program; thus they sell their produce at a loss. Growers need an arbitration board for the different areas to determine and establish markets and this should be organized by the state agriculture department. In addition, Colorado needs the cooperation between the State Department of Agriculture, Colorado State University, and county extension service agents continued and expanded in order to improve the growing and marketing of Colorado agricultural products.

FEE CHARGES FOR INSPECTION SERVICES

As a part of its study, the committee has compared the fees charged for inspection services provided under a number of the agriculture department's programs with the services rendered. By and large, however, the committee did not receive the information

necessary to arrive at any sound conclusions, largely because the records kept by the department do not lend themselves to a ready comparison of this type. Accordingly, without prejudicing any attempts by industry to raise fees on their respective programs, the committee is not in a position to express an opinion on this particular question.

THE COLORADO STATE DEPARTMENT OF AGRICULTURE

Historically, the agricultural industry in Colorado and elsewhere in the United States has been subject to pressures from external factors of market conditions and internal changes involving technology and productivity. A general imbalance of farm prices or income to non-farm prices over a period of years has resulted in a relatively depressed agricultural industry.

Government may be termed a third factor influencing the activities and economic condition of this industry. In Colorado most of the laws governing the agricultural industry are administered by the Colorado State Department of Agriculture. This report generally contains an examination of the activities of that state department for the ten-year period beginning with its establishment on July 1, 1949.

External Conditions Affecting Agriculture

A brief review of external conditions affecting the agriculture industry shows that since 1910 each decade has presented different problems of market conditions. In the five-year period prior to World War I, agriculture in this country generally enjoyed a relatively stable market with a fair exchange ratio existing between farm and non-farm products. At that time when products could not be sold at home, wheat and other non-perishable farm products found a ready market in world trade. World market prices were not high but were considered to be sufficient. The reason a world market was available to our producers during these years was due largely to the fact that the United States was a debtor nation, which encouraged creditor nations to purchase goods produced in this country.

With the advent of World War I came the need for increased production, and the agricultural industry greatly expanded its output. While the war years represented a prosperous period for agriculture, the years immediately following left the farm population with a number of problems caused by inflated land values, high interest rates on short-term debts, and inflated non-farm prices.

In 1920, the farm price index dropped from 228 to about 128, using the 1910-14 period as a base of 100. Farm prices fell as a result of a large surplus of wheat and other non-perishable products--products which had been absorbed by the world market prior to the war and by our allies during the war. The foreign market for American products was practically non-existent since former creditor nations such as England, Italy, and Germany now found themselves debtor nations, and the United States had become the world's largest creditor nation.

Another factor limiting the purchasing ability of European countries was the establishment of a stringent protectionist policy for American industry, which restricted the marketing of foreign goods on the United States market and thereby reduced the purchasing power of these nations for our agricultural products.

The depressed farm conditions of the 1920's were increased further in the 1930's as a result of the substantial shrinkage of domestic purchasing power accompanying the widespread unemployment. During this period, farmers could purchase only about 60 percent as much of the non-farm products as they did during the 1910-1914 era with the same amount of farm products. While farm production for the nation remained at near-normal levels, non-farm production fell off considerably in adjusting to the prevailing depressed economy.

In World War II, the agricultural industry sought a substantial price rise in farm products and a more equitable balance between farm and non-farm prices. However, the federal government was interested in maintaining a stable price market. As a compromise, farm prices were allowed to reach parity based on the 1910-14 relationship with non-farm products.

With the withdrawal of price controls in 1946, agricultural interests shared in the general prosperity until 1949, one reason being that the United States had instituted a reconstruction policy and provided foodstuffs for Europe and Asia. Following this period, however, price adjustments began to develop and in 1950 farm prices had dropped to about 100 percent of parity.

Today farm prices for the nation as a whole remain at a relatively low level supported by various federal governmental programs.

Internal Changes - Colorado Agriculture

Within the present century a number of internal changes are represented in the Colorado agricultural picture. These changes, which are not unique to the State of Colorado, include a decrease in the number of farm and ranch units accompanied by an increase in their average size, increased mechanization, and greater crop production per acre.

In 1920, as shown in Table 1, there were almost 60,000 farm and ranch units in Colorado compared to 41,000 in 1955. During these years, the average unit size more than doubled--from 408 acres in 1920 to 942 acres in 1955. Mechanization, represented by the number of tractors in use on farms and ranches, increased substantially over the 35-year period, with 4,526 tractors

in 1920 compared to 61,909 in 1955. Thus, while less than one in ten farm-units on the average may be said to have utilized tractors in 1920, an average of one and one-half tractors per unit was reported in 1955.

Table 1
FARM AND RANCH UNITS IN COLORADO
1920-1955

<u>Year</u>	<u>Number of Farms and Ranches</u>	<u>Average Size of Farms and Ranches- Acres</u>	<u>Number of Tractors</u>
1920	59,934	408.1	4,526
1925	58,020	416.5	6,693
1930	59,956	481.6	13,334
1935	63,644	471.0	Not Available
1940	51,436	612.9	21,423
1945	47,618	760.6	25,368
1950	45,578	833.0	53,187
1955	40,749	942.0	61,909

Increased mechanization is not the only factor notable in the changing picture of agriculture in Colorado. The development of hybrids, summer fallow practices, improved commercial fertilizers, plant disease and pest control measures and numerous other developments have contributed greatly to generally increased crop yield per acre, as reported in Table 2. For example, non-irrigated winter wheat production jumped from an average of ten bushels produced per acre in 1925 to 25.3 bushels in 1958, and the average yield per acre for corn on irrigated land was 62.9 bushels in 1958 compared to 29.1 bushels in 1925.

In terms of total production of various agricultural commodities in this state during the 1920-1958 period, a rather fluctuating harvest pattern may be noted in the figures contained in Table 3. Using 1920 as the base year compared to 1958 totals, only wheat and barley show substantial increases in number of bushels produced. Production of corn, oats, sugar beets, cattle and sheep held fairly steady, while the number of hogs and pigs generally decreased.

Table 2
 AVERAGE CROP YIELDS PER ACRE
 SELECTED COLORADO CROPS
 1925 Through 1958 (a)

Year	Average Bushels Produced Per Acre												Tons Per Acre Sugar Beets Irrigated
	Winter Wheat		Spring Wheat		Corn		Oats		Barley		Potatoes		
	<u>Irr.</u>	<u>Non-Irr.</u>	<u>Irr.</u>	<u>Non-Irr.</u>	<u>Irr.</u>	<u>Non-Irr.</u>	<u>Irr.</u>	<u>Non-Irr.</u>	<u>Irr.</u>	<u>Non-Irr.</u>	<u>Irr.</u>	<u>Non-Irr.</u>	
1925	25.0	10.0	20.0	7.0	29.1	13.0	36.0	17.0	27.0	11.0	201.0	43.0	12.6
1929	30.9	10.2	28.1	9.3	34.0	11.4	Not avail.	Not avail.	40.1	14.2	158.6	48.4	Not available
1935	21.9	8.0	23.6	5.5	27.9	5.7	36.5	14.6	30.9	8.6	190.6	73.0	13.0
1940	24.3	10.2	23.4	7.2	25.2	7.0	35.5	16.4	33.0	10.0	202.0	90.0	14.9
1945	28.0	22.2	27.5	15.5	40.5	15.3	39.5	29.0	39.0	24.7	121.0 ^(b)	48.0 ^(b)	Not available
1948	31.9	20.7	27.9	14.0	50.6	12.9	42.5	21.9	39.5	14.7	279.0 ^(b)	110.0 ^(b)	13.3
1950	25.0	15.7	25.0	9.5	49.5	15.5	36.0	16.5	31.0	9.5	201.0 ^(b)	33.0 ^(b)	15.0
1955	25.5	13.1	28.4	10.0	54.9	9.2	38.0	19.3	36.0	14.5	177.0 ^(b)	40.0 ^(b)	15.9
1958	36.0	25.3	33.0	10.9	62.9	20.0	41.8	21.0	40.0	24.4	230.0 ^(b)	50.0 ^(b)	16.7

(a) Source: Colorado Crop and Livestock Service Reports

(b) Cwt per acre

TABLE 3

PRODUCTION OF MAJOR COLORADO AGRICULTURAL COMMODITIES

1920 THROUGH 1958 (a)

Year	Thousands of Bushels Produced (000 omitted)						Tons of Sugar Beets	Number of Head (d)		
	Corn	Oats	Barley	Wheat	Dry Beans	Potatoes		Cattle & Calves	Hogs & Pigs	Stock Sheep & Lambs (e)
1920	24,231	6,426	5,292	25,273	416	9,490	2,325,000	1,757,000	450,000	1,014,000
1925	21,150	5,778	8,610	14,988	2,240	12,090	1,640,000	1,465,000	493,000	965,000
1930	38,970	6,045	12,298	23,356	2,592	17,480	3,312,000	1,454,000	495,000	1,715,000
1935	10,910	4,480	6,420	6,645	1,256	18,000	1,826,000	1,590,000	268,000	1,671,000
1940	9,808	4,179	10,106	12,327	1,827 ^(b)	7,839 ^(c)	2,092,000	1,400,000	385,000	1,752,000
1945	14,971	7,325	22,541	34,694	1,493 ^(b)	10,413 ^(c)	1,835,000	1,843,000	356,000	1,575,000
1950	13,364	4,641	9,548	36,792	1,741 ^(b)	10,909 ^(c)	2,183,000	1,800,000	338,000	1,198,000
1955	17,064	3,906	8,294	27,712	1,640 ^(b)	9,120 ^(c)	1,621,000	2,054,000	181,000	1,241,000
1958	25,725	5,106	13,664	66,274	1,882 ^(b)	13,505 ^(c)	2,372,000	1,979,000	170,000	1,252,000

(a) Source: Colorado Crop and Livestock Service Reports

(b) Number of 100 lb. bags produced

(c) Production by 1000 cwt.

(d) Estimated number of head on Colorado farms or ranches

(e) Excludes sheep and lambs on feed

The Role of the State

Just as agriculture has been forced to adjust its operations to meet various external and internal pressures, so has the State of Colorado felt required to re-evaluate and redefine its role and activities in relation to the agricultural industry. In this connection, the state has provided many services and programs to assist the agricultural industry within this state. In addition to substantial services performed by such other state agencies as Colorado State University, a significant part in the application of many of the state's agricultural laws and programs has been assigned to the Colorado State Department of Agriculture.

Generally, the laws assigned to the agriculture department consist of regulatory programs designed to maintain product standards or to combat animal and plant diseases. In addition, the department is responsible for assisting growers with their marketing problems and programs, as well as providing such other services as hail insurance, agricultural statistics, and weights and measure testing. From time to time the department is also called upon to supervise programs of an emergency nature such as drought and grasshopper control.

Some of the programs assigned to the state agriculture department are carried out jointly on a cooperative basis with federal and local governmental agencies. Others are administered solely by the department. Some of these programs are financed entirely from general fund appropriations while other services are financed by license and inspection fee receipts.

The creation of the State Department of Agriculture in 1949 is reported to have resulted from the belief that the agricultural interests of this state could be better served through one centralized agency which would coordinate the various regulatory and assistance programs. At the same time, such an agency could achieve maximum utilization of personnel and equipment, thereby reducing over-all costs.

House Joint Resolution No. 13, 1959 session, was adopted partially because there had been no over-all study of state government activities in the field of agriculture in recent years to determine the necessity or desirability of such activities and because of a need to review the programs of the state for promoting a wider market for Colorado agricultural products. H.J.R. No. 13 consequently directed the Legislative Council "to study the laws governing the agricultural industry of this state, the administration of those laws, the fee schedules for inspection services, and the means of expanding the market for Colorado agricultural products."

In general, the sections which follow herein contain background information on the activities of the agriculture department for the first ten years of its existence, i.e., from fiscal year 1950 through fiscal year 1959.

ACTIVITIES OF THE STATE DEPARTMENT OF AGRICULTURE

Fiscal Years 1950 through 1959

The State Department of Agriculture Act of 1949 (C.R.S. 6-1-1 through 6-1-12, 1953 as amended) assigned a number of duties to the new agency. As authorized by the act, these duties were allocated to the four departmental divisions established at that time--administrative services, plant industry, animal industry, and markets.

In 1949, most of the activities or programs delegated to the agriculture department represented consolidations of separate activities or programs in effect prior to that time. During the ten-year period beginning on July 1, 1949, and ending on June 30, 1959, some changes in the basic programs were authorized by the General Assembly and one completely new program (weights and measures) was initiated.

Chart 1 displays the administrative organization of the agriculture department. The 1949 law established an eight-member State Agricultural Commission which is the general policy-making body for the department. Commission members are appointed by the governor with the consent of the senate for four-year terms on an equal bipartisan basis. It is required to hold a minimum of four regular meetings each year.

In reaching its policy decisions, the commission utilizes industry advisory groups; once a decision has been made it is the responsibility of the Commissioner of Agriculture, as the department's chief administrative officer, to see that the commission's decisions are carried out.

As shown on the chart, the commissioner has the chiefs of the four divisions within the department under his direct supervision. In turn, each chief acts as the immediate supervisor of the several activities within his division.

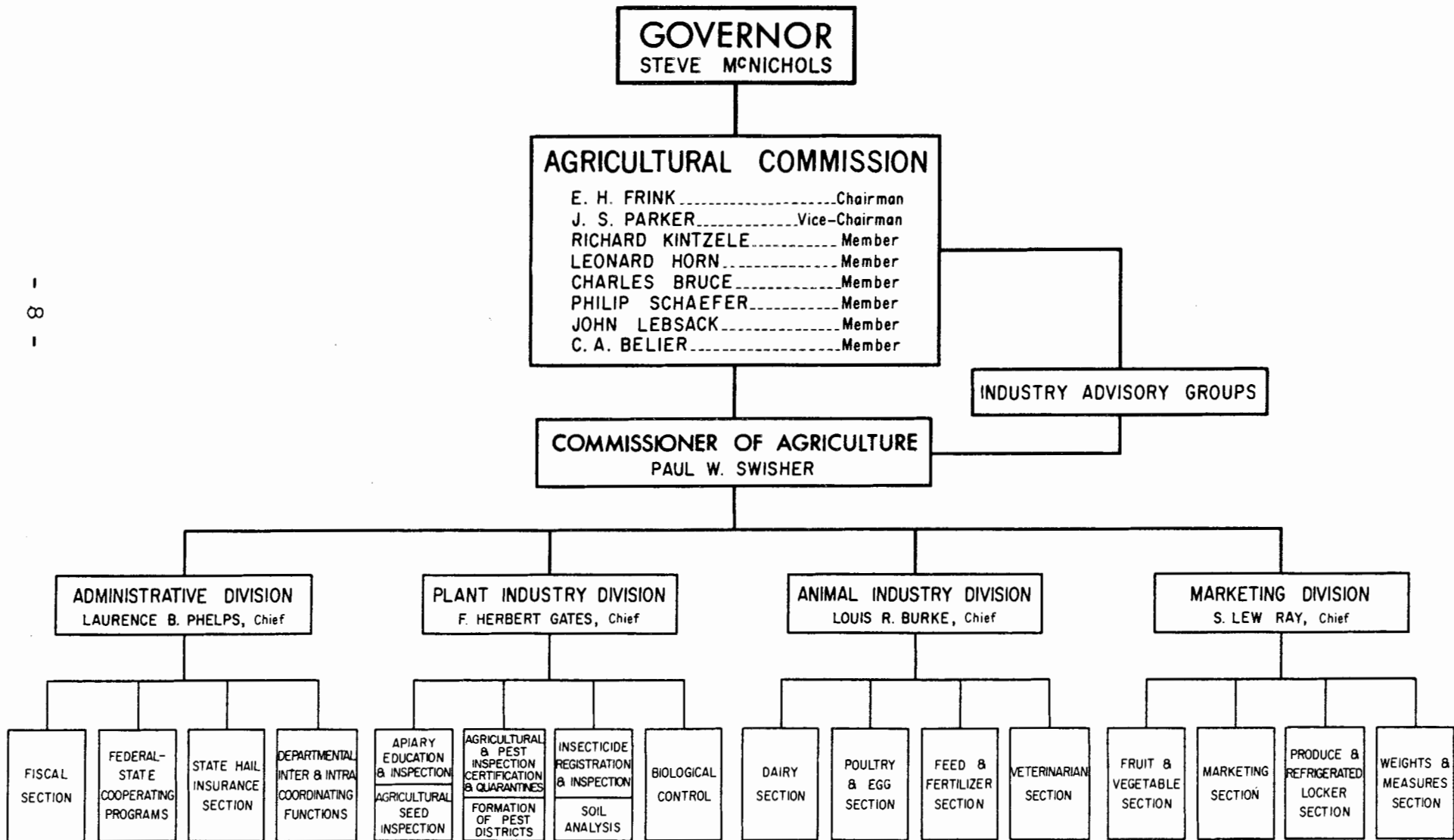
Commissioner of Agriculture

As the chief administrative officer of the State Department of Agriculture, the commissioner reports his primary activity to be the supervision of the four divisions and the coordination of all work within the department. In this respect, the commissioner attempts to develop over-all programs for the best utilization of departmental employees.

Also, in directly supervising the administration of all laws assigned to the department, the commissioner is responsible for the development of programs for the improvement of agriculture within the state; for representing the state on agricultural problems which are inter-state or national in scope; and for seeing that policies established by the agricultural commission are followed by employees of the department.

Chart 1

COLORADO DEPARTMENT OF AGRICULTURE



As a necessary part of his duties, the commissioner reports that approximately 50 percent of his time is spent away from his desk on field trips. These field trips involve in-state and out-of-state meetings concerning agricultural problems, and in-state field checks of departmental personnel.

The commissioner's personal staff is quite small, consisting of one full-time secretary. Concerning the employment status of the commissioner, Section 6-1-7, C.R.S. 1953, as amended, states, in part: "The commissioner of agriculture shall be the chief administrative officer of the state department of agriculture and shall have direct control and management of its functions, subject only to the powers and duties of the commission as prescribed in this article. The commissioner shall be appointed by the governor, subject to the laws and constitution of the state, on recommendation of the commission." (emphasis added)

The Attorney General ruled that the commissioner of agriculture is a civil service employee; therefore he is not "subject only to the powers and duties of the commission as prescribed in this article." In the case of the incumbent commissioner, the Agriculture Commission determined from the civil service eligibility list its selection for commissioner of agriculture. Thus far, however, this procedure has been used little as the present commissioner assumed his office in 1950 and has served continuously since.

Division of Administrative Services

The Division of Administrative Services includes such central administrative functions as fiscal and personnel matters, as well as various inter- and intra-departmental coordinating functions and other administrative duties assigned or delegated by the commissioner. Also included in the division's activities are the state hail-insurance program and federal-state cooperative programs involving agricultural statistics, soil conservation, and predator animal and rodent control. The administrative organization of the division is depicted in Chart 2.

Central Administrative Duties

Fiscal Section. Prior to 1949, there were six separate state departments engaging in agricultural work, each handling its own fiscal and accounting matters. When these six departments were combined into one department with the enactment of the State Department of Agriculture Act of 1949, a centralized fiscal and accounting system was created to receive and disburse departmental funds in accordance with the law and with the requirements of the State Controller, State Auditor, Purchasing Department, and Civil Service Commission.

The Fiscal Section is assigned the responsibility for departmental purchasing, from receiving requisition requests through payment of purchase by vouchers. The section also handles the payment of travel expenses and payrolls for the department.

Another function of the Fiscal Section is to assist in preparing and in analyzing budgets for the 31 funds administered by the department, plus any new programs which are requested.

Personnel Service. Until fiscal year 1957, personnel services were handled by the division chief and the Fiscal Section; in that year, a separate employee was assigned to service the personnel matters of the department. In fiscal year 1960, all personnel processing formerly done by Predator Animal, Rodent Control, and the Fruit and Vegetable Service sections was transferred to this employee.

Inter- and Intra-Departmental Coordinating Functions. The Administrative Services Division also serves as a coordinating and clearance agency for the other three divisions in those functions which lend themselves to centralization. These functions consist of the following:

- 1) Informational letters
- 2) Statistical compilation
- 3) Television and radio programs
- 4) Visual aids (educational meetings)
- 5) Newspaper and periodical releases
- 6) Exhibits and displays
- 7) All reproduction work
 - a) photography
 - b) mimeographing and duplicator work
 - c) multilith work
 - d) compilation of education brochures, annual reports, etc.
- 8) Centralized distribution and processing of incoming and outgoing mail
- 9) Other
 - a) P.B.X. operator
 - b) Building management (3130 Zuni Street)

Other Duties. From time to time other administrative duties have been assigned or delegated to the division by the commissioner. In the past, these have included the administration or joint-administration of such emergency programs as hay drought, wind erosion, and grasshopper control.

Soil Conservation Section

The Soil Conservation Section of the Division of Administrative Services is presently assisting the State Conservation Board with problems of administration, coordination, consolidation, planning and other functions pertaining to the activities of the 96 soil conservation districts in Colorado. Since the conservation districts operate on a purely voluntary basis without any permanent staff or trained administrators, this technical aid is necessary in such routine matters as bookkeeping, equipment rental, contracting, and similar services.

Soil conservation districts are organized on a cooperative basis for the conservation of soil and water resources through the improvement of range practices, adoption of sound land utilization policies, watershed projects, flood control projects, and other similar measures.

Legislative Basis. The activities of the Soil Conservation Section are primarily based on the Colorado Soil Conservation Act (Section 128-1-1 through 128-1-21, C.R.S. 1953) and on the Watershed Protection and Flood Prevention Act (P.L. 566, 83rd Congress, as amended). For the most part, the Colorado Soil Conservation Act provides for the establishment of conservation districts and for the organization of the State Conservation Board. The conservation act itself does not assign any duties or coordinating functions to the State Department of Agriculture; however, the State Department of Agriculture Act (Section 6-1-4, C.R.S. 1953) provides that one duty of the department is "to assist the state soil conservation board in the administration of the soil conservation act...." P.L. 566 provides generally for federal assistance for flood control measures and designates states, or their political subdivisions, as the contracting bodies for engineering and planning of such projects subject, of course, to federal approval. Since the personnel of the local soil conservation districts are not trained for the technical aspects of contracting, a state coordinating agency for such problems is needed.

The department of agriculture is also charged with the administration of the Colorado Agricultural Conservation and Adjustment Act (Section 6-3-1 through 6-3-11, C.R.S. 1953); however, the section supervisor reports that this 1937 law has never been used since the program is being carried out through federal-local agreements, and in a manner similar to that prescribed in the state statutes. If the state were to activate this program of district planning and technical agricultural aid to conservation districts, it would probably mean that the state would have to match federal funds so expended.

In regard to the Colorado Soil Conservation District Act, a 1959 State Supreme Court case (Olinger v. People of Colorado, 344 P2d 689) resulted in a ruling that Section 128-1-9, C.R.S. 1953, pertaining to land-use ordinances, is unconstitutional. In the opinion of the court, the statute authorizing organization of soil conservation districts and delegating to qualified voters of such districts authority to adopt regulatory ordinances for violation of which a penalty may be imposed is invalid as an unconstitutional delegation of legislative power. In part, the opinion of the Court stated that: "The General Assembly may not delegate the power to make a law; but it may delegate power to determine some fact or a state of things upon which the law, as presented, depends..." (Page 691)

Personnel Activities. At present, the staff of the Soil Conservation Section consists of the supervisor, one soil conservation representative, and an administrative secretary. The supervisor also acts as the Executive Secretary to the Soil Conservation Board. Staff members are engaged in soil conservation work on a full-time basis. However, as a normal procedure within the department of agriculture, other services are performed by these staff members if an emergency warrants.

Approximately one-half of the supervisor's time is devoted to watershed problems in connection with P.L. 566. The workload resulting from this act is increasing to the extent that additional office help, at least on a part-time basis, is reported to be needed to meet the demands of the new requests for projects. The increased demand for watershed protection and flood prevention projects may be noted from the following tabulation:

<u>Year</u>	<u>Projects Approved or Under Consideration of Board*</u>
1954	2
1955	3
1956	4
1957	6
1958	3
1959	8
1960	5 **

* Source: State Department of Agriculture

** Four other projects are in process of being sponsored.

Part of the supervisor's work under P.L. 566 consists in acting as the contracting officer for local conservation districts, which includes the following duties:

1. Check on easements and rights-of-way to be certain that required areas are covered.
2. Check plans and specifications.
3. Write invitations to bid.
4. Mail bids to all prospective bidders on mailing list.
5. Open bids, prepare abstract of bids, and determine successful bidder and award contract accordingly.
6. Meet with contractor and explain requirements with regard to the numerous details involved, particularly payment documents, time extensions, etc.
7. Check on progress of contractor and determine that terms of contract are being fulfilled.
8. Participate in final inspection of completed job and make certification for final payment of contract.

The soil conservation representative has been devoting most of his time to the preparation of training manuals and the development of training techniques regarding the administration of the districts. The districts need this type of assistance as in the past many of them have failed to maintain any semblance of effective bookkeeping.

Agricultural Statistics

Agricultural Statistics, or the Colorado Crop and Livestock Reporting Service, is a joint federal-state program which fulfills two basic functions: (1) it provides statistical information on Colorado agricultural production for national needs, that is, total Colorado figures are compiled with other state totals so that a national picture may be developed; and (2) data are compiled on a local or county basis for the purpose of establishing a statistical picture of the state for the benefit of all local groups interested in agricultural production.

Summaries of state agricultural production are needed for national purposes for many reasons such as national defense; policy development based on estimates of total national production; national planning needs; guides to farm equipment industries; basic shipping information or probable estimated demands for use of rail and truck cars; estimates of probable farm income; indications of relative competitive positions of local farm groups, etc.

Data developed to indicate the agricultural production of the counties are used to provide communities with statistical information showing changing patterns of local agricultural industries; to relate the value of irrigation to non-irrigation; to indicate competition for local markets; to benefit potential farm buyers with facts on local production data; to provide estimates of farm income for banks and other business interests; to enable farm boards or market boards of control to measure probable production and competitive position, etc.

Legislative Authority. The Agriculture Statistics Act (Sections 6-2-1 through 6-2-7, C.R.S. 1953) authorizes the Commissioner of Agriculture to enter into a cooperative program with the Secretary of Agriculture or his accredited representative. This cooperative agreement is entered into on a year-to-year basis.

The act also specifies that county assessors shall compile any information requested by the commissioner and stipulates that failure to do so is a misdemeanor; it is also a misdemeanor for anyone to withhold information from the assessors, the commissioner or his representatives.

Personnel Activities. The present staffing pattern of the cooperative program consists of 14 federal employees and three state employees. The positions occupied by federal employees are: agricultural statistician in charge, four statisticians, one secretary, one chief statistical clerk, and seven statistical clerks. The State Department of Agriculture pays the salaries of one clerk-typist, one statistical clerk, and one agricultural economist (the agricultural economist performs the same duties as the federal statisticians). Thus, the program is primarily staffed by federal personnel and is entirely under federal direction.

The Crop and Livestock Reporting Service publishes annual, quarterly, monthly and weekly bulletins on crop and livestock conditions, prices, range conditions, cattle in feedlots, weather, and other information pertinent to the agriculture industry in Colorado. To obtain this information, the cooperative program maintains a list of voluntary correspondents or reporters who, for the most part, are local ranchers, dealers, shippers, bankers, and other individuals familiar with agricultural commodity activities. These correspondents are mailed questionnaires for the purpose of establishing basic data on local conditions, prices received, etc. Basically, there are two groups of correspondents: the first group includes the general crop correspondents who supply data on miscellaneous crop conditions; the second group of reporters consists of those primarily familiar with livestock and range conditions.

In general, the annual bulletin is concerned with the total agricultural production by county, irrigated and non-irrigated crop production, average prices obtained, livestock summaries, etc. Quarterly reports are issued for livestock and grain interests; monthly reports indicate current crop conditions, yields per acre, harvest estimates, range and feed conditions, etc.; weekly reports reflect conditions of crops, weather, and any new changes in the agricultural picture.

Predator Animal and Rodent Control

The variation in climate and topographical conditions in Colorado provides an ideal habitat for a variety of predator animals and rodents. These predators and rodents can cause severe damage to livestock, crops, grain, soil, game animals, etc. This creates a control problem in which a number of groups are interested, such as wool growers and other livestock groups,

National Forest Service, Federal Bureau of Land Management, and State Game and Fish Department. These various groups desire different levels of control; for instance, the State Game and Fish Department is generally interested in protecting the bear population (except when known predators are involved), while some ranchers may regard all bears as predators or potential predators that should be eliminated.

In any event, a centralized program is necessary for coordinating predator and rodent control into one efficient activity, keeping in mind the varied interests of the different groups and that the program is designed for the control and not complete eradication of predators. This is achieved through the cooperative efforts of the State Department of Agriculture, U.S. Fish and Wildlife Service, State Game and Fish Department, counties, livestock associations, and other interested groups.

Legislative Basis. The State Department of Agriculture is designated by the Predatory Animal Act (Section 8-7-1 through 8-7-19, C.R.S. 1953, as amended) as the state agency to enter into agreements with the United States Department of Interior, Fish and Wildlife Service, for the control of predator animals. The act also provides for the payment of bounties on mountain lions and coyotes. The district agent of the U.S. Fish and Wildlife Service reports that these bounties have little effect on the number of predators taken and that, for the most part, bounties are a waste of public funds.

The Rodent Control Act (Sections 6-7-1 through 6-7-17, C.R.S. 1953) designates the State Department of Agriculture as the state cooperator in rodent control, and authorizes the department to enter into agreements with the Bureau of Biological Survey, U.S. Department of Agriculture. In actuality, however, the rodent control program is conducted with the cooperation of the U.S. Fish and Wild Service and is administered under the same program as predator control.

In the administration of rodent and predator control, the district agent states that the U.S. Fish and Wildlife Service enters into between 70 and 80 cooperative agreements with various groups such as wool growers, the Bureau of Land Management, the National Forest Service, etc. Since the program is administered on a federal level, the regulations of the U.S. Fish and Wildlife Service, which to a large extent are based on problems in the various states, are a major factor in the administration of the program. Consequently, the state has relatively little to say about the activities under this program.

Personnel Activities. The following list of personnel constitutes the staff for the administration of the mammal (rodents and predators) control program in Colorado:

<u>Position</u>	<u>Number of Employees</u>	<u>Salary Paid By</u>
District Agent	1	Federal
Principal Asst. District Agent	1	"
Assistant District Agents	4	"
Management Assistant	1	"
Payroll Clerk	1	"
Clerk Steno	1	"
Mammal Control Agents	4	"
Mammal Control Agents (part time)	2	"
Mammal Control Agents	33	State Dept. of Ag.
Mammal Control Agents	2	State Dept. of Ag.*
Mammal Control Agents	7	State Game & Fish

*No state appropriation was provided for these two employees for fiscal year 1961.

In general, the federal employees act in a predominately supervisory or administrative capacity; however, four of the permanent mammal control agents are paid by the federal government. The four part-time mammal control agents are hired for supervisory work regarding the dissemination of rodent poison and materials. Two of these part-time employees are paid by federal funds because of the extensive federal land holdings in the state.

The other 42 mammal control agents are under the state civil service program. Prior to 1959, mammal control agents were paid out of various funds of counties, wool growers, and other groups. This practice resulted in tedious bookkeeping procedures and, most of all, failed to provide a universal program for employee benefits as provided under state civil service.

Under the control program, the state is divided into four administrative districts, with an assistant district agent assigned to each one. District headquarters are located in Monte Vista, Glenwood Springs, Montrose, and Denver, with approximately ten mammal control agents assigned to each district.

Because the districts are quite large and there is considerable variation in predator problems, it may be difficult to establish specific uniform methods of supervision. For example, it is a problem to establish standards as to the number of predators an agent should capture since this depends to a large extent on the ruggedness of terrain, population of predators, and type of predator problem. The district agent reports that supervision is based on the knowledge assistant district agents acquire from contact work with forest service officials, ranchers, and others aware of predator and rodent problems, and the application of this information through field assignments to the mammal control personnel.

The coyote is reported to be the most serious predator in Colorado, and, as may be noted in Table 4, during 1959, 9,020 coyotes were taken. The total number of predators taken was 11,737 for 1959, which is more than double the number taken in 1950.

Table 4
 PREDATORS TAKEN IN COLORADO
Fiscal Years 1950 Through 1959*

<u>Fiscal Year</u>	<u>Bear</u>	<u>Bobcat</u>	<u>Coyote</u>	<u>Lion</u>	<u>Total</u>
1950	171	781	4,366	8	5,326
1951	215	905	4,467	7	5,594
1952	185	976	3,951	7	5,119
1953	122	1,218	4,489	12	5,841
1954	180	1,418	4,590	14	6,202
1955	176	1,400	5,813	9	7,398
1956	112	1,552	6,039	4	7,707
1957	195	1,995	6,500	22	8,712
1958	149	2,654	6,798	19	9,620
1959	166	2,535	9,020	16	11,737

* Source: U.S. Fish and Wildlife Service

In regard to rodent control, the four major districts of the state have their own types of rodent problems. In general, the Northwest district has problems with the Wyoming ground squirrel; the Southern and Southwestern areas are bothered by prairie dogs; and commensural rodents are prevalent in the Eastern part of the state.

The part-time mammal control agents supervise the application of rodenticides while the counties supply the personnel and purchase the bait from the federal-state cooperative program. This activity, in terms of the acreage treated, is reported in Table 5.

Table 5

RODENT CONTROL ACTIVITIES
UNDER SUPERVISION OF COOPERATIVE PROGRAM

1950 Through 1959*

Calen- dar Year	No. of Premises Treated Commensural Rodents	Acreage Treated					Misc.	Total
		Prairie Dogs	Ground Squirrel	Porcupine	Kangaroo Rats			
1950	8,223	451,408	94,952	---	3,295	45	549,700	
1951	6,405	300,710	45,831	---	4,963	130	351,634	
1952	3,055	189,742	66,649	---	10	130	256,531	
1953	2,603	218,913	50,738	---	506	380	270,537	
1954	2,037	247,256	49,124	---	---	1,319	297,699	
1955	2,751	194,612	51,530	7,000	40	5,525	258,707	
1956	3,321	229,378	38,998	33,444	2,379	9,928	314,127	
1957	3,879	181,946	61,137	1,249	100	595	245,027	
1958	5,232	272,261	109,272	5,100	506	1,402	388,541	
1959	7,740	136,808	176,520	380	69,000	3,318	386,026	

*Source: U. S. Fish and Wildlife Service

Hail Insurance Section

In 1929, the Hail Insurance Act (Sections 6-4-1 through 6-4-25, C.R.S. 1953, as amended) was enacted at the request of Colorado grain growers. At that time, hail insurance rates of private companies were prohibitive as far as the average farmer was concerned; some rates were as high as 25% to 30% of insured value. The problem was further aggravated in high-risk areas since private companies would not provide any hail insurance therein. This finally resulted in the establishment of the state hail insurance program.

Throughout its 30-year history, the state hail insurance program (a mutual insurance organization) has never dominated the hail insurance field in Colorado. At the present time, the supervisor of the Hail Insurance Section reports that, of the growers who regularly purchase hail insurance, only about one-third of their insurance is purchased through the three mutual insurance companies operating in Colorado (two private and the state program). The state program averages about one-third of this mutual business.

Since the inception of the state hail insurance program, a number of factors have restricted the growth of the program; some of these reasons are as follows:

1) The Colorado State Hail Insurance Program has been voluntary whereas in some states, such as Montana and North Dakota, a form of compulsory state hail insurance has been adopted. Such programs in the past required growers to purchase a minimum amount of state insurance if they desired protection from hail damage. The Colorado supervisor reports that compulsory programs were quite effective in establishing adequate reserves to cover years of severe hail damage. Once the reserves were established, the compulsory aspect was abandoned in these states. However, Colorado's hail insurance program has never been able to provide sufficient reserve strength and as a result the program has been restricted.

Table 6 provides a comparison of the activities of various state hail insurance programs. It may be noted from the table that the Colorado program is quite small in relation to other state programs, which is a primary reason for its relatively high operation expense ratio.

2) The state hail insurance program has always provided protection in the high-risk areas. This has created an excessive amount of insurance coverage in these areas while, at the same time, there has been a tendency for growers in the low-risk areas to do without insurance. Thus, the risk is not disseminated sufficiently and in years of severe hail damage the losses tend to be concentrated where there are policyholders.

3) The state program operates on a mutual basis and in some years in which losses have been heavy it has been necessary to prorate the losses. This has been a handicap since it has discouraged some growers from participating in the program.

4) Prior to 1952, the policy of the State Hail Insurance Section was to pay a nominal fee to assessors and other agents to write insurance schedules. Since the individuals writing the schedules received a flat fee of \$1.00, and later \$3.00, instead of a commission, there was not much incentive to perform extensive contact work in the field. In 1952, with the permission of the State Agricultural Commission, a program was adopted whereby agents and assessors were paid a 12 percent commission for writing insurance schedules; the commission rate subsequently was raised to 15 percent.

5) Private companies have an advantage in building reserve strength for their programs in that their policy is to deduct the first ten percent of losses, and in some cases the first 20 percent of losses, while the state program is attempting to reimburse all losses. However, the state stipulates that if a loss is ten percent or less, a grower should not file a claim. However, if the loss is 11 percent the entire amount is paid.

Generally, the state hail insurance program has failed to develop the extensive coverage necessary to build reserve strength sufficient to cover all losses, especially in years of severe hail damage.

Table 6
SUMMARY OF STATE HAIL INSURANCE
PROGRAMS FOR 1959*

	<u>Montana</u>	<u>Colorado</u>	<u>Alberta</u>	<u>Saskatchewan</u>	<u>N. Dakota</u>	<u>Totals & Av.</u>
1. Total risk written	\$7,135,784.32	\$598,473.00	\$17,190,421.73	\$40,475,764.00	\$21,855,121.33	\$87,255,564.38
2. Premium charge	\$ 562,468.55	\$ 71,961.10	\$ 1,406,588.65	\$ 2,218,480.78	\$ 1,510,251.45	\$ 5,769,720.53
3. Number policies issued	2,536	251	10,968	37,328	15,476	66,559
4. Total acres insured	656,835	53,779	2,107,124	6,745,961	1,974,743	11,538,442
5. Aver. acres ins. per pol.	225	214	192	181	127	\$ 173
6. Aver. risk per acre	\$ 10.86	\$ 11.13	\$ 8.16	\$ 6.00	\$ 11.07	7.56
7. Losses paid	\$ 217,108.50	\$ 50,012.81	\$ 383,718.22	\$ 2,112,858.27	\$ 1,337,647.96	\$ 4,101,345.76
8. Loss ratio	3%	8.4%	2.2%	5.22%	6.12%	4.7%
9. Aver. cost to insured per \$1000 of protection	\$ 78.82	\$ 120.24	\$ 81.82	\$ 54.81	\$ 69.10	\$ 66.12
10. Number of losses adjusted	222	73	9.80	4,904	4,360	\$ 10,539
11. Total adjusting expense	\$ 12,124.15	\$ 1,724.35	\$ 33,462.05	\$ 59,566.58	\$ 44,732.45	\$ 151,609.58
12. Aver. adj. cost per acre	21¢	15¢	26.7¢	6.9¢	8.6¢	9.6¢
13. Acres reported damaged % of all insured	57,077.9 8.7%	11,650 21.7%	125,537 6%	857,435 12.71%	520,328 26.35%	1,572,027.9 13.62%
14. Total operating expense	\$ 27,799.17	\$ 17,825.32	\$ 256,918.00	\$ 216,608.83	\$ 203,967.66	\$ 723,118.98
15. Operating expense ratio	4.9%	24.8%	18.3%	9.76%	13.50%	12.53%
16. Days with hail	31	20	45	51	73	44
17. Average cost of ins.	7.9%	12.02%	8.2%	5.48%	6.91%	6.6%

* Source: International Hail Insurance Association.

Personnel Activities. The Hail Insurance Section is staffed with the following personnel: a full-time supervisor; a part-time hail insurance representatives' aide; a part-time rate clerk; an adjuster who is hired for about two months each year; and about 50 field agents who are active just prior to and during the hail season. The field agents are paid on a commission basis and are active for about three months of the year. Most of these agents are in some line of insurance work throughout the year.

The adjuster assists the supervisor during the peak periods of hail damage. If severe damage has occurred during a season, the supervisor usually has to appoint additional help in order to keep pace with adjustment demands.

The supervisor reports that the office workload requires that the rate clerk and the insurance representatives' aide must spend a total of about four months each in hail work during an average insurance year. The rest of the time the two employees are engaged in other work for the Administrative Services Division. For these two position, for fiscal years 1957 through 1959, the following months of salaries were paid by the Hail Insurance Section:

<u>Fiscal Year</u>	<u>Salaries Paid by Hail Insurance Section For These Two Positions</u>
1957	2 months
1958	7 months
1959	1 month

Hail Insurance Rates. Hail insurance rates are revised each year and depend to a large extent on the incidence of hail storms and damage over the past 30 years. The rates are normally established on a county basis and range from six percent to 16 percent of insured value. Table 7 reports the loss rates for the various counties and it may be noted that loss rates for Phillips and El Paso Counties for the 1929-1948 period have been higher than the 1960 insured rate. The loss rate for the period 1929 through 1958 for Phillips County was 19.73 percent while for El Paso County the loss rate was 15.83 percent; the insured rate for Phillips County for 1960 is 16 percent and for El Paso County the rate is 12 percent.

The supervisor reports that private insurance companies establish their hail rates on a township basis, while the state hail program adjusts its rates on a county basis. This policy has forced the state program to adopt arbitrary rates in Phillips and Logan Counties since the county-wide loss rate in these areas has been quite high and competition from private companies has forced the state program to adopt lower rates.

Table 7
 COLORADO STATE HAIL INSURANCE RATES
 1957 Through 1960^a

County	1956 ^b			1957				1958			Rate 1958	Rate 1959	Rate 1960	Average Loss Rate 1929-1958
	Amt. of Risk ^c	Amt. of Premium ^d	Amt. of Loss ^e	Amt. of Risk	Amt. of Premium	Amt. of Loss	Rate ^f 1957	Amt. of Risk	Amt. of Premium	Amt. of Loss				
Adams	\$ 26,971	\$ 2,456	\$ 2,208	\$ 20,268	\$ 2,301	\$ ---	10 %	\$ 145,740	\$ 14,683	\$ 21,460	10 %	10 %	10 %	8.46%
Arapahoe	---	---	---	2,290	282	---	6	62,700	7,044	10,709	11	11	11	10.22
Baca	1,550	124	---	14,150	1,166	1,000	8	61,600	5,045	12,753	8	10	i	9.61
Bent	260	26	---	---	---	---	10	480	53	---	10	10	10	6.77
Cheyenne	1,040	93	---	540	48	---	9	18,170	1,650	4,404	9	10	10	8.28
Elbert	1,200	138	---	2,010	221	---	11	15,295	1,682	4,291	11	11	11	10.66
El Paso	4,200	516	---	3,435	377	---	11	4,540	457	1,071	10	12	12	15.83
Kiowa	---	---	---	---	---	---	8	5,250	420	1,575	8	8	8	5.46
Kit Carson	---	---	---	23,588	2,997	391	12	89,248	12,226	8,485	14	14	14	12.50
Larimer	---	---	---	1,100	66	80	6	---	---	---	6	6	6	4.14
Las Animas	9,325	932	2,256	---	---	---	10	---	---	---	10	10	13	10.38
Lincoln	7,300	876	2,011	86,610	11,279	400	13	151,009	19,652	16,046	13	13	13	11.80
Logan	19,536	2,735	5,263	13,427	1,879	1,953	14	21,970	3,515	1,848	16	16	16	15.48
Morgan	3,237	445	---	2,950	429	1,054	14	30,250	4,235	7,706	14	14	14	13.74
Phillips	20,281	3,060	2,756	35,071	5,286	2,440	15	63,311	10,203	5,172	16	16	16	19.73
Prowers	---	---	---	---	---	---	8	20,910	1,695	573	8	8	8	6.82
Sedgwick	---	---	---	850	119	---	14	32,867	4,638	1,948	14	13	13	11.52
Washington	24,657	2,859	7,550	23,783	2,907	1,550	12	47,205	5,675	19,584	12	13	j	12.23
Weld	12,337	1,460	3,800	43,587	5,138	6,775	11	156,766	19,103	41,361	12	h	h	11.30
Yuma	<u>36,452</u>	<u>4,351</u>	<u>5,924</u>	<u>161,848</u>	<u>19,442</u>	<u>13,273</u>	<u>12</u>	<u>258,405</u>	<u>33,447</u>	<u>62,093</u>	13	14	14	12.90
Totals	\$ 168,347	\$ 20,075	\$ 31,770	\$ 435,508	\$ 53,944	\$ 28,920		\$1,185,719	\$ 145,428	\$ 221,086				

- (a) Source: State Department of Agriculture. Totals may not balance as a result of dropping cents.
- (b) During 1956 and 1958 losses were pro-rated at 55% due to severe hail damage and insufficient reserves.
- (c) Risk is the maximum possible loss of insured crops.
- (d) Premium is the cost to the growers for hail insurance.
- (e) Loss is the amount paid to growers as a result of hail damage.
- (f) Rate is a percentage of risk based, for the most part, on losses of previous years.
- (g) Average loss rate is the percentage of insured risk lost from 1929 through 1958.
- (h) Weld County rates for 1959 were 12% west of R-60 and 14% for R-60 and East; 1960 rates are the same as 1959.
- (i) West of R-45 rates are 10% and R-45 and East rates are 8%.
- (j) North of baseline rates are 14%; South of baseline rates are 12%.

Division of Plant Industry

The Division of Plant Industry within the State Department of Agriculture is primarily concerned with the control of insect pests, plant diseases, and noxious weeds. In maintaining the control and eradication of agricultural pests, this division is assigned the administration of the following laws:

1. The State Entomologist Act (6-10-1 through 6-10-15, C.R.S. 1953, as amended) provides for the inspection of "orchards, farm and garden crops and any other premises or objects to determine if any of them are infested or infected with pests which may be disseminated to the injury of others and...for the control of such pests when possible." The act also prescribes other duties such as the examination and licensing of county pest inspectors, the establishment of quarantines, allows for emergency inspection, and enables the Plant Industry Division to enter into agreements with the federal government.
2. The Pest Inspection Act (Chapter 41, Session Laws 1959) enables local communities to formulate pest control districts for the control or eradication of agricultural pests.
3. The Apiary Inspection Act (7-9-1 through 7-9-21, C.R.S. 1953) provides for the control, prevention, and eradication of bee diseases by such means as giving the department of agriculture the right to examine and license county apiary inspectors.
4. The Insecticide, Fungicide, and Rodenticide Act (6-12-1 through 6-12-12, C.R.S. 1953) is mostly concerned with the distribution, sale, and transportation of adulterated or misbranded insecticides or other economic poisons and provides for the registration and examination of such materials.
5. The Seed Inspection Act (6-8-1 through 6-8-13, C.R.S. 1953) establishes control measures concerning the sale and distribution of agricultural seed.
6. The Application of Insecticides by Aircraft Act (6-14-1 through 6-14-17 C.R.S. 1953) requires the examination and licensing of aerial-spray operators and the inspection of equipment and pesticides used in such operations.
7. The Nursery Stock Act (6-15-1 through 6-15-5, C.R.S. 1953, as amended) provides: "In order to prevent deception or misrepresentation as to kind and grade-size and variety of nursery stock for planting purposes, except dormant bulbs, tubers, roots, corms, rhizomes, pips, and seeds, whenever such nursery stock is sold or in the process of sale within this state, all types of nursery stock mentioned in the article shall, when sold or delivered, be properly graded and labeled as to name, grade, size and variety..." This law also provides for the inspection and licensing of nurseries, nursery dealers, and agents.

8. The Pest and Plant Quarantine Act (6-11-1 through 6-11-8, C.R.S. 1953, as amended) authorizes the establishment of quarantines to prevent the introduction or migration of insect pests or plant diseases and for the Plant Industry Division to provide funds, labor, and supplies to carry out this purpose. The act also prescribes that the division is to cooperate with other groups, municipalities, or agencies in maintaining these control measures.

9. The Noxious Weeds Act (6-9-1 through 6-9-7, C.R.S. 1953) supplements the "Pest Act" by requiring the cleaning of threshing machines and combines to prevent them from transporting noxious weeds from one area to another. Other control measures of this law include the right of county commissioners to purchase equipment, employ weed supervisors, and allows the counties to enter into agreements with the federal government and State of Colorado for weed control.

To supplement the preceding laws and to facilitate agriculture pest control, a memorandum of understanding among the Colorado State Department of Agriculture, the Extension Service and the Agriculture Experiment Station of Colorado State University, and the United States Department of Agriculture, was put into effect on July 1, 1957. This agreement provides the basis for which special or individual programs may be cooperatively worked out.

Under this basic agreement, the Division of Plant Industry maintains a memorandum of understanding with the Division of Plant and Pest Control, U.S.D.A., for the control of peach mosaic and khapra beetle. Another memorandum of understanding that has been in existence for a long period of time concerns the eradication of barberry bushes.

Activities of Plant Industry Division

The activities of the Plant Industry Division are divided into various programs such as nursery, apiary, and pesticide inspection, and the maintenance of a parasite laboratory for insect and weed control. These programs are administered on a geographical basis as well as a program basis, with one section being the eastern slope and the other the western slope. The western slope headquarters is located at Palisades, which is also the site of the parasite laboratory.

Table 8 presents a broad picture of the activities of the Plant Industry Division in relation to the staff of entomologists and the approximate amount of time spent per activity as performed in fiscal year 1959. Also, the basic differences between eastern and western slope activities may be noted in the table.

Table 8
 PLANT INDUSTRY DIVISION
 ESTIMATED PERSONNEL ACTIVITY BY LOCATION AND PROGRAM
Fiscal Year 1959*

<u>Activity</u>	<u>Eastern Slope</u>		<u>Western Slope</u>		<u>Division Totals</u>	
	<u>Man-Months</u>	<u>% of Time Spent on Activity</u>	<u>Man-Months</u>	<u>% of Time Spent</u>	<u>Man-Months</u>	<u>% of Time Spent</u>
Pest Survey	17	28.3	5½	15.3	22½	23.4
Pesticide	5 1/3	8.9	1 1/6	3.3	6½	6.8
Office, Denver	12 2/3	21.1	-	-	12 2/3	13.2
Seed Inspection	4 2/3	7.8	1 2/3	4.6	6 1/3	6.6
Apiary	2½	4.2	-	-	2½	2.6
Green House	6	10.0	-	-	6	6.3
Nursery	11 5/6	19.7	2 1/3	6.5	14 1/6	14.8
Insectary Laboratory	-	-	18 1/3	50.9	18 1/3	19.1
Bio-assay	-	-	1 2/3	4.6	1 2/3	1.7
Mosaic	-	-	5 1/3	14.8	5 1/3	5.5
TOTAL	60	100.0	36	100.0	96	100.0

*Source: Graph prepared by Division of Plant Industry, State Department of Agriculture. The months represent an approximation of the time spent on various activities by the staff entomologists and the entomologist aide. The eastern slope includes five staff members: one principal entomologist, three senior entomologists, and one junior entomologist. The western slope includes one principal entomologist, one entomologist and one entomologist aide. The personnel activity reported does not include clerical help.

A natural restriction on the functions of the Plant Industry Division is the variation in the biological seasons of Colorado due to the differences in elevation of the crop areas. Since the seasons are not exactly the same, the department takes advantage of the differences by allocating personnel assignments according to these seasonal variations.

Western Slope Activities. One of the principal functions of the western slope office is the operation of a parasite or insectary laboratory for the control of plant pests. The laboratory was originally established in 1945-46 primarily for the control of the oriental fruit moth. However, this insect has not been found since 1952 and the production of the parasite used in controlling the oriental fruit moth is now on a stand-by basis.

Since there has not been any indication of the presence of oriental fruit moth for a number of years, the question may be raised as to why the program is being maintained at all. It is the opinion of the division chief that another outbreak of the moth might occur which would result in a severe loss to the peach industry. The division chief cites California as an example of the failure to maintain thorough control measures which resulted in an increase of the oriental fruit moth after it had been brought under control. Thus, the maintenance of the parasite program on a stand-by basis reduces the possibility of reinfestation and eliminates the need for a quarantine of states infested with the moth.

The activities of the parasite laboratory have expanded into new areas since it was established, and the laboratory is now producing European Elm Scale parasites for the control of shade tree pests. The parasite laboratory is also producing a beetle for the control of klamath weed.

Under the direction of the principal entomologist in charge of western slope activities, the field station or laboratory is presently attempting to establish standards from which biological assays of insecticides may facilitate present methods for the chemical analysis of insecticides. Such biological assays would enable the division to obtain quick and economical tests that would provide farmers and spray operators with a source of information for determining the potency or the strength of insecticides. The division chief adds that this program is in the development stage and that the costs of administering this service have not been determined as yet.

The parasite laboratory is one of only six similar laboratories in the world; the others are located in France, Italy, Great Britain, California, and Maryland. These laboratories work in close conjunction with each other and exchange information and parasites without charge. The laboratory has also supplied parasites to Oregon, California, Washington, and to the federal laboratory (when a culture medium was accidentally destroyed).

In the near future, the oriental fruit moth parasite will be supplied to Oklahoma and Missouri. Thus, the benefits derived from the operation of the laboratory are hard to measure if strictly related to the Colorado tax dollar. The laboratory is entirely financed by state funds since neither the peach industry nor the federal government make direct contributions therefor.

Another program administered under the auspices of the field station at Palisades is the control of peach mosaic. The mosaic program is a joint federal-state project under an agreement between the Division of Plant Industry and the United States Department of Agriculture Plant and Pest Control Section. In conjunction with the agreement, local county inspectors generally carry out the inspection program under the supervision of the Plant Industry Division.

Peach mosaic is a highly noxious virus, particularly to the Elberta and Hale varieties. The virus is transmitted by a vector known as eriophyes insidious which completely ruins the tree and fruit. At present, the only means of control is the elimination of diseased trees.

Table 9 cites some of the inspection activities of the mosaic program and it may be noted that in Mesa County the percentage of infected trees seems to be relatively constant. The division chief states that this is a maintenance program as the present method of tree elimination will never eradicate the virus completely. However, he believes that if the program were reduced or eliminated, in a few short years the peach industry would be wiped out.

In regard to the removal of diseased trees and symptomless carriers, some grower resistance has been encountered. In a very few cases assistance from the local district attorney was needed but at no time has the department lost a court case involving the removal of trees. Despite the scattered attempts by some growers to prevent eradication of diseased trees or symptomless carriers, the Peach Board of Control completely supports the program.

Stem rust is a highly destructive disease of small grains and is transmitted by susceptible varieties of barberries. The control of stem rust is obtained by the eradication of these susceptible barberries.

Barberry eradication is conducted by a joint federal-state program which is presently supported by about 60 percent federal funds and 40 percent state funds. For the past few years, barberry eradication has been on a maintenance basis since the original 74,685 square miles needing work has been reduced to the point where crews are now reworking areas sprayed in previous years. For example, in fiscal year 1959, 195 square miles were worked with one new property infested and 170 old properties infested out of a total of 280 properties inspected.

Table 9

PEACH MOSAIC CONTROL PROGRAM*

Fiscal Years 1950 Through 1959**

<u>Fiscal Year</u>	<u>MESA COUNTY</u>					<u>DELTA COUNTY</u>	
	<u>Trees Inspected</u>	<u>Trees Infected</u>	<u>Per Cent Infection</u>	<u>Properties Inspected</u>	<u>Properties Infected</u>	<u>Trees Inspected</u>	<u>Trees Infected</u>
1950	909,432	1,933	.21	---	---	252,484	1
1951	894,908	1,929	.25	1,092	381	159,552	20
1952	884,350	3,127	.38	1,343	433	181,570	1
1953	817,869	1,557	.23	1,152	351	177,693	0
1954	815,085	2,401	.32	1,229	401	136,364	5
1955	809,194	4,028	.52	1,204	454	128,700	1
1956	770,516	3,393	.44	1,059	430	166,306	2
1957	747,401***	5,534	.74	---	---	---	2
1958	708,830	2,062	.29	1,086	389	143,687	2
1959	717,366	961	.14	1,099	319	152,308***	2

*This program is a cooperative project involving the counties of Mesa and Delta, Plant Pest Control of U.S.D.A., and Division of Plant Industry, State Department of Agriculture.

**Annual Reports, State Department of Agriculture. The inspection program is divided into two surveys. The first survey covers the entire peach area while the second survey covers the area of the intense mosaic problems. This table is based on first surveys only.

***These figures have been calculated from percents cited in annual reports.

The pay rates of the seasonal crews are slightly different in that the federal government employees are paid a higher salary than those hired by the state. For this reason, the experienced crew members are usually put on the federal payroll and the less experienced men are placed on the state payroll.

The western slope office engages in such other activities as seed inspection, but the direction of these activities is the responsibility of staff members operating on the eastern slope and they will be discussed in the following section.

Eastern Slope Activities. One of the primary activities of the Plant Industry Division in regard to the Denver office is the administration of the Nursery Act. Basically, the purpose of this program is to prevent deception or misrepresentation of nursery stock, grade, size, variety, etc. An examination of Table 8 shows the relationship of the activity in regard to the over-all program of the permanent professional staff. The professional staff devotes approximately 14.8 percent of its time in nursery work, according to the work budget prepared by the division for fiscal year 1959.

Greenhouse inspection is a similar activity to nursery inspection but it is not provided for in a specific act. However, the State Entomologist Act is reported to serve as the authority for the administration of this program. All states require point-of-origin inspection of plants shipped in interstate commerce in order to be sure the plants are free of insect pests. Without this service the greenhouse industry would lose its markets. The 1959 work budget allocates approximately 6.3 percent of the employees' time to this activity and, since the fee increase of 1958, the industry seems to be providing sufficient financial support for this service.

Apiary inspection is conducted on a county-state basis with the state licensing and examining local county inspectors. The county inspectors are responsible for the inspection of all bee colonies suspected of having diseases such as American Foulbrood and European Foulbrood. State inspectors are often called upon to substantiate the seriousness of the disease and to recommend either the destruction of the colony or the use of antibiotics for treatment. Also, the state inspectors are the only ones who can legally certify that a colony is disease free for the purpose of certifying interstate shipments. In the past ten years, bee colonies have increased from 56,448 in 1950 to approximately 68,000 in 1959.

Colonies having trouble with American Foulbrood are generally destroyed or treated with suffathrazole while European Foulbrood lends itself to treatment with antibiotics. One of the problems on control of bee diseases, according to the division chief, is the prevalence of wild colonies which provide a constant source of possible infection and transmission of bee diseases.

The insecticide program is primarily concerned with eliminating adulterated or misbranded insecticides from sale in Colorado. In administering this program the division maintains a file of pesticides registered and tests by the U.S.D.A. and by some other states having test laboratories. Thus, in most cases, insecticides introduced into Colorado have already been tested by one of these sources, thereby eliminating the necessity of testing each insecticide registered in this state.

When problem cases arise or insecticide tests are necessary, sample compounds are submitted to local laboratories for analysis. However, the complex hydro-carbon insecticides are sent to the Madison Alumni Research Agency in Wisconsin for analysis. The Madison testing service is quite economical to use, according to the division chief, since the equipment cost for such analyses is very high and the service is performed by the research agency at cost; this is much cheaper than establishing a state insecticide laboratory or expanding the facilities of the present laboratory of the department of agriculture.

The following table lists the companies and the number of formulations registered under the Insecticide Law:*

<u>Fiscal Year</u>	<u>Number of Companies Licensed</u>	<u>Number of Formulations</u>
1951	225	2,000
1952	232	2,174
1953	266	2,142
1954	307	2,150
1955	310	2,113
1956	296	2,407
1957	310	2,574
1958	282	2,431
1959	329	2,702

*Source: Annual Reports, State Department of Agriculture

The Division of Plant Industry has an entomologist on its staff who is experienced in aircraft dissemination of insecticides. Protection to the operators is extended by the knowledge of this staff member and the growers are also insured that proper equipment, methods, and insecticides will be used. The number of aerial-spray operators' licenses fluctuates from year to year due to changes in infestations such as those reported in grasshopper surveys.

In the past year, some damage and loss to apiaries has been caused by aerial-spray activities. Through coordinated efforts on behalf of the department of agriculture and the two industries involved, these losses have been greatly reduced by the education of spray operators to restrict operations when crops or fruit trees are in bloom and are especially attractive to bees. In addition, the Apiary Act (Section 7-9-11) provides: "It shall be unlawful to spray or dust with any poisonous material which is injurious to

bees in their egg, larvae, or adult stages, any agricultural crops or fruit trees while in bloom which are attractive to bees."

The administration of state quarantines to prevent the unrestricted transportation of plants and other agriculture products from areas of known infestation of agriculture pests is another program of the division. The quarantines are not designed as embargos or trade restrictions but generally require fumigation or a certificate of clearance that the products are free of insect pests.

The following lists the ten state quarantines currently active in Colorado:

1. Peach Mosaic: Prohibiting movement of host plant (peaches and stone fruits). Regulation and inspection of nurseries growing stone fruits. Eradication and removal of diseased stone fruit trees.

2. Potato Tuber Moth: Prohibiting and controlling movement of Irish potatoes from those areas known to be infested with Potato Tuber Moth.

3. Black Stem Rust: Prohibiting movement and planting of susceptible varieties of barberry. Eradication of susceptible varieties of barberry.

4. Colorado Potato Beetle: Regulating movement of host plants (peppers and tomatoes) from infested areas to non-infested areas.

5. European Corn Borer: Regulating the movement of corn and other products from areas known to be infested by the corn borer. (Regulations not being enforced pending additional studies as to the effects on industry and agriculture.)

6. Khapra Beetle: Regulating the movement of khapra beetle host material.

7. Proclamation No. 1: Requirements for shipping plant products, nursery, and greenhouse stock into Colorado.

8. Proclamation No. 2: Requirements for shipping boxes, barrels, baskets, or other fruit containers into or within the fruit areas of Colorado.

9. Symptomless Carriers of Peach Mosaic: Prohibiting the importation of those symptomless varieties of peach trees known to be carriers of peach mosaic.

10. Western Celery Mosaic: Prohibiting the movement of celery plants into the State of Colorado from the State of California because of western celery mosaic disease.

The khapra beetle quarantine is especially significant due to the destructiveness of this pest to stored grains. The insect is a native of the Orient and was first discovered in California in November of 1953. Since that time, the states of Arizona, New Mexico, and Texas have each developed areas of infestations. In these areas approximately \$7,000,000 in control work has been spent by the cooperating agencies.

In Colorado, the inspection program was originally a joint federal-state project but since Colorado has not developed any infestation, federal support has dropped to about ten percent of the program. The following table indicates the trend of the program from a federal-state to a predominately state-supported program.

<u>Fiscal Year</u>	<u>State Inspection</u>	<u>Federal-State Inspection</u>	<u>Federal</u>
1955	8	164	141
1956	80	128	111
1957	171	45	43
1958	231	17	15
1959	178	7	7

Another activity of the division, as authorized under Sections 6-8-1 through 6-8-13, C.R.S. 1953, is the inspection and testing of agricultural seeds. This activity is directed by a staff entomologist located on the eastern slope; however, the western slope office also engages in the inspection and collection of samples.

Seed testing is performed for the division at the Experimental Station at Fort Collins. For the past two years, appropriations have been made to support this activity but during the prior years little inspection and testing was performed because of a lack of funds. Based on Table 8, approximately 6.6 percent of the entomologists' staff time was spent on the collection of seed samples in fiscal year 1959.

The Division of Plant Industry is also responsible for checking shipments of agriculture products entering Colorado both in regard to quarantines and to insure that products are pest free from other sources. It is practically impossible for the staff to check each truck for certification papers from the point-of-origin. However, the department is assisted by the highway patrol, ports of entry, and in some instances by produce dealer inspectors. The division chief further reports that, although the activities of the ports of entry regarding the checking of certificates have not been complete, they have been very helpful.

Plant Industry Division personnel do not maintain stations at the ports of entry but rely on the preceding inspections plus calls from traffic managers of rail, air, and truck shipments to notify the division of applicable incoming shipments.

In general, the most time-consuming function of the division is in regard to pest surveys. Approximately 23.4 percent of staff time, for fiscal year 1959, was utilized in this general area, including surveys for such pests as grasshoppers, barberry, European corn borers, klamath weed, khapra beetle, fruit insects, potato tuber moth, and a host of other weeds and insects capable of causing damage or loss to agricultural crops.

Here again, especially in regard to pests such as the grasshopper, there is a great deal of coordination of activity between the federal government, states, counties, and various other groups or agencies interested in a particular agricultural industry.

Relationship of Personnel to Activities

The administrative structure of the Division of Plant Industry is not divided into sections having generally specialized personnel as is the case of the other three divisions within the department of agriculture. Instead, the staff activities of the Plant Industry Division are designed to encompass the various programs therein, as shown in Chart 3.

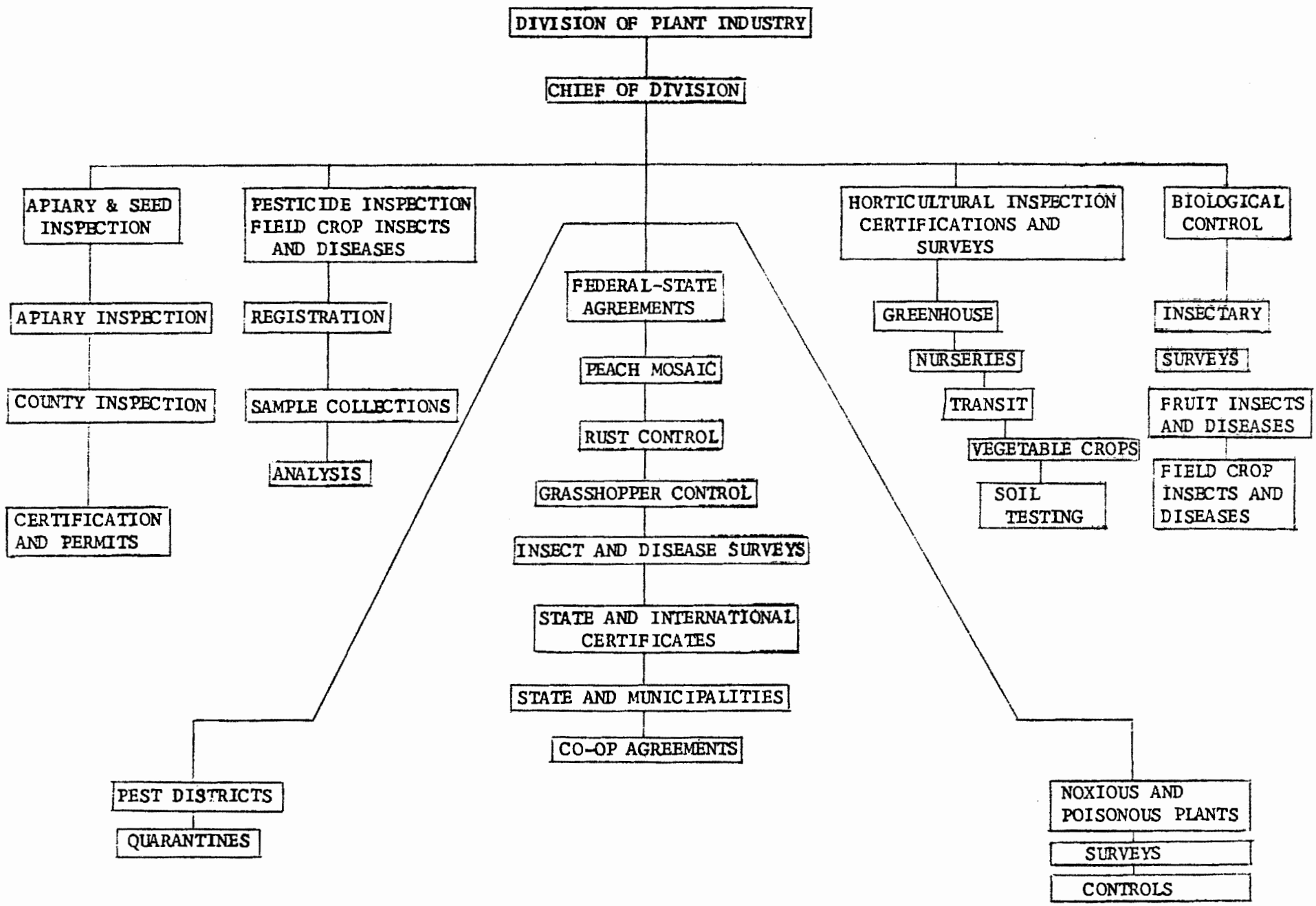
The permanent staff of the division consists of the division chief, two principal entomologists, three senior entomologists, one entomologist, one junior entomologist, one entomologist's aide, one intermediate clerk-stenographer, and one clerk-typist. The Denver office also employs two part-time clerks during peak seasons of licensing and registration.

In addition to the full-time staff, a number of part-time inspectors are hired during the growing seasons. These inspectors are supported by federal, state, and county funds. For example, from 20 to 24 apiary inspectors are employed by the counties for temporary inspection work. These inspections are usually made on request of the beekeepers. Another temporary work force of from 10 to 12 inspectors is involved in the peach mosaic program. Most of these mosaic inspectors are familiar with the peach industry and have had previous experience in mosaic inspection. A training class is conducted every year prior to the peach mosaic season. Some of the temporary inspectors have attended these classes for about 15 years. As previously mentioned, a group of seasonal laborers are hired for barberry eradication work.

In regard to the full-time staff, the chief directs the over-all activities of the division. On the western slope, one of the two principal entomologists directs the activities in this area. Other staff assignments include:

1. The responsibility for nursery, greenhouse, and terminal inspection is the job of the principal entomologist in the Denver office.
2. A senior entomologist for the eastern slope is responsible for seed and apiary programs as well as the organization of pest districts.

Chart 3



3. Another senior entomologist is in charge of pesticide registrations and aircraft licensing.

4. The third senior entomologist assists the principal entomologist responsible for nursery and greenhouse inspection.

5. The entomologist is directly responsible to the principal entomologist directing activities at the Palisades field office.

6. The junior entomologist is involved in a training program designed to give all employees a thorough understanding of the nature of the agency and the various programs involved. The section chief does not believe in limiting an individual to one specialty but tries to develop the staff so that the employees will be completely flexible in moving from one job to another. Thus, the less experienced men may temporarily fill vacancies of senior men in times of sickness and vacation.

7. The entomologist's aide also works at the Palisades field office, generally performing work as a technician in the parasite laboratory.

In regard to prior training of personnel, the division chief comments that intensive specialization is not necessary and that an individual may major in entomology, pathology, or some other related area, or have the same equivalent work experience, or a combination of both.

Division of Animal Industry

When the State Department of Agriculture was created in 1949, four divisions were established by law, "the heads of which shall be appointed by the commissioner subject to the constitution and laws of the state (1953 C.R.S. 6-1-8)." Section 6-1-8-(3), C.R.S. 1953 provides: "The division of animal industry shall perform such duties relating to the livestock industry, including dairying and poultry, in conformity with section 6-1-4, and other regulatory functions needed in the control and eradication of livestock diseases, and not contrary to law. The head of the division shall be the chief of the division of animal industry."

Under this legislative assignment, the Animal Industry Division contains the four sections reported in Chart 4: poultry and eggs; dairy products; commercial feed and fertilizer control (including a standards laboratory); and veterinarian (including a joint state-federal brucellosis laboratory).

Generally, the Chief of the Animal Industry Division, under direction of the commissioner, plans, organizes, coordinates, and directs the animal industry program in the state. In carrying out these duties, typical tasks of the chief include the following, as reported by the Colorado Civil Service Commission:

DIVISION OF ANIMAL INDUSTRY

CHIEF

DAIRY PRODUCTS SECTION

CHIEF, DAIRY SECTION

SANITARY INSPECTION

Counter Freezers
 Cream Stations
 Mfg. Plants
 Concentrating Sta.
 Marketing Centers

LICENSING

Counter Freezers
 Cream Sta.
 Concentrating Sta
 Manufacturing Plants
 Sampled Testers
 Oleo Mfgs. and
 Wholesale Dealers

TESTING & GRADING

Butterfat & Sediment
 OF Milk, cream, butter
 ice cream and other
 dairy products

LABORATORY ANALYSIS

Dairy Products

STANDARDS LABORATORY

CHIEF CHEMIST

FEED ANALYSIS

Protein, Fat, Fiber,
 Vitamins, Minerals,
 Antibiotics, Hormones

FERTILIZER ANALYSIS

Nitrogen, Phosphates
 Potash, Soil Amendments
 Trace Elements

COMMERCIAL FEED & FERTILIZER SECTION

SUPERVISOR

REGISTRATIONS

Feeding Stuff
 Fertilizers

INSPECTIONS

Feed Stores
 Manufacturers & Mills
 Farms & Dairies

SAMPLING

Commercial Feeds & Fertilizers
 Pet Foods
 Soil Amendments

CONDEMNATIONS

Adulterated Feeds
 Misbranded Feeds
 Low Analysis Feeds
 Feeds not registered

REFUNDS

Analysis below guarantee
 Short Weight

POULTRY & EGG SECTION

SUPERVISOR

LICENSING

Wholesalers
 Jobbers
 Retailers
 Country Receivers
 Producers

GRADING INSPECTIONS

(For wholesomeness)
 Processing Plants
 Groceries, Hotels,
 Restaurants, Trucks
 Creameries
 Institutions
 Producers

SANITATION INSPECTION

Processing Plants
 Poultry
 Rabbitries
 Permits
 Complaints

ADVERTISING

Labeling
 Grades

HEARINGS

VETERINARIAN SECTION

STATE VETERINARIAN

LIVESTOCK DISEASES

Disease Programs
 Scabies
 Blue Tongue
 Vesicular Exanthema
 Paratuberculosis
 Scrapies
 Sales Ring Sanitation
 Interstate Movement
 Quarantines

STATE-FEDERAL

Cooperative programs
 for control of
 livestock diseases

BRUCELLOSIS PROGRAM

SUPERVISOR

Blood Testing
 ABR Ring Testing
 Tuberculosis Control
 Dairy Herd Approval

STATE-FEDERAL

Cooperative Laboratory
 & Programs for Control
 of Brucellosis

- 1) Directs collection of inspection fees and deposits these with the proper authorities;
- 2) Determines that expenditures of the division do not exceed approved budget;
- 3) Initiates regulations for various sections and submits them to the Commissioner of Agriculture for approval;
- 4) Prepares directives with approval of commissioner for use by division personnel;
- 5) Meets with interested agricultural groups for the purpose of promoting industry's interests and division's programs;
- 6) Conducts educational programs in grading and sanitation; assists producers in marketing products; and
- 7) Travels extensively throughout the state.

Employment standards required for the position of chief of the division are: "Any combination of training and experience equivalent to graduation from college with major work in animal husbandry or a closely related field, and seven years of experience in stock breeding, stock feeding, dairy production, general farming, farm management, farm research or farm organizational work, three years of which must have been in progressively responsible administrative work in the agricultural industry, state or federal service."

Enforcement Program. Present enforcement policies of the State Department of Agriculture are based upon a priority selection according to the seriousness of probable violations in the following order:

- 1) Violations that endanger public and animal health
- 2) Violations having a hygienic or esthetic significance, e.g., filthy or decomposed foods or foods produced under unsanitary conditions.
- 3) Violations involving economic fraud or cheat.

The general objectives of the Animal Industry Division's enforcement program are reported to be:

- 1) To achieve a maximum degree of compliance with the requirements of the agricultural laws, and thus to assure the safety and integrity of the state's food supply.
- 2) To insure that poultry and eggs imported or produced for sale in Colorado are not inferior in purity, quality, and fitness for consumption and use as compared with standards established under the authority of the act.

3) To insure that all milk and cream offered for sale in Colorado is shipped by holders of valid permits who have complied with prescribed standards of sanitation and disease testing of the producing cows.

4) To prevent the substitution of any fat or oil for milk fat in any milk, cream, or skimmed milk, except distinctly proprietary food compounds not readily mistaken in tests for milk or for evaporated, condensed, or powdered milk or cream.

5) To insure that commercial feed stuffs imported into Colorado or offered for sale in Colorado are honestly labeled as to content and that the specified ingredients meet analytical specifications.

6) To insure the prevention, control, and elimination of any and all disease condition threatening the livestock industry of the state through mandatory treatment, quarantine, and test and slaughter methods.

In achieving the aforementioned objectives, the Animal Industry Division has adopted a policy of effecting compliance through education and cooperation. As reported by the division, "these activities are designed (a) to obtain voluntary compliance with the standards required by law by the regulated industries; (b) to reach a higher standard of animal and public health and safety in this country through consumer and producer understanding of the laws administered by DAI; (c) to enlist the cooperation and assistance of scientific groups (universities, foundations, veterinary suppliers, professional societies, etc.) in establishing standards of grade, labeling, etc., and (d) to enlist the cooperation of the federal, state, and local enforcement officials in the interchange of information as an adjunct to the state inspection force."

Veterinary Section

The Veterinary Section of the Division of Animal Industry is charged with two primary duties: First, to prevent any possible introduction of disease into Colorado livestock, and, where disease exists, to establish procedures for its control and eventual eradication; second, to take any other steps available to expedite the proper and legal movements of livestock into or within the state in order to prevent delay, economic loss, or loss of possible markets.

Typically, as a disease problem arises, steps are first taken toward investigation and isolation or quarantine as may be warranted by the conditions present. Confirmation of the initial diagnosis is a necessity in all cases, and in this operation the section is quite often assisted by the College of Veterinary Medicine, Colorado State University. The handling of the disease problem may be an extended operation for diseases such as anthrax, tuberculosis, and brucellosis, where specific decontamination and

vaccination procedures may be needed, or the disease may be one of the nature of rabies, blackleg, or encephalomyelitis which, even though diastic and deadly, may be contained rather rapidly by vaccination or isolation procedures under the supervision of a local veterinarian.

After the outbreak of the disease has been stopped and all precautionary measures taken with the livestock, a period of observation and re-examination follows as the next step toward total eradication, if such be possible for the specific disease. Plans are established for periodic tests, if any are available, to prevent the disease from occurring again.

During the time a specific disease problem is being handled at a given ranch or corral, plans are made to establish a definite preventive program so that the disease may be contained. These programs normally call for a specific vaccination or testing procedure to be established in which the immediately adjacent herds are of primary concern, with those radiating outward in location or possible contact decreasing in corresponding importance.

As a general rule, when a specific outbreak has once been diagnosed, an area or state-wide program is planned and placed in operation to cope with any possible existing disease or further outbreaks. These programs usually follow the over-all procedure previously described in regard to the handling of a general disease outbreak.

Livestock Disease Control Program. The Veterinary Section administers a number of specific livestock disease control programs, many of which appear to be closely related. The State Veterinarian ranks the top three programs in order of importance as (1) brucellosis, (2) tuberculosis, and (3) scabies.

Brucellosis--The program of seeking brucellosis control and eradication in Colorado livestock, which is a joint state and federal undertaking, is offered on a county or area basis primarily on the request of 85 percent of the cattle owners controlling 85 percent of the cattle within the area or county. In addition, a dairy herd approval program for producers of Grade A fluid milk, which is discussed subsequently herein, also deals approximately one-half with brucellosis control through official blood and milk ring tests and official calfhood vaccination of dairy heifer calves.

Presently, Colorado has 28 counties that have been tested and, since the reaction rate was found to involve less than five percent of the herds and one percent of the cattle, the 28 counties have been designated "Modified Certified Brucellosis Free." Further, there are seven additional counties in which this work is nearly completed. This "Modified Certified Brucellosis Free" status is generally recognized by almost all of the states in the West and Midwest and allows that shipment of feeding, breeding, show and dairy cattle to those states recognizing this designation without further need for brucellosis testing.

Colorado cattlemen generally have been urged to vaccinate their heifer calves officially as a means of further assurance that brucellosis will not occur within their herds at a future date. The history of official vaccination in several counties in the state, coupled with the exceedingly low incidence of disease in those counties when tests were conducted, is reported by the State Veterinarian to have given proof that vaccination is and will continue to be an important link in the prevention and final eradication of brucellosis. For the past 24 months, Colorado has had a brucellosis infection rate of less than one percent for the entire state, including both beef and dairy cattle.

Tuberculosis (and Johne's Disease)--Tuberculosis is listed second in importance because of its close association as a disease entity in growing beef and producing milk for human consumption. Actually, it is reported that little tuberculosis is found in Colorado except in imported dairy or purebred replacement cattle from areas to the east and north of this state. Under the tuberculosis program, tuberculin tests are periodically run on sample herds of beef and dairy cattle to ascertain if the disease does exist. The status of "Modified Accredited Tuberculosis Free" may be designated for a county or area, when, after testing at regular intervals (presently every six years), less than one-half of one percent of the cattle tested are found to be reactors.

Johne's Disease, a digestive disease caused by a "sister" bacteria in the tuberculosis family, is included in this program because of the similarity in methods used for its control and eradication.

Cattle and Sheep Scabies and Mange--Until recently, Colorado had been free of sheep scabies since approximately 1954. However, sheep scabies has become increasingly prominent in states to the east of Colorado due to the interstate movement of feeding and breeding sheep. The eastern one-third of the nation has not considered this condition too important since only small farm flocks were involved which were easily accessible for treatment or inspection when necessary.

Western states, on the other hand, have been largely free of the disease due to constant vigilance and protective measures to prevent its introduction in this area. With this goal of prevention in mind, Colorado and most of the other western states have used strict regulations and active contacts for inspection to see that scabies does not enter.

Concerning cattle scabies, this disease has been a problem for many years in Colorado. While the disease was eradicated in this state in 1957, cases have been uncovered from time to time but for the most part have not involved Colorado livestock.

The incidence of cattle and sheep scabies and mange is reported to be on the increase and "it is the demand of the livestock industries of Colorado that the vigilance and work of the

scabies and mange program, instigated many years ago, be continued indefinitely in our state. This necessitates a continuous inspection and permit procedure for handling livestock from areas not certified free of scabies or mange by the chief livestock sanitary official of the state of origin."

Under the procedures of this program, a constant inspection program is held for:

- 1) All registered quarantine feedlots for cattle and sheep;
- 2) All livestock auction consignments;
- 3) All terminal market and slaughter consignments; and
- 4) All interstate shipments of livestock.

If scabies is discovered in a herd or band, the livestock are immediately quarantined and the condition confirmed as to one of four types of mites. Treatment by official dipping is started as soon as facilities are available and the movement of livestock into or from the herd is traced as soon as possible. Adjoining herds are then placed under quarantine and closely examined in preparation for treatment. Infected herds receive two or more treatments at 10- to 14-day intervals, and exposed herds (those immediately adjoining the infected herds) are given at least one treatment.

At the same time, cleanup and treatment is also sought of barns, feedbunks and posts or rubbing trees within the lots having infected cattle. The release from quarantine is given when all requirements have been fulfilled, but inspection and surveillance of the livestock continues at 60- to 100-day intervals for a period of at least one year.

Dairy Herd Approval--The dairy herd approval program for Grade A fluid milk production is a cooperative effort between the state agriculture department and state, county, and municipal public health agencies. Under this program definite health qualifications are established for animals producing Grade A fluid milk that will eventually reach the consumer as a finished product. The program's objective is to reduce the incidence of disease or physical involvement in dairy animals which might be transmitted to man or other animals through contact or use of the finished product. The primary diseases included under this program are brucellosis and tuberculosis.

Dairy herd approval certificates are issued by the Veterinary Section to the herd owners requesting them when the livestock involved can qualify under the required health regulations. At the close of fiscal year 1959, there were approximately 2,500 dairy herd approval certificates in current standing. During that year, 191 new certificates were issued and approximately 50 dairy herds were dispersed.

Dairy operations in this state range from small dairies of 15 to 20 cows near outlying communities, with the milk production designed for local consumption, to larger herds of 80 to 200 cows located in the valley areas of milksheds which supply such communities as Denver, Pueblo, Colorado Springs, and Fort Collins. The state veterinarian adds that "imports for replacement have tended to increase the possibilities of an increased incidence of brucellosis and tuberculosis problems."

Swine Disease and Garbage Cooking and Feeding--The more common swine diseases are hog cholera and associated complications; swine erysipelas; swine influenza and pneumonia; infectious rhinitis; swine dysentery and coccidiosis; ergot and chemical poisoning; and acute parasitism. At one time, in 1952, vesicular exanthema was a threatening disease problem over the country but did not occur in Colorado. However, a Governor's Proclamation in 1952 enabled a program of garbage cooking to be established. From this program, other additional benefits have been recognized. For example, the causative agents of most of the infectious digestive disturbances and associated toxic factors appear to be destroyed by cooking. In addition, most feeders agree that cooking of grains and garbage releases amino acids and carbohydrate factors in such a manner that feed conversion is increased markedly.

The Veterinary Section plans to inspect each garbage cooking operation and equipment monthly and, if program requirements are not being followed, the premises and swine are quarantined. The swine may be slaughtered on special kill only and must be handled as processed pork when entering interstate commerce. As of September, 1959, there were 89 quarantined garbage feeding plants registered for approved operation. Two Colorado feeders are feeding raw garbage to approximately 300 swine and are under strict quarantine.

Colorado swine feeders normally market about four to six thousand hogs per month the year around. Most of these are consigned to federally-inspected slaughtering plants within the state; some are exported to California and Texas for slaughtering.

Section Personnel. The staffing pattern of the Veterinary Section consists of the following positions: state veterinarian, assistant state veterinarian; three livestock disease control inspectors; one senior clerk-stenographer; one intermediate clerk-stenographer; three intermediate clerk-typists; and a laboratory assistant.

In addition to the aforementioned positions, the Veterinary Section relies heavily on assistance from practicing veterinarians. All licensed, accredited veterinarians in Colorado are designated as deputy state veterinarians and, through prior arrangement with the Colorado Veterinary Medical Association, the veterinarians in each of the 11 districts of the association within the state regularly select one from their number who is designated as the District Deputy State Veterinarian. These latter persons may be called upon to work with or to represent the Veterinary Section in cases of emergency disease outbreaks.

Further, approximately 40 practicing veterinarians are officially appointed as "auction veterinarians" and see to the proper health of livestock being offered for sale at various livestock auctions throughout the state. Many of the auction veterinarians are responsible for the proper testing and vaccination of livestock before issuing a health certificate on shipments designated for interstate shipments. The use of practicing veterinarians gives the section a potential team of approximately 100 practitioners.

Also, the Animal Disease Eradication Division of the United States Department of Agriculture has augmented the section's staff by working closely with the state force under their instructions in emergency cases until state personnel were available. As the occasion demanded, the federal division has provided the Veterinary Section with the services of 8 to 11 additional veterinarians and 13 laymen.

Federal assistance is also received in the joint state-federal operations of the brucellosis laboratory. While the state furnishes the physical plant and one laboratory helper, the federal government provides the services of one veterinarian and two laboratory technicians. All of these persons work under the direct supervision of the state veterinarian.

Along this line, state-federal animal disease control and eradication programs are undertaken under cooperative agreements between the state and federal authorities. Efforts toward control and eradication of communicable animal diseases within the different counties are primarily the function of the state authority. The direct jurisdiction of the federal government extends only to interstate movements of livestock from districts where such diseases are known to exist. The authority to enforce local quarantines on farms or individual premises and to compel the destruction or treatment of infected or exposed animals rests entirely with the state. Consequently, the work of these state-federal cooperative projects is done chiefly under state laws and regulations.

Poultry and Egg Section

The Poultry and Egg Section of the Animal Industry Division administers the poultry law (7-10-1 through 7-10-10, 1953 C.R.S.) and the egg law (7-11-1 through 7-11-6, 1957 C.R.S. Supplement). At present, the personnel of the Poultry and Egg Section consists of a supervisor, assistant supervisor, nine agriculture inspectors, one senior clerk-stenographer, and one clerk-stenographer. The section also employs temporary clerical help on occasions, usually during license renewal periods (beginning July 1 for poultry dealers and January 1 for egg dealers).

Colorado Poultry Law. Most of the present Colorado poultry law was enacted in 1937 and has remained unchanged since that time. Among other things, this law provides for the licensing of persons

engaged in the retail or wholesale buying or selling of live market poultry and the licensing of persons engaged in wholesale buying or selling of dressed poultry. Poultry in this case is defined to include chickens, turkeys, ducks, geese, and pigeons.

In 1951, with the enactment of Sections 7-10-9 and 7-10-10, 1953 C.R.S., all dressed poultry and rabbits in Colorado are to be identified "as to grade and place of processing, by clips, tags, or other acceptable method, approved by the department of agriculture." While the 1951 amendment did not include any new license fee provisions or changes in the 1937 schedule, the Colorado agricultural commission was authorized to establish "fees and inspection costs as may be necessary for the administration of sections 7-10-9 and 7-10-10," after consulting with industry representatives on this matter.

Concerning duplicate inspections resulting from overlapping statutory authorizations to more than one state agency, the poultry law as passed in 1937 (Section 7-10-5 (4), 1953 C.R.S.) provides that "any person defined as a dealer by the article engaged in the slaughtering and dressing of market poultry, shall maintain the premises where such dressing is practiced in a healthful and sanitary condition at all times." On the other hand, Section 66-1-7 (16), 1953 C.R.S., which was enacted in 1947, charges the State Department of Public Health with the responsibility of administering and enforcing sanitary standards for slaughtering establishments.

A cooperative agreement has been made between the agriculture department and the public health department which designates the agriculture department as the official state agency for the enforcement of sanitary regulations for poultry slaughtering establishments. This agreement states that, "in view of the fact that the Poultry Section heretofore has administered sanitary control covering the poultry industry, it was felt that in the interest of economy, good administration and to eliminate duplicate inspection that continuation of the work under the Poultry Section was advisable."

Colorado Egg Law. The current Colorado Egg Law was enacted in 1956, replacing a 1933 act which had remained in effect in almost its original form for some 23 years. The license fee schedules adopted in 1956 were revised in 1957 as a result of objections raised by some members of the egg industry, primarily the retailers.

The objectives of the 1956 law are generally much the same as those found in the earlier act of 1933. As reported by the agriculture department, these include:

- 1) Promoting and developing the egg industry.
- 2) Preventing the sale of eggs which are unfit for human food.
- 3) Preventing fraud and deception in the sale of eggs.

- 4) Encouraging greater consumption of eggs by regulating and standardizing the grade classification and labeling of all shell eggs offered for sale to consumers.
- 5) Preventing the importation of uncandled eggs and providing that all eggs imported into the state intended for human consumption must be Grade B or better.

Reportedly, the 1956 laws was designed to strengthen the administrative and enforcement efforts of the Poultry and Egg Section. Some of the improvements included under the revised egg law are as follows:

- 1) A positive prohibition is placed against the importation of inedible eggs into Colorado. (Section 7-11-2 (1))
- 2) Eggs imported into the state must first be candled and must be accompnied by a certificate stating that the candling had been done. (Section 7-11-2 (1))
- 3) Eggs must first be graded into their proper consumer grades before being sold in the state. (Section 7-11-2 (1))
- 4) Eggs must now be kept under adequate refrigeration from the time they are received from the producer until sold to the consumer, with such refrigeration not to exceed 60° Fahrenheit, whereas the former egg law merely required that eggs be kept in a cool place. (Section 7-11-3 (2))
- 5) Vehicles used to transport eggs, except those used by producers to deliver their own eggs, must be maintained in a sanitary condition and be enclosed to protect eggs from extreme heat or cold. (Section 7-11-3 (3))
- 6) Eggs advertised for sale in Colorado must include a statement as to their correct grade and classification. (Section 7-11-3 (7))
- 7) Sale of eggs in carton or containers with evidence of filth or contamination on the outside or inside thereof are specifically prohibited. (Section 7-11-3 (8))
- 8) A person candling eggs in the state must obtain a candler's license. (Section 7-11-4 (1))
- 9) Firms engaged in commercial activities such as frozen eggs, liquid eggs, egg solids, egg whites, etc., must be licensed. (Section 7-11-4 (2a))
- 10) Penalties for violations of the egg law or regulations adopted thereunder are established. (Section 7-11-6 (1))
- 11) The Commissioner of Agriculture is authorized, after a hearing, to suspend or revoke a license. (However, it has not been necessary to suspend or revoke any licenses since the law became effective in 1956.) (Section 7-11-6 (2))

Personnel Activities. The Poultry and Egg Section does not employ seasonal or part-time inspectors. However, inspectors paid from the poultry and egg fund work interdependently with inspectors from other sections, and vice versa. Under this system, poultry and egg inspectors will collect samples for the Feed and Fertilizer Section, for example, while in return some of the feed and fertilizer inspectors will inspect poultry and eggs as a part of their routine work. Similar services are also exchanged between inspectors paid from the poultry and egg fund and from the produce dealers' fund.

A general listing of inspection territories and the types of inspections performed is presented in Table 10. As reported therein, while 13 inspectors are engaged in poultry and egg work, the net inspection time performed thereon is approximately the equivalent of ten full-time inspectors, one of whom is the assistant supervisor of the Poultry and Egg Section who spends roughly ten percent of his time in the office.

Poultry and Egg Section employees devote a portion of their time and efforts to disseminating helpful information to producers, dealers, and the general public in order to raise the quality, production, and consumption of eggs in Colorado. For example, after the 1956 egg law was enacted, schools were held throughout the state to explain the new provisions, to assist in training people in the candling of eggs, to demonstrate egg quality, and to suggest methods for producing high quality eggs.

Until about 1956 there seemed to be little effort on the part of egg producers in Colorado to increase their output or to expand their sales in the state. In the Annual Report of the State Department of Agriculture for 1954-1955, it was reported that "according to the most accurate figures available, Colorado is now importing around 75% of her eggs." In 1957 the Poultry and Egg Section launched a program whereby it would help to establish, advise, and assist groups over the state that were interested in developing community egg projects on a commercial basis. Such programs were attempted at Cheyenne Wells, Holly, Eads, Meeker, Haxtun, Greeley, and Longmont, but failed to materialize because the projects could not obtain proper financing. In some communities, private individuals did enter the egg production field as a result of the advice furnished by the Poultry and Egg Section.

In 1957 the Poultry and Egg Section also assisted in the formation of the Colorado Egg Producer's Association, which now has a membership of 130--all interested in marketing Colorado-produced eggs. In October of 1959, this group put on an egg sales-promotion throughout the state urging housewives to buy more medium and small eggs because of surplus quantities of those sizes that develop each year about that time. Using the phrase "Egg-tober," if successful, the program will become an annual sales promotion effort.

Based on available figures, there seems to be room for increased production of eggs in Colorado and higher consumption of Colorado-produced eggs by residents of the state. A special

Table 10

TERRITORIES OF POULTRY AND EGG INSPECTORS
AND TYPES OF INSPECTIONS PERFORMED

<u>Area</u>	<u>Salary Paid From</u>	<u>Types of Inspections</u>
1. S.W. Colorado (includes Dove Creek, Saguache, San Luis, Cortez)	Poultry and Egg	10% Feed and Fertilizer 90% Poultry and Egg
2. East half of Pueblo and S. Central areas (includes Ordway, La Junta, Branson, Trinidad, Walsenburg)	Poultry and Egg	10% Feed and Fertilizer 90% Poultry and Egg
3. North East area (to the east and north of Aurora to state lines)	Produce	75% Produce and Lockers 25% Poultry and Egg
4. Colorado Springs and Central area (includes Leadville, Fairplay, Monument, Limon, Florence, Westcliffe, Poncha Springs)	Poultry and Egg	10% Feed and Fertilizer 90% Poultry and Egg
5. North Central area (includes Boulder, Greeley, Ft. Collins, Walden, Estes Park)	Poultry and Egg	75% Poultry and Egg 25% Feed and Fertilizer
6. S.E. area (includes Eads, Holly, Camp, Kim, Las Animas)	Poultry and Egg	75% Produce and Lockers 5% Feed and Fertilizer 20% Poultry and Egg
7. N.W. area (to the South of Craig and Steamboat Springs to Ouray, and East of Steamboat Springs and Gunnison to state line)	Feed and Fertilizer	25% Feed and Fertilizer 75% Poultry and Egg
8. East Central area and area to the north from Nunn to Stoneham (includes Bennett, Idalia, Cheyenne Wells, and Hugo)	Feed and Fertilizer	50% Feed and Fertilizer 50% Poultry and Egg

<u>Area</u>	<u>Salary Paid From</u>	<u>Types of Inspections</u>
9. S.E. Denver and Aurora and area to the south of Denver (includes Englewood, Castle Rock, Palmer Lake, and Kiowa)*	Poultry and Egg	100% Poultry and Egg
10. N.E. Denver and area N.E. of Denver (includes Adams City, Ft. Lupton, Keenesburg)	Poultry and Egg	100% Poultry and Egg
11. N.W. Denver and area N.W. of Denver (includes Rollinsville, Broomfield, Golden)	Poultry and Egg	100% Poultry and Egg
12. S.W. Denver and area S.W. of Denver (includes Central City, Breckenridge, Morrison)	Poultry and Egg	100% Poultry and Egg
13. Downtown Denver and mountain area to N.W. (including Kremmling and Grand Lake)	Poultry and Egg	100% Poultry and Egg

Of these 13 inspectors, ten are paid from the poultry and egg fund, two from the feed and fertilizer fund, and one from the produce fund.

* Assistant supervisor of Poultry and Egg Section who spends approximately ten percent of his time in office and 90% in the field.

Marketing Research Report published by the Colorado Department of Agriculture, January 1959, reports that Colorado consumes about 54 million dozen eggs annually, but only 45.6 percent of that amount is produced in the state -- about 29,400,000 dozen eggs, or 54.5 percent, are imported annually to meet consumer needs.

Obviously, Colorado producers will have to turn to large-scale volume production if they are to compete successfully with the firms now shipping eggs into Colorado. Yet, with the population increasing annually in Colorado, there seems more justification for the development of such ventures. In this connection, the following tabulation reveals the downward trend of egg production in the state despite the population increase, although the differential between national and Colorado egg prices has narrowed over the years.

Farm Production of Eggs, 1950-1957^a

<u>Year</u>	<u>Total Produced, Colo. (Millions)^b</u>	<u>Total Produced U.S. (Millions)</u>	<u>Price per Doz. (Colo.)</u>	<u>Price per Doz. (U.S.)</u>
1950	433	58,954	33.5¢	36.3¢
1951	399	58,063	45.5	47.7
1952	387	58,068	39.9	41.6
1953	356	57,891	46.4	47.7
1954	347	58,933	36.3	36.6
1955	336	59,496	38.3	38.9
1956	335	60,877	38.3	38.7
1957	310	60,448	34.5	35.2

a. Colorado Agricultural Statistics, Colorado Department of Agriculture, April 1959, p. 92.

b. Includes eggs consumed on farms.

In regard to poultry promotion, during the past four years turkey growers, with the assistance of the Poultry and Egg Section, have instituted a program designed to increase their sales. Under the turkey program, five promotional times are scheduled each year - Easter, Midsummer Turkey Time, Colorado Turkey Week (in 1959, September 24 - October 3), Thanksgiving, and Christmas. These events are financed by a voluntary check-off of a penny a poult from producers.

The largest chain-store firm in Colorado and the largest independent retail group have informed the agriculture department that their sales of turkey have increased 100 percent in the past four years. Both firms gave much credit to the promotions held by the Colorado Turkey Foundation.

From 1949 through 1958, turkey production in Colorado almost doubled, as reported in the following tabulation. At the same time, however, Colorado turkey production did not keep pace with production in the rest of the nation, the percentage grown in Colorado dropping from 1.85 percent in 1949 to 1.70 percent in 1958 of the total national production.

Turkey Production - Colorado and United States

1949 - 1958

<u>Year</u>	<u>Turkeys Produced</u>		<u>% Produced in Colorado</u>
	<u>Colorado</u>	<u>United States</u>	
1949	759,000	41,019,000	1.85
1950	720,000	44,134,000	1.63
1951	721,000	53,055,000	1.36
1952	722,000	62,117,000	1.16
1953	635,000	59,626,000	1.06
1954	896,000	67,507,000	1.33
1955	859,000	65,410,000	1.31
1956	1,161,000	76,527,000	1.52
1957	1,183,000	80,967,000	1.46
1958	1,325,000	78,124,000	1.70

The promotional program for the turkey industry sponsored by the Poultry and Egg Section during the past four years has recently been transferred to the Marketing Division of the agriculture department.

Feed and Fertilizer Control Section

The Feed and Fertilizer Control Section of the Animal Industry Division has as its general responsibilities the enforcement of the laws and regulations governing the control of commercial feeding stuffs and commercial fertilizer and fertilizer materials in order to protect the manufacturers and purchasers thereof. These responsibilities include the following functions:

- 1) Review labels as to conformance with statutory provisions; this examination involves some 4,000 different registrations and labels as well as advising manufacturers in regard to new or revised labels.
- 2) Maintain an enforcement program against adulterated, low-grade, and short-weight feeds and fertilizers.
- 3) Operate a standards laboratory to perform chemical and microscopic examinations of feeds and fertilizers.
- 4) Approve the registration of commercial feeds, feeding stuffs, commercial fertilizers, fertilizer materials, soil conditioners, and soil amendments that fall within the scope of the statutory provisions.
- 5) Approve the terminology of ingredients, minerals, antibiotics, coccidiostats, anthelmintics, arsenicals, salmonellastates, hormones, anti-ketogenic agents, etc., to be used in the labeling and advertising of commercial mixed feeds and fertilizers to conform with the format of the Federal Food and Drug Administration, the Association of American Feed Control Officials, and the Association of American Fertilizer Control Officials.

- 6) Investigate complaints relative to commercial feeds and fertilizers not registered or inferior as to grade, type, quality, and weight.
- 7) Compile statistics and publish annually the Commercial Feed and Fertilizer Bulletin of analyses, tonnage, etc.

Personnel Activities. To administer the Commercial Feeding Stuffs Law of 1929 (Section 8-14-1 through 8-14-12, C.R.S. 1953) and the Commercial Fertilizer Law of 1937 (Sections 6-13-1 through 6-13-18, C.R.S. 1953, as amended), the following personnel program is used: supervisor, two agriculture inspectors, chief chemist, senior agriculture chemist, two agriculture chemists, one full-time clerk-stenographer, and temporary help.

One of the two agriculture inspectors is stationed in Denver and the other is located in Grand Junction. Generally, the Denver-based inspector handles the inspection load on the eastern slope and serves as general trouble-shooter, while the other inspector works the western slope. In addition, both men also perform services for the Poultry and Egg Section.

By the same token, the Feed and Fertilizer Control Section receives cooperative part-time services from three poultry and egg inspectors (in Colorado Springs, Longmont, and Pueblo) and two produce dealer inspectors (Arkansas Valley and San Luis Valley). However, this represents a reduction in inspection services from other sections compared to a few years ago when the Feed and Fertilizer Control Section had as many as nine such part-time inspectors.

On the basis of present schedules, the section programs a tour of an area once every six weeks. This may vary, however, depending on seasonal demands. Sales of commercial feeds reach a peak from October through May, and sales of commercial fertilizers have two peak periods--from February through May and again in August and September. "Specialty" fertilizers sold in cities maintain a peak throughout the summer months.

Promotional and educational activities of the section are limited for the most part to conferences at the colleges and universities on the use of fertilizers. As the name of the section implies, it functions more as a "control" agency and does not regard promotional and educational work as one of its major activities.

Dairy Section

In general, since 1949 state governmental activities in connection with the dairy industry in Colorado have been divided between the State Department of Agriculture and the State Department of Public Health. This latter agency handles that part of the dairy industry engaged in providing fluid milk for human consumption while the Dairy Section of the agriculture department is responsible for manufactured dairy products such as butter and ice cream.

Historically, the office of State Dairy Commissioner was established in 1885 by the Colorado General Assembly. Financed entirely by appropriations for the first 38 years, relatively minor license fees were added in 1923 which helped to support the activities of the dairy commissioner. In 1947, a large part of the responsibilities of the dairy commissioner were transferred to the state public health department.

Two years later, in 1949 when the agriculture department was established, the office of dairy commissioner was replaced by the chief of the Dairy Section within the State Department of Agriculture. At the same time, the General Assembly transferred back some of the duties which had been previously assigned the public health department in 1947.

Specifically, the activities of the Dairy Section are governed by Section 6-1-4 (2-4-6-8-14-17-18-19-20-21), Sections 7-8-1 through 7-8-32, 1953 C.R.S. as amended, and by Senate Bill 101, 1959 Session. Included in these legislative assignments of function and duties are the following:

- 1) Enforcing minimum sanitary, bacteriological, chemical and physical standards for the manufacture, processing, and distribution of manufactured dairy products and for the raw milk, cream, and other ingredients used in these products.
- 2) Administering the butterfat testing program for all milk and cream bought and sold in the state.
- 3) Promoting and fostering the dairy industry through enforcement, consultation, and other service activities.
- 4) Providing official inspection and grading services for dairy plants under the U.S.D.A. program by duly-licensed employees within the section.
- 5) Carrying out licensing requirements of the dairy law for dairy manufacturing plants, counter freezer establishments, cream buying stations, milk and cream samplers, testers and graders, and bulk tank truck operators.
- 6) Providing standards of identity for ice cream, ice milk and other frozen dairy desserts, butter, cheese, evaporated and condensed milk, and other manufactured dairy products or imitation products.
- 7) Conducting a diversified laboratory program which includes performing chemical, physical, and bacteriological analyses on dairy products, ingredients, materials, and compounds used in dairy manufacturing processes. Analyses are also conducted on imitation products, water, additives and other chemical compounds.
- 8) Administering the Oleomargarine and the Filled Dairy Products Acts.

9) Collecting dairy production and manufacturing figures, analyzing trends, and investigating dairy industry changes in cooperation with the U. S. Department of Agriculture.

Inspection Schedules. The Dairy Section has the following personnel: chief, deputy chief, three inspectors, chemist, and secretary. The three inspectors as a rule devote their full time to dairy field work. The deputy chief spends part of his time in the field as does the chief of the Dairy Section. Also, the chemist, while spending most of his time in the laboratory, will do some plant work. The section does not employ part-time or seasonal employees.

Since most of the section's work is located along the eastern slope, all inspecting personnel work out of Denver under schedules determined by the section chief. No set schedules or inspection territories are assigned individual inspectors, but one has tentatively been prepared for possible use in the future. Present schedules are varied from time to time to avoid "anticipated" inspection.

Each year the Dairy Section prepares a rather detailed report on its inspection and laboratory activities for inclusion in the agriculture department's annual report. While this information probably reflects a substantial amount of day-to-day activities within the Dairy Section, the head of this section cautions that, due to the press of other work, complete figures on the various activities are not always recorded and hence are not included.

With this reservation in mind, the information in these annual reports is presented in Table 11. Much of the data therein appears to reflect the changing conditions within the dairy industry itself and the number and types of licenses issued by the Dairy Section.

For example, station inspections decreased substantially during the ten-year period, as did plant inspections to a lesser degree. On the other hand, however, despite the substantial increase in licenses issued for counter-freezer establishments, the annual number of counter-freezer inspections therefor remained about the same, averaging generally between 900 and 1,000 inspections per year.

Variations from year to year may be noted in Table 11 for some of the reported activities. Some of these, such as the increase in gallons of cream graded in 1954, 1955, 1956, and 1957, represent intensified section programs. Others, such as the decrease in cream graded in 1959 and the general decline in container cans inspected, result from lower production or useage than formerly was the case.

Y SECTION INSPECTION AND LABORATORY SUMMARY, F. Y. 1950 THROUGH 1959

	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
Station inspections	636	574	512	360	310	264	184	269	252	124
Counter Freezer inspections	914	944	892	825	802	877	1,027	1,106	1,009	928
Plant inspection (includes butterfat check-testing in milk plants)	552	642	496	622	583	463	423	479	397	410
Misc. inspection (includes oleomargarine)						106	64	88	80	63
Scale inspections						116	102	215	208	130
Building plans checked	17	26	39	62	89	121	118	53	56	49
Gallons of milk graded	32,537	9,875	14,170	9,523	28,909	20,702	17,226	36,480	33,920	7,240
Gallons of milk condemned		631	997		767	501	672	291		
% condemned		6.39	7.03		2.65	2.42	3.90	.80		
Gallons of cream graded	16,746	41,400	38,340	75,555	148,670	120,876	132,221	108,914	76,786	68,000
Gallons of cream condemned		2,007	1,387	1,242	3,526	3,730	4,428	3,502	3,821	4,375
% condemned		4.85	3.62	1.64	2.37	3.09	3.35	3.22	4.98	6.43
Gallons of cream rejected by creameries and cream stations		798	670	240	579	1,586	1,673	817	728	918
Cans and containers inspected	8,707	4,658	7,267	7,857	6,195	4,579	4,189	2,642	1,823	1,931
Cans and containers condemned		192	93	70	225	87	58	52	22	19
% condemned		4.12	1.28	.89	3.64	1.90	1.38	1.97	1.21	.98
Samples of milk tested	2,949	1,567	2,630	1,293	725	2,940	4,125	4,713	4,299	4,997
Samples of cream tested	2,371	1,524	2,012	1,057	934	912	726	1,111	873	416
Sediment tests	6,012	4,741	3,817	701	5,542	3,974	4,409	2,058	1,683	1,229
Dairy product inspections				496	657	782	295	199	146	132
Pounds of butter weighed and graded				1,864,187	6,538,606	4,848,480	1,339,590	715,587	654,752	581,992
Pounds of cheese graded			12,787	548,668	2,059,883	2,082,299	1,649,956	172,547	220,984	11,403
Laboratory analyses	926	396		1,608	1,961	3,080	1,889	2,156	814	2,924
Practical examinations given	86	52	41	35	27	16	12	30	26	11
Meetings attended	120	145	153	161	136	105	131	153	75	99
Service calls			294	529	625	553	625	746	823	976
Investigations				28	12	26	18	75		
Conferences				65	55	188	281	256	73	290
Station shipments checked	75	20	15	35	31	17	11	21	20	6
Farm inspections	162	127	96	73	27					
Restaurant and store inspections	391	307	222	151	127					
Direct shippers checked	142	23	35							
Floor checks	23	15	40							
Milk samples collected	186									
Cream samples collected	101									
Butter samples collected	134	187								
Ice cream samples collected	438	244								
Cheese samples collected	56	44								
Condensed milk samples collected	5	9								
Oleomargarine samples collected	6	11								
Samples analyzed in field by inspectors	284	99								
Phosphates and other field tests	195	303	264	74	52					
Samples collected and analyzed			509	512	1,429	1,880				
Pounds of butter graded			163,288							
Pounds of butter weighed	1,943	2,962	137,101							
Farm calls and bulk tank inspections										
Pounds of cheese rejected										139
										2,378

Source: Annual Reports, State Department of Agriculture.

Division of Markets

As shown in Chart 5, the Division of Markets of the Colorado State Department of Agriculture is composed of the following sections: fruit and vegetable inspection service (supervisor an employee of the federal government); produce dealers' licensing and frozen food provisioners (same supervisor over both sections); weights and measures; and marketing.

The operations of the Division of Markets and the Marketing Section are financed from the same budget fund; further, while the chief of this division has the general over-all administrative supervision of every section therein, the Marketing Section receives more direct supervision from the division head than do the other sections. Consequently, the activities of the office of chief of this division and the Marketing Section are treated together herein on a combined bases.

Marketing Section

The Marketing Section administers the Agricultural Marketing Act of 1939, the Cooperative Marketing Law of 1923, and the law relating to branding of potato containers. Additional activities include the federal Hope-Flanigan market research program and related market promotion work. Also, the enforcement of the joint state-federal fruit and vegetable inspection service is a responsibility of this office.

Agricultural Marketing Act. In 1939, the Colorado General Assembly declared "that the marketing of agricultural commodities produced in Colorado, in excess of reasonable and normal market demands therefor; disorderly marketing of such commodities; improper preparation for market and lack of uniform grading and classification of agricultural commodities; unfair methods of competition in the marketing of such commodities and the inability of individual producers to develop new and larger markets for Colorado grown agricultural commodities, result in an unreasonable and unnesseary economic waste of the agricultural wealth of this state."

The General Assembly further declared that it is "the policy of this state to aid agricultural producers in preventing economic waste in the marketing of their agricultural commodities, to develop more efficient and equitable methods in marketing of agricultural commodities and to aid agricultural producers in restoring and maintaining their purchasing power at a more adequate, equitable and reasonable level." The Agricultural Marketing Act of 1939 (1953 C.R.S. 7-3-1 through 7-3-23, as amended) was enacted with the following purposes in mind (Section 7-3-3):

DIVISION OF MARKETS

CHIEF

FRUIT AND VEGETABLE
INSPECTION
SECTION

SUPERVISOR

INSPECTIONS

Carloads (Origin
Trucks (Transit
(Destination
Appeal
Re-use of Containers

CERTIFICATIONS

Quality
Grade and Size

OTHER SERVICES

Educational
Experimental
Inspector Training
Collection Fees

POTATO BRANDING

Grade and Size
Marketing Containers

SPRAY RESIDUE

Laboratory Analysis
Certification

MARKET NEWS IN-
FORMATION

In Cooperation with
Federal Government

MARKETING AGREEMENT
AND
CO-OP MKTG. SECTION

SUPERVISOR

MEETING MKTG. GROUPS

Marketing Agreements
Commodity Groups
Public Hearings
Referendums
Nomination
Administrative Committee
Budgets

MEETINGS

Organization
Annual
Council
Educational
Conference Leading

COMPLIANCE

Marketing Orders
Marketing Regulations
Court Action

MARKETING GENERALLY

Commodity Groups
Grading Programs
Market Needs
Consumer Programs
State Mktg. Conferences

MARKET SURVEYS

Research

PRODUCE DEALER LICENSING
AND REFRIGERATOR LOCKER
SECTION

SUPERVISOR

LICENSING

Brokers
Dealers
Commission Merchants
Bond Comm. Merchants
Refrigerated Lockers

COMPLIANCE

Hearings
Court Action

INVESTIGATIONS

Non-Payment Accounts
Fraudulent Practices
Short Checks

HEARINGS

Settlement
Arbitration
Mediation
Revocation of License

LOCKER INSPECTION

INSPECTIONS

Construction
Equipment
Temperature
Packaging

WEIGHTS & MEASURES
SECTION

SUPERVISOR

INSPECTIONS

Large and Small Scales
Weights
Packaged Goods
Measures
Volume Meters
Vehicle Tanks
Containers
Fabric Measuring Devices
Farm Milk Tanks

INVESTIGATIONS

Complaints
Short Weights
and Measures
Scale Repairmen
Certified Weighers

ADMINISTRATION

Educational Meetings
Training Programs
Licensing of Sales
Certification of bonded
Repairmen & Weighmasters
Hearings
Court Action

1) To enable agricultural producers of this state, with the aid of the state, more effectively to correlate the marketing of their agricultural commodities with market demands therefor.*

2) To establish orderly marketing of agricultural commodities.

3) To provide for uniform grading and proper preparation of agricultural commodities for market.

4) To provide methods and means for the development of new and larger markets for agricultural commodities produced in Colorado.

5) To eliminate or reduce the economic waste in the marketing of agricultural commodities.

6) To restore and maintain adequate purchasing power for the agricultural producers of this state.

Marketing orders are the primary means with which the purposes of this program are designed to be effectuated. There are four active marketing orders in effect at the present time in Colorado, as follows (the date of establishment is in parenthesis): Mesa County Peach Order (1939); Potato Marketing Order (1941); Wheat Marketing Order (1958); and Lettuce Marketing Order (1959). Within the past year or so the section has drafted tentative marketing orders at the request of producers of wool, beef, pinto beans, fresh vegetables, and certified seed. However, the section reports, many more meetings, hearings, and referendums must be held before any of these tentative orders can be approved and put into operation.

In this connection, some of the specific duties carried out by the Marketing Section and the office of the chief of the division are:

- 1) Draft marketing orders and amendments to orders;
- 2) Hold hearings on proposed orders and amendments;
- 3) Conduct referendums on proposed orders and amendments;
- 4) Supervise elections of nominees to marketing order boards of control;

*"Agricultural commodities" as defined by 1957 C.R.S. supplement 7-3-4 (1) means "any and all agricultural, horticultural, viticultural, and vegetable products, livestock and livestock products, wheat, bees and honey, and poultry and poultry products, produced in the state . . . but does not include sugar beets, timber and timber products, hay, oats, barley, corn and milk and milk products..." However, the statute limits marketing orders concerning cattle to the promotion and sale of beef products, marketing research, and consumer preference research.

- 5) Appoint and assist in organization of boards of control;
- 6) Develop and approve budgets of boards of control;
- 7) Write and issue marketing regulations and assessment regulations as requested by boards of control;
- 8) Enforce regulations of boards of control; and
- 9) Assist boards of control in planning and administering promotional, public relations, and educational programs.

An example of the procedure followed in establishing a marketing order or agreement is presented in the following paragraphs, as reported on pages 82-83 of the agriculture department's annual report for fiscal year 1951.

The Colorado Commissioner of Agriculture receives a request from producers and/or shippers of a given agricultural commodity in a representative area of the state for consideration of a Marketing Agreement. Preliminary meetings with such growers and shippers comprising the industry are held. Explanation of the working of the Act is given by representatives of the Colorado Department of Agriculture and spokesmen for the industry who present the problems for which a solution is sought. The industry then prepares a "Proposed Marketing Agreement." This is mailed to all producers and shippers representing the industry in question. An "Official Hearing" is scheduled at some convenient point or points, at which all representatives of the... industry are prevailed upon and urged to present testimony as to the economic factors involved. The definite provisions of the proposed Agreement are discussed at this hearing and all other factors are considered which might affect the situation.

Following the official hearing, the commissioner prepares a "Tentatively-Approved Agreement" based upon the information and testimony brought out at the official hearing. The "Tentatively-Approved Agreement" is mailed to all growers and shippers in the industry in question, and at the same time, a referendum period is declared. During the referendum period, shippers may approve the "Tentatively-Approved Agreement" by executing it. However, growers vote by ballot, either for or against the proposal. Then each grower ballot is weighted by the production of each individual.

Provisions are made in the proposal and in the final Order for a "Board of Control" made up of producers and/or handlers of the commodity. Candidates for this Board are elected by the groups themselves, and a list is submitted to the Commissioner of Agriculture for final

selection and appointment. This "Board of Control" has the general duties of an advisory committee or a board of directors. Their principal function is to recommend to the commissioner the specific regulations which the industry itself desires under the limitations of the general provisions which have been approved and included in the final order. The commissioner may not initiate or "hand down" any such regulations unless and until they have been recommended by such Board of Control. The commissioner may veto recommendations of the Board of Control if, in his opinion, such recommendation will not effectuate the declared purposes of the Act, or are improper or illegal; but he may not dictate operative regulations.

In order to illustrate the size of the operations of the various marketing orders, and corresponding supervision by the Markets Division, Table 12 is included herein. Separate budgets are filed for the three areas under the state-wide potato marketing order as Area No. 1 (Western Slope), Area No. 2 (San Luis Valley) and Area No. 3 (Northern Colorado). The receipts and expenditures reported for two of the marketing orders, wheat and lettuce, represent their first year's activity.

Cooperative Marketing Law. In 1923, the Colorado Cooperative Marketing Law (1953 C.R.S. 7-4-1 through 7-4-31, as amended) was enacted "in order to promote, foster and encourage the intelligent and orderly marketing of agricultural products through cooperation; and to eliminate speculation and waste; and to make the distribution of agricultural products between producer and consumer as direct as can be efficiently done; and to stabilize the marketing of agricultural products and to provide for the organization and incorporation of cooperative marketing associations for the marketing of such products." (Section 7-4-1)

Assigned the responsibility of administering the Cooperative Marketing Law, the Marketing Section assists agricultural producers in organizing cooperatives and assists already organized groups with such things as amending articles and by-laws, educational programs, and management problems. However, the section reports that, "due to limited personnel and travel funds, we have to depend on the Colorado Cooperative Council to do a considerable amount of the cooperative work which we could and should do."

Potato Branding Law. 1957 C.R.S. Supplement 7-6-37 (2) regulates the marking of containers of potatoes to require the grade, weight of contents, and the name and address of the packer or shipper. An amendment in 1957 added the requirement that all potatoes imported for sale in Colorado must meet the Colorado Marketing Order specifications in regard to quality, grade, and size.

Table 12

RECEIPTS AND EXPENDITURES, COLORADO MARKETING ORDER
BOARDS OF CONTROL*

<u>Marketing Order</u>	<u>12-Month Period</u>	<u>Beginning Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Difference</u>
Wheat	5/5/58 - 3/27/59	\$ --0--	\$190,500.62	\$79,565.91	\$110,134.71
Lettuce	7/9/59 - 10/23/59	--0--	16,979.24	6,236.31	10,742.93
Potato -- #1	7/1/58 - 6/30/59	Not Available	848.89	748.52	100.37
Potato -- #2	4/1/58 - 5/31/59	Not Available	48,832.60	42,679.57	6,153.03
Potato -- #3	4/1/58 - 5/31/59	Not Available	29,013.33	29,165.04	— 151.71
Peach	7/1/58 - 6/30/59	29,273.58	50,398.69	58,512.00	21,160.27

* Source: Individual audit reports submitted to State Department of Agriculture

The Marketing Section reports that a certain amount of checking is necessary from time to time to determine that the potato branding requirements are being followed by handlers, brokers, importers, and others. On the whole, however, compliance has been "very good" on the part of those in the potato industry.

Hope-Flanigan Market Service Program. Most of the remaining activity of the Marketing Section is devoted to the Hope-Flanigan Market Service Program in cooperation with the Agricultural Marketing Service of the United States Department of Agriculture. Simply stated, the section reports, the market service program is intended to help agricultural producers market their production to the best advantage.

While this program operates on a matched fund basis, since 1951, when market service work thereunder began in Colorado, no state monies have been directly used; rather matching funds at the state level have been provided by such industry groups as potato growers, peach growers, honey producers, and dairymen. State funds are used to the extent that money appropriated for the salary of one marketing specialist is used to match federal funds in order to employ a second specialist.

At present, market service projects are underway for the Mesa County peach growers, the San Luis Valley potato growers, and the Northern Colorado potato growers. These groups raise the necessary matching funds by assessments under their marketing orders.

Under the Hope-Flanigan program, employees of the Marketing Section assist industry in the planning of these projects, prepare and submit the proposed project and budget to the United States Department of Agriculture for its approval, administer the funds, and make all required reports.

Promotional Activities As a part of the aforementioned activities, the Markets Division is substantially connected with the promotion of Colorado agricultural products. However, most of the funds used for market promotion are furnished by the producers themselves, although Marketing Section personnel are reported to assist producer groups with their promotional activities in every way possible. No state funds are appropriated to the agriculture department to advertise Colorado agricultural products.

Personnel. Personnel in the Marketing Section, excluding the chief of the division, consists of two marketing specialists and two clerk-stenographers. An additional marketing specialist was approved to be employed beginning in fiscal year 1961.

Not all of the employees working in the office of the chief of the Markets Division and in the Marketing Section have been paid from the division's fund. The following tabulation summarizes the personnel position and source of salary from fiscal year 1950 through fiscal year 1960.

<u>Fiscal Year</u>	<u>Personnel*</u>	<u>Source of Salary</u>
1950 through 1953	Chief, Markets Div. Clerk-Stenographer	General Fund General Fund
1954	Chief, Markets Div. Clerk-Stenographer Marketing Spec. (2/3)	General Fund General Fund Produce Dealers
1955	Chief, Markets Div. Clerk-Stenographer Marketing Specialist	General Fund General Fund Produce Dealers
1956	Chief, Markets Div. Clerk-Stenographer Marketing Specialist	General Fund General Fund Produce Dealers
1957	Chief, Markets Div. Clerk-Stenographer Marketing Specialist Marketing Spec. (3/4)	General Fund General Fund General Fund Hope-Flanigan
1958	Chief, Markets Div. Clerk-Stenographer Marketing Specialist Marketing Spec. (3/4)	General Fund General Fund General Fund Hope-Flanigan
1959	Chief, Markets Div. Clerk-Stenographer Marketing Specialist Marketing Specialist	General Fund General Fund General Fund Hope-Flanigan
1960	Chief, Markets Div. Clerk-Stenographer Clerk-Stenographer Marketing Specialist Marketing Specialist	General Fund General Fund Produce Dealers General Fund Hope-Flanigan

*Full-time employees unless otherwise noted.

Fruit and Vegetable Inspection Service

Since 1922, Colorado and the federal government have joined together to provide an inspection program for various fruits and vegetables produced in this state. In 1925, the inspection program was made non-compulsory, but in 1929 the law was amended to require compulsory inspection for potatoes, onions, and cabbage. The program was subsequently changed so that today compulsory inspection is generally required for most fruit and vegetables with certain products being exempted therefrom, the most recent of which (onions) was placed on a voluntary basis by action of the General Assembly in 1959.

Fruits and vegetables on the list for compulsory inspection are peaches, cantaloupes, honeydew melons, honeyball melons, watermelons, head lettuce, broccoli, cauliflower, green peas, potatoes, cabbage and spinach. Exempted, in addition to onions, are apples and pears.

Purpose of Program. The joint state-federal inspection program of fruits and vegetables is designed for the benefit and protection of growers, shippers, carriers, and receiving dealers or sellers. However, despite the statement in the law (1953 C.R.S. 7-6-1) that it also "assures the ultimate consumer of the quality and condition of products which are purchased," neither the law as written nor the program as administered provides this service to the consuming public.

The program serves as one of several tools designed to raise the quality of fruits and vegetables produced in Colorado. Also, under the law, proof as to the quality of the produce is provided in the event of any mishap which might occur while it is enroute from the shipper to the receiver.

Activities of the Fruit and Vegetable Inspection Service. The Fruit and Vegetable Inspection Service almost exclusively is devoted to shipping-point inspection work, and the service will not and does not engage in enforcement activities, although it may report violations to marketing order boards of control or to the chief of the Markets Division for his action.* In addition, as a voluntary, uncompensated service, inspectors collect assessments on producers for marketing order boards of control. Further activities include a continuing educational program with packers and shippers in the course of regular inspection work as well as attending meetings of growers and shippers and marketing order meetings.

Under the joint program inspections are made at the shipping point only. While growers may request inspections of their produce prior to its receipt and packing at the shipping point, the program supervisor reports that growers do not request this service. Inspections of produce at terminal or marketing points are made under a federal program and not under the joint state-federal Fruit and Vegetable Inspection Service. As an additional activity joint state-federal inspectors provide inspection services for canneries and processors.

Shipping-point inspections are usually made on the basis of a combined quality and condition check. At times inspectors also check weight or count on federal governmental purchases when requested to do so. In comparison, federal terminal-point inspections normally are concerned with the condition of the produce after being transported, with inspections for quantity being made only upon specific request.

* The U.S.D.A. Manual for Shipping Point Supervisors provides that "...It should be clearly understood that no licensee can be used to enforce state laws or regulations." (p.5)

Table 13 reports the number of annual railway carlot and trucklot inspection certificates issued from fiscal year 1950 through 1959, as well as the number of spray residue inspection certificates. This program was stopped in 1959. The table does not include work performed for canneries and processors as certificates are not issued for these inspections.

Table 13

SHIPPING-POINT INSPECTION CERTIFICATES ISSUED
BY FRUIT AND VEGETABLE INSPECTION SERVICE

Fiscal Years 1950 Through 1959^a

<u>Fiscal Year</u>	<u>Carlots</u>	<u>Trucklots</u>	<u>Spray^b Residue</u>	<u>Total</u>
1950	29,922	20,014	2,169	52,105
1951	21,292	11,241	961	33,494
1952	13,252	11,232	968	25,452
1953	19,606	16,465	1,476	37,547
1954	12,749	23,665	833	37,247
1955	12,181	25,652	2,886	40,719
1956	9,903	23,015	1,327	34,245
1957	7,681	29,988	1,840	39,509
1958	8,387	29,314	1,312	39,013
1959	8,381	29,643	0	38,024

(a) Source: Department of Agriculture records.

(b) Provision for spray residue inspection repealed in 1959.

Personnel of Inspection Service. The staffing pattern of the Fruit and Vegetable Inspection Section has remained virtually unchanged since 1950 with two exceptions, according to the federal supervisor. The first change occurred in June of 1952 when an accountant in the Denver office retired and his position was abolished. The most recent change took place when the district office at Rocky Ford was closed December 1, 1959, as a result of onions being taken off the compulsory inspection list earlier that year and the workload decreasing to such an extent that the district office in the area was no longer needed. In this instance the only full-time employee in the office - the district supervisor - likewise retired; however, in this case, the position has not been abolished. Present full-time staff positions in the Fruit and Vegetable Inspection Section are reported to consist of the following:

One supervisor -- a federal employee whose salary and expenses are paid indirectly by the state.

Four district supervisors -- stationed in Grand Junction, Greeley, and Monte Vista; one vacant position.

One assistant supervisor -- Greeley.

Four clerk-typists -- two in Denver, one in Monte Vista, and one in Greeley; not included here is a clerk-typist who normally works ten to eleven months each year in the Grand Junction office.

However, the operation of the service depends largely on employing seasonal or temporary inspectors and clerical help. Normally, about one-half of these part-time inspectors are employed for less than six months in any one year; about one-fourth are employed from eight to 11 or 12 months, depending on harvest and market conditions.

Similarly, the total number of employees will vary from month to month, as reported in Table 14 for the 12 months in fiscal year 1958. In this table, the average number of days worked by day-rate employees has been applied to the number of such employees and added to the number of full-time employees to arrive at the figures in the final column as representing the total number of full-time months worked in a particular month.

Based on these calculated totals and assuming that the number of employees reflected inspection demands, in fiscal year 1958 the peak months of inspection work were reached in August, September, and October, after which time the demand began to taper off slightly for the next five months. In April, a noticeable decline began, reaching its lowest point in June.

Because of the widely fluctuating need for inspection service during the course of a year, the Fruit and Vegetable Inspection Service offers little full-time opportunities to prospective employees and consequently it is not unusual for the agency to report difficulty in hiring qualified inspectors on a temporary basis. Moreover, all inspectors must be licensed by the federal government before they can be employed.

In this connection, each year training schools for new inspectors are operated by the inspection service so that they may qualify for a federal license. While the exact cost to the state of the training schools would be difficult to determine, the federal supervisor estimates this figure at a minimum of \$3,000 for fiscal year 1959. This total primarily includes salaries for the trainees and for the experienced inspectors who served as instructors.

This type of program appears to be even more expensive when it is noted that most of these trainees only worked from two to six weeks. Moreover, the federal supervisor reports that the expense of

Table 14

FRUIT AND VEGETABLE INSPECTION
 PERSONNEL EMPLOYED,
Fiscal Year 1958^(a)

Month	No. of District Suprs.	No. of Other Monthly Emp.	No. of Day-Rate Emp.	Total No. of Emp.	Avg. No. of days worked by Day-Rate Emp.	Day-rate Emp. on a Man Mo. Basis	Total No. of Man Months
July 1957	3	7	35	45	11.69	17.07	27.07
August 1957	3	41	74	128	14.92	45.96	89.96
September 57	3	46	69	118	22.97	65.71	114.71
October 57	4	45	32	82	21.68	28.83	77.83
November 57	4	44	12	60	26.60	13.34	61.34
December 57	4	44	9	57	20.66	7.76	55.76
January 1958	4	45	9	58	21.88	8.18	57.18
February 58	4	45	7	56	21.00	6.14	55.14
March 1958	4	36	9	49	17.88	6.72	46.72
April 1958	4	29	4	37	14.75	2.45	35.45
May 1958	4	16	9	29	16.55	6.21	26.21
June 1958	4	5	7	16	16.71	4.86	13.86

) Source: Agriculture Department records

using some inexperienced inspectors each year is further increased since it normally takes them a few days before they are able to do their work and that he believes 20 or possibly fewer experienced men could do a better job than 30 inexperienced men.

Table 15 reports the annual number of trainees or inexperienced inspectors as compared to experienced inspectors employed by the inspection service from fiscal year 1950 through 1959. The proportions vary somewhat from year to year, ranging from a low of inexperienced personnel in 1955 of six (or six percent) to a high in 1959 of 31 (25.8 percent).

Table 15

COMPARISON OF "TRAINEE" INSPECTORS TO
TOTAL FRUIT AND VEGETABLE INSPECTORS EMPLOYED

Fiscal Years 1950 Through 1959^a

<u>Fiscal Year</u>	<u>"Trainee" Inspectors</u>	<u>Experienced Inspectors</u>	<u>Total Number Inspectors Employed</u>
1950	26	101	127
1951	16	89	105
1952	15	68	83
1953	26	84	110
1954	11	86	97
1955	6	94	100
1956	17	78	95
1957	13	98	111
1958	29	89	118
1959	31	89	120

(a) Source: 1959 annual report of Fruit and Vegetable Inspection Service. Total excludes regular district inspection supervisors.

Inspections. As mentioned previously, the joint federal-state program is concerned largely with shipping-point inspections in regard to grade and quality of the produce, while the federal government makes the inspection normally in regard to condition only at the terminal wholesale market. The relatively minor balance of the inspection service rendered under the joint program is usually

provided only to canneries and processors as growers are not requesting inspections of their produce before it reaches the shipper, although they can request this service if they so desire.

Table 16 presents a ten-year comparison of shipping point inspections performed in the five districts into which the state was divided during that period -- Arkansas Valley, Denver, Platte Valley, San Luis Valley, and Western Colorado. (The Arkansas Valley district office closed December 1, 1959.) Shipping point inspections are broken down as to railway carlots and trucklots, as well as spray residue inspections which were made until the law was repealed in 1959. Rather than reporting the number of inspection certificates issued or the amount of fees charged, for comparative purposes Table 16 contains percentage figures based on the proportion of inspection fee charges by districts.

As shown in Table 16, around one-half of the total annual shipping-point inspections were made in the San Luis Valley District. Next in terms of inspections made was the Platte Valley District which received between 22 percent and 36 percent of the inspections, followed by the Western Colorado District with between ten percent and 19 percent. Between two percent and ten percent of the inspections were performed in the Arkansas Valley, with comparatively few of the inspections being made out of the Denver office.

Produce Dealers' Section

The Produce Dealers' Section of the Division of Markets is responsible for carrying out the provisions of the Produce Dealers Act, Chapter 90, Session Laws of 1937. In general, the Produce Dealers' Act provides for the investigation and elimination of unfair trade practices involved in the wholesale purchase of Colorado agricultural products. Listed below are the basic responsibilities of the Produce Dealers' Section:

- 1) To issue licenses to all dealers, brokers, commission merchants and agents in order to eliminate irresponsible wholesale buyers of Colorado agricultural products.
- 2) To promote fair dealings between buyers and growers of agricultural products.
- 3) To insure farmers and stock raisers proper payment for their crops by the elimination of worthless checks and other unfair trade practices.
- 4) To provide an unbiased tribunal for the adjustment of controversies between growers and buyers.

The Produce Dealers' Act of 1937 (C.R.S. 1953, Section 7-5-1 through 7-5-15) has never been amended. However, the section adopted regulations in 1941 after an attorney general's opinion stated that this would be in conformity with the statute. This was also reinforced by a Supreme Court Case, State of Colorado v. Ziegler, March 30, 1942.

Table 16

PROPORTION OF CERTIFICATE CHARGES BY TYPE OF
INSPECTION FOR FRUIT AND VEGETABLE DISTRICTS
Fiscal Years 1950 Through 1959(a)

Fiscal Year	Arkansas Valley				Denver				Platte Valley			
	Rail	Truck	Spray	Total	Rail	Truck	Spray	Total	Rail	Truck	Spray	Total
1950	4.40	3.59	0	7.99	3.84	2.07	0.22	6.13	11.56	9.97	.01	21.54
1951	0.94	0.66	0	1.60	0.42	0.38	0	.80	21.36	14.67	0	36.03
1952	1.76	5.75	0	7.51	2.54	2.46	0	5.00	9.46	18.29	0	27.75
1953	1.49	5.47	0	6.96	1.17	0.59	0	1.76	9.00	15.77	0	24.77
1954	1.01	6.51	0	7.52	0.69	0.96	0	1.65	6.17	22.33	0	28.50
1955	1.28	5.95	0	7.23	1.23	2.09	0	3.32	3.20	21.97	0	25.17
1956	1.30	7.65	0	8.95	1.31	1.79	0	3.10	2.75	24.13	0	26.88
1957	1.32	8.41	0	9.73	0.89	1.96	0	2.85	1.73	26.16	0	27.89
1958	0.69	8.79	0	9.48	0.71	2.13	0	2.84	1.09	22.46	0	23.55
1959	1.35	8.61	0	9.96	0.49	1.85	0	2.34	1.45	20.38	0	21.83

Fiscal Year	San Luis Valley				Western Colorado				Grand Total
	Rail	Truck	Spray	Total	Rail	Truck	Spray	Total	
1950	37.66	11.14	.16	48.96	10.73	2.29	2.36	15.38	100.00%
1951	33.00	12.08	.02	45.10	12.26	2.71	1.50	16.47	100.00%
1952	30.20	16.96	.65	47.81	8.86	1.39	1.68	11.93	100.00%
1953	31.01	19.16	.17	50.34	11.25	2.96	1.96	16.17	100.00%
1954	21.20	27.40	.12	48.72	9.12	3.58	.91	13.61	100.00%
1955	16.04	28.73	.50	45.27	11.43	4.59	2.99	19.01	100.00%
1956	15.90	25.87	.21	41.98	11.01	6.46	1.62	19.09	100.00%
1957	10.72	34.01	.18	44.91	7.08	5.94	1.60	14.62	100.00%
1958	17.02	32.98	.65	50.65	6.52	5.41	1.55	13.48	100.00%
1959	16.78	38.66	0	55.44	4.76	5.67	0	10.43	100.00%

(a) Excluding non-certificate charges for canneries and processors.

Inspection Schedules and Organization. At the present time, section inspectors reside in seven permanent districts, as reported in Table 17. These districts are assigned as permanent inspection areas. According to the supervisor, the districts are designed so that each inspector has a sufficient workload for the year and in order that travel costs may be kept to a minimum. Furthermore, the Denver district has two inspectors, with the assistant supervisor acting as one of these inspectors. The supervisor also states that there is no need for inspectors to shift from district to district during peak seasons since the section engages in other activities during the non-harvest seasons. The supervisor also reports that if an inspector resides and works in a district permanently, he may become more thoroughly acquainted with the activities and the people of a district to the extent that he is aware of new truck operators or dealers coming into an area. Thus, he may be able to gain the confidence of the dealers and growers and be able to settle disputes before they reach the formal complaint stage.

Even though an inspector is assigned to a permanent district, the supervisor prepares inspection schedules for each quarter and mails out specific assignments about three weeks in advance of their effective date. This allows an inspector to know, ahead of time, just where he will be, so that he may plan his calls or actions on complaints accordingly. The Denver office is thus able to control the activities of the inspectors with regard to seasonal conditions but still enables the inspectors to integrate their specific problems.

Another area in which the individual inspectors assume responsibility is that of travel. The supervisor allows the individual inspector discretion in selecting travel routes, but encourages the inspectors to organize their routes so as to minimize travel costs. Also, when the supervisor is in the field with the inspector, he concentrates on improving the efficiency of travel operations. In addition, the supervisor is familiar with each inspection area and checks the weekly reports of the inspectors to see that travel costs are reasonable.

Activities of the Section. One of the primary functions of the section is the investigation of grower complaints and to provide a means of arbitration in settling disputes resulting from such complaints as short or worthless checks and market price controversies between growers and buyers. As previously mentioned, the supervisor states that wherever possible the district inspector will attempt to settle the issue without recourse to a hearing. Often times, through the joint cooperation of the inspector and the parties involved, such problems as disputed prices with commission merchants or dealers' failure to make payments to growers may be settled by the informal action of the inspector.

Generally, the procedure in handling producer complaints is to submit a formal complaint application to the grower in order that the grower may have his complaint notarized. This protects the department in any action taken and allows the department to request that a warrant be issued in case a settlement can not be made and a hearing must be called. In some cases, the dealer is not a resident

Table 17

PRODUCE DEALERS' SECTION--
 INSPECTORS' LOCATION AND TERRITORIES:
 FOR WORK ON PRODUCE DEALERS AND
 LOCKER PLANTS & MARKETING ORDER COMPLIANCE -- 1960

SUPERVISOR -- DENVER

DENVER	GREELEY	BRUSH	LAMAR	PUEBLO	MONTE VISTA	GRAND JUNCTION
2	1	1	1	1	1	1
Inspectors	Inspector	Inspector	Inspector	Inspector	Inspector	Inspector
1 Inspector Denver Only	Northern Colorado	Northeastern Colorado	Southeastern and Eastern Colorado	Southern Colorado Salida to La Junta	San Luis Valley & San Juan Basin	Western Slope
1 Inspector ½ Time - Denver ½ Time - East to Limon So. to Colo. Spgs. No. to Boulder						

of the inspection district in which a purchase is made and the inspector is unable to make any contact with the dealer. The supervisor reports that inspectors are not allowed to make special trips out of their districts in handling complaints in such situations, but that they must limit their complaint activities to the daily inspection routine. If an inspector is unable to carry out an investigation, he forwards all the information he has obtained regarding the complaint to the Denver office. At this point, the supervisor takes action in regard to contacting the parties involved and establishes a hearing date, if necessary.

At the present time, approximately 75 percent of the complaints involve short or worthless checks. Section 7-5-13 (2), C.R.S. 1953, states in part:

Any person, engaged in business as a commission merchant, dealer, broker or agent, as defined in this article, or any other person who, with intent to defraud, shall make or draw or utter or deliver any check, draft, or order for the payment of money upon any bank or other depository, in payment to the owner of the purchase price of any farm products or any part thereof upon obtaining possession or control thereof, when at the time of such making, drawing, uttering or delivery the maker or drawer has not sufficient funds in or credit with such bank or other depository for the payment of such check, draft or order in full upon its presentation, shall be guilty of a felony . . .

Under Section 40-14-20, C.R.S. 1957 Supplement, a short check involving non-farm products is a misdemeanor. Therefore, extradition from another state under a short-check charge can only result in a case involving farm products.

The supervisor reports that approximately 40 percent of his time is spent with hearing and investigation of complaints. Despite the fact that a large percent of the complaints involve short checks and that the section is responsible for collecting a considerable sum of money for the growers, as may be noted in the following tabulation, the supervisor states that it is not the job of the department to act as a collection agency, but that this is incidental to carrying out the law.

<u>Fiscal Year</u>	<u>No. of Com-plaints Notarized</u>	<u>No. of Settle-ments</u>	<u>% of Settle-ments</u>	<u>Amt. of Resti-tution to Growers</u>
1950	Not Available	79		\$34,007
1951	Not Available	63	90 ^a	35,799
1952	Not Available	58		44,407
1953	91	74	81	46,242
1954	152	142	93	36,982
1955	110	91	83	42,283
1956	124	90	73	49,695
1957	112	84	75	30,995
1958	141	98	70	95,593
1959	110	81	74	48,703

a. The 90% figure was estimated by Produce Dealers' Section.

In addition to the complaints listed in the foregoing table, a number of informal complaints are settled each year. In fiscal year 1959, for example, 75 informal complaints were settled satisfactorily to the parties involved. This figure gives an indication of the success inspectors in the field have in making adjustments before complaints become too serious.

Another aspect of the section's activities is the checking of licensed dealers and applicants to determine whether they fulfill the statutory requirements. Since only a small number of commission merchants and dealers send their license fees into the office after applications are sent out, it is necessary for the inspectors to spend a considerable amount of their time at ports of entry, feed mills, lumber yards, fruit and vegetable inspection stations, truck parking lots, elevators, loading docks, and other areas where truckers or buyers frequent.

Inspectors may operate at livestock sales rings even though purchases made at these rings are exempt from the law. However, many of the buyers making purchases at the livestock sales rings often make additional purchases away from the rings which place them under jurisdiction of the law. The problem of collecting license fees requires a great deal of time and the supervisor adds that it is one of the major problems of the section.

The section carries on a number of other services for the department of agriculture in addition to the administration of the Produce Dealers' Act. (Among these services is the inspection of refrigerated lockers which will be discussed in the Frozen Food Provisioners' Section subsequently herein.) Table 18 outlines in part a breakdown of the work performed by produce dealer inspectors in regard to their major inspection activities. For example, for fiscal year 1956, of the 51,831 contacts (excluding service calls as listed in Table 18), 54.5 percent were made under the Produce Dealers' Law; 1.8 percent were made in connection with Refrigerated Locker Law; 2.1 percent were made for the Feed and Fertilizer Section; 24.2 percent for the Poultry and Egg Section; and 17.4 percent were made for marketing order compliance. Since 45.5 percent of the contacts made by the inspectors were in areas other than produce dealer activities, the section is reimbursed from revenues received from these other functions. Thus, for fiscal year 1960 the salary of one inspector was paid by the Poultry and Egg Section; one-half of the supervisor's salary was paid by the Refrigerated Locker Section; and the travel expenses of the inspector in the San Luis area was reimbursed by the area potato board for a five-month period from November through March.

The decline of contacts made (Table 18) for fiscal year 1959 in the Poultry and Egg Section is largely due to the increase in personnel in the Poultry and Egg Section from six inspectors in fiscal year 1956 to nine inspectors in fiscal years 1957 through 1959. In addition, the drop in contacts under marketing orders for fiscal year 1959 resulted from the discontinuance of compliance work concerning potato branding and honey orders.

Table 18

CONTACTS AND SERVICE CALLS PERFORMED
BY PRODUCE DEALER INSPECTORS
Fiscal Years 1952 through 1959*

Contacts Made by Produce Inspectors

Fiscal Year	Service Calls	Produce		Refrigerated Locker		Feed & Fertilizer		Poultry & Egg		Marketing Orders		Total Contacts
		No. of	%	No. of	%	No. of	%	No. of	%	No. of	%	
1952	11,365	17,732	43.4	1,043	2.6	250	.6	11,524	28.2	10,292	25.2	40,841
1953	11,676	18,980	44.4	838	2.0	821	1.9	12,583	29.4	9,529	22.3	42,751
1954	2,941	27,142	49.6	838	1.5	840	1.5	14,866	27.2	11,048	20.2	54,734
1955	1,695	27,619	52.3	1,022	1.9	861	1.6	13,203	25.0	10,141	19.2	52,846
1956	4,261	28,242	54.5	953	1.8	1,109	2.1	12,517	24.2	9,010	17.4	51,831
1957	-----	29,416	-----	-----	---	-----	---	-----	----	-----	----	-----
1958	-----	-----	-----	-----	---	-----	---	-----	----	-----	----	-----
1959	1,167	30,955	89.5	904	2.6	163	.5	1,263	3.7	1,288	3.7	34,573

*Source: Annual reports and departmental records of Produce Dealers' Section. Most of the information for fiscal years 1957 and 1958 is not available.

Another aspect of the Produce Dealers' Section is that non-produce dealers services are adjusted to the demands of produce inspection seasons. Thus, when the press of harvest season is reduced, the inspectors spend more time in other pursuits so that these activities do not conflict with the licensing activities of the Produce Dealers' Section.

Licensing Practices. Section 7-5-2, C.R.S. 1953, lists three exemptions for persons or dealers requiring produce licenses:

1) Any person buying farm produce for the purpose of reselling the same in artificially dried, processed, canned or other preserved form or processor of farm products or manufacturers of products therefrom.

2) Any person or exchange dealing in livestock and operating at a public livestock market and subject to and operating under a bond required by the United States to secure the performance of their obligations.

3) Any cash buyer.

According to the section chief, all trucks carrying agricultural produce are checked for compliance with statutory licensing and bonding requirements. A trucker must purchase a dealers' license if he is not a bona fide "haul-for-hire" operator or a "cash buyer." However, the burden of proof is on the trucker and unless he can prove that he is a "haul-for-hire" operator by showing his Public Utilities Commission permit and cargo insurance or satisfy the inspector that cash was paid for the merchandise, a produce dealers' license is required. All out-of-state trucks carrying agriculture products into Colorado are licensed, since the law does not limit its application to Colorado products (Attorney General's opinion, page 18, "Produce Dealers' Section -- Rules and Regulations"). Trucks licensed under the United States Department of Agriculture (Perishable Agriculture Commodities Act) are not exempt from obtaining a Colorado license (Regulations 7, page 10 of the "Rules and Regulations").

The following tabulation provides a breakdown of licenses issued from fiscal year 1950 through 1959:

<u>Fiscal Year</u>	<u>Twenty-five dollar licenses^a</u>			<u>Total</u>	<u>One-dollar licenses</u>
	<u>Commission Merchants</u>	<u>Brokers</u>	<u>Other Dealers</u>		
1950	85	822	1,233	2,140	509
1951	79	813	1,174	2,066	462
1952	70	809	1,321	2,200	468
1953	74	739	1,518	2,394	342
1954	72	769	1,684	2,525	352
1955	73	841	1,775	2,689	317
1956	74	810	1,972	2,811	249
1957	--	---	-----	2,815	247
1958	--	---	-----	2,821	237
1959	--	---	-----	2,976	231

a. Since 1957 one license is issued annually for commission merchants, brokers and dealers in order to save printing and administrative costs.

As may be noted, commission merchants constitute a small segment of the licenses issued. Since the merchants are the only buyers involved in price disputes over market fluctuations, most of the complaints involve short or worthless checks.

The section supervisor further states that the department questionably issues about 1,000 licenses a year, at least in a technical sense. Since many truckers are actually operating on a "haul-for-hire" basis but are not properly insured and licensed, the department issues them produce dealers' licenses. The truckers would probably rather purchase a \$25.00 license from the Produce Dealers' Section than be forced to purchase cargo insurance and a haul-for-hire permit from the Public Utilities Commission.

Promotional Activities. The supervisor reports that all inspectors within the section are attempting to promote Colorado products by such means as carrying out compliance to marketing orders; encouraging shippers to display signs advertising Colorado products on their trucks; and attending meetings with growers and other interested groups to explain the purpose of the Produce Dealers' Act. The section also furnishes grocery stores and produce houses with literature advertising Colorado products. In the same vein, during the potato harvest, trucks have been supplied signs featuring Colorado potatoes as a part of market promotions, and elsewhere pamphlets relating to other products such as lamb, pork, and honey have been distributed throughout the inspection territories.

Frozen Food Provisioners' Section

In 1947, the Refrigerated Locker Law was enacted at the request of the refrigerated locker industry. At that time, many of the locker plants were in poor condition in regard to sanitation practices, plant facilities, maintenance of adequate temperatures, and other problems of food preservation. The low standards of locker plants during this period resulted from wartime policies of the federal government in encouraging the expansion of locker facilities. That is, the pressing food shortage of meats resulted in a number of plants being established in facilities not designed properly for sustained freezer operations. Thus, the rapid expansion of locker plants coupled with a complete lack of standards and control for the industry resulted in as much as 35 percent food spoilage which necessitated passage of the Refrigerated Locker Law.

The pattern of the industry has radically changed since the passage of the 1947 law. The locker industry was based on locker rentals which constituted more than two-thirds of the business during the first few years the law was in effect. However, the sudden and rapid growth of "home" freezers, both for urban and rural areas, brought about a decline in the need for rental space of lockers. Consequently, individual locker operators had to adjust to the situation or go out-of-business.

Advanced practitioners in the industry adjusted first of all by developing their operation into a service organization contributing to the needs of home freezers instead of competing against them. This was made possible by changing the basis of their operations from locker storage to the processing of meats, both domestic and wild. This includes cutting, wrapping, and quick freezing as a part of the processing business. Emphasis on processing increased from less than one-third of the business of the locker industry in 1949 to approximately 75 percent in 1959.

Legislative Authority. The original Colorado Refrigerated Locker Law was adopted in 1947 (Section 7-14-1 through 7-14-9, C.R.S. 1953). House Bill 312, 1959 Session, made a number of significant amendments in order to revise the law in keeping with the changing pattern of the industry. Generally, the 1959 changes provided for the inclusion of "food plan operators" and "processors" and resulted in extending the scope of the law. The old "Refrigerated Locker Board" was replaced by the "Frozen Food Provisioners' Board" and was enlarged and diversified. Moreover, the enforcement of the act was removed from the board and charged to the department of agriculture. The following amendments constitute the major changes:

7-14-1 Citation. This article shall be known, and may be cited as "The Colorado Frozen Food Provisioners' Law."

7-14-2 (c). "Processor" shall mean any person, firm, or corporation who sells, and/or cuts up, processes, packages, wraps, stores or freezes meat, meat products or food and food products, for storage in a locker box, home freezer....

7-14-2 (e). "Food plan operator" shall mean any person, firm, or corporation other than a processor or a locker plant operator, engaged in the business of soliciting, negotiating....

7-14-3 (1). There is hereby created in the Department of Agriculture a board to be known as the Frozen Food Provisioners' Board, which shall be under the supervision of the Commissioner of Agriculture, composed of four members and the Commissioner of Agriculture as an ex-officio member. One member shall be appointed from the frozen food locker industry, one member from the livestock industry, one member from the processor's industry, and one member from the retail grocer's and meat industry, by the Governor for a period of four years. No member of the board shall be appointed to a succeeding term.

7-14-3 (4). This placed the enforcement of the law and the rules under the Department of Agriculture instead of the "Locker Board."

7-14-3 (5). Prescribes fair trade practices in regard to advertising. In part, the section states "...Such advertising shall not be misleading or deceiving in respect to grade, quality, quantity, price per pound or piece, or in any other manner. For grade determination of meats, such grades shall conform with United States Department of Agriculture standards for designating meat grades."

7-14-5 (1). Stipulates that license fees for locker plants, processors, and food plan operators would be \$25.00 per year. Prior to this amendment the license fees were not to exceed \$25.00 per year.

7-14-5 (3). Provides for a bonding requirement of not to exceed \$25,000. This bond maximum is high for the average food plan operator since the bonding companies usually require a business to gross at least \$100,000 per year before bonding for that amount. The supervisor states that the standard practice of the bonding companies would set the bond figure at approximately \$5,000.

7-14-10. If 75 percent of a grocer's business results from sales other than sales of those frozen food products mentioned in this act, such grocer shall not be subject to the provisions of this act.

In addition to the above amendments, the Frozen Food Provisioners' Board adopted rules and regulations as authorized by H.B. 312, 1959 Session. For the most part, the rules adopted by the board were in regard to specific sanitary conditions, packaging regulations, and the identification and care of meats.

Personnel Status. Since the section is not financially self-sufficient, the inspection program is supported and carried out by produce dealer inspectors. The present practice of the department of agriculture is to integrate locker inspection into the routes and inspection schedules of produce section personnel. This is intended to minimize the expenses incurred per inspection and stabilize the workload during reduced produce inspection periods.

Activities. The section's inspection process is primarily concerned with insuring proper sanitation, preparation, and preservation of frozen foods. Inspections are consequently performed for a two-fold purpose: protection to the customer and elevation of the standards of sanitation and preservation of frozen foods will increase customer appeal and boost the economic soundness of the industry.

The section is now engaged in joint-cooperative inspection surveys with the Denver, Tri-County, and Colorado Springs Health Departments. Grand Junction may possibly engage in a similar joint program with the state at a later date. At the present time, these survey programs involve department of agriculture inspectors and local health department inspectors making the surveys together. When the surveys are completed, the department of agriculture may perform all the inspection in the Tri-County and Colorado Springs areas; however, duplicate inspection with a local agency may exist in Denver since the City and County has its own inspection programs. Denver health inspectors have established much more rigid standards than the state, and, according to the supervisor, these standards are so inflexible that they are working a hardship on the industry. Also, the health inspectors are primarily concerned with sanitation, reports the supervisor, whereas the agriculture department is also interested in other aspects of the industry.

The number of inspections per license issued has gradually increased in the last ten years. This increase in inspections per plant may in part be attributed to the drop in the number of licensed plants, as may be noted in Table 19, but not altogether, since inspections in fiscal year 1959 were a little over double the number of inspections in fiscal year 1950. In 1959, there were approximately 5.40 inspections per license issued. This figure would be slightly higher per plant since a change of ownership requires a new license so the number of licenses does not necessarily represent the number of plants. At the present time, Section 7-14-6 prescribes the following number of inspections: "At least one each six months and oftener if necessary, the board shall cause all premises licensed thereunder to be inspected."

Maintenance of Standards. Compliance requirements of the department are based on a policy of encouragement to the individual locker operators and the promotion of high standards within their plants. Thus, for minor sanitary problems, ineffective or unreliable equipment, and improper methods of preparation, the department urges correction of these items by emphasizing the accompanying benefits to the individual operator and the industry. An example of this would be the issuance of "State-approved" stickers to the operators who successfully meet all requirements. The supervisor feels that this emphasis on cooperation and promotion is much more effective than to obtain compliance by threats of license suspension. The supervisor states that numerous times he has encouraged operators in methods of increasing productivity of their operations, thus developing favorable attitudes for raising the levels of their plants and a desire to cooperate with the department of agriculture. In this way, the section engages in promotional activities at the same time it is gaining compliance with the law and regulations.

Weights and Measures Section

A state weights and measures law for Colorado was enacted in 1953, the administration of which was assigned to the Commissioner of Agriculture. Prior to 1953, supervision of weights and measures in this state was provided on a local level under city ordinances.

The 1953 legislation (1953 C.R.S. 151-1-1 through 151-1-37, as amended) established standards, definitions of units, and administrative powers and duties, providing in part that the Commissioner of Agriculture "shall have and keep a general supervision over the weights and measures offered for sale, sold, or in use in the state." In 1955 the law was substantially amended with the addition of definitions for "tanks," "textile meters," and "cordage meters," and by exempting motor fuel tanks and pharmacists' prescription scales having less than a four-ounce capacity from the following statement in regard to testing and other duties.

The department shall test or cause to be tested for accuracy every scale, textile meter, tank, or cordage meter to which a license has been issued, at least every

Table 19

LOCKER LICENSES ISSUED AND INSPECTIONS PERFORMED
Fiscal Years 1950 through 1959*

<u>Fiscal Year</u>	<u>Number of Licenses Issued</u>	<u>Number of Inspections Made</u>	<u>Average Number of Inspections Per License Issued**</u>
1950	234	482	2.06
1951	223	567	2.54
1952	219	706	3.22
1953	215	838	3.90
1954	210	838	3.99
1955	213	1022	4.80
1956	201	953	4.74
1957	195	873	4.48
1958	178	847	4.76
1959	171	924	5.40

* Source: Annual Reports, Refrigerated Locker Section.

**Licenses issued does not necessarily reflect the number of locker plants in existence, since there may have been a change of ownership. For example, in fiscal year 1959, 171 licenses were issued to 160 locker plants.

twelve months or more often if necessary. It shall be the duty of the inspector making the tests to make minor adjustments to all scales, tanks, textile meters, and cordage meters that may be required to make them measure correctly. Nothing in this section shall prevent an inspector from testing a scale, tank, textile meter, or cordage meter and issuing a sticker before the issuance of a license and certificate; provided the inspector collects the license fee, or the owner of such scale, tank, textile meter, or cordage meter can show a satisfactory current evidence that such fee is in the process of being paid; provided, however, that unless requested by the owner of a tank, or unless the department receives information indicating a test is necessary, annual tests of tanks shall not be mandatory; provided further that if such tank has been tested and calibrated by a private concern properly equipped to do such testing, no state test shall be required during the first year of operation of such tank. It shall be the duty of the owner of a tank to report any alterations or changes made to, or replacement of parts of any licensed tank which would in any way effect the provisions of this article. (C.R.S. Supplement 151-1-23 (6))

Section 151-1-35, C.R.S. 1953 provided a \$35,000 loan from general fund for the purchase of equipment and an additional loan from the state general fund of \$17,000 was also authorized in 1955, making a total of \$52,000 loaned to the Weights and Measures Section from this source since it was established in 1953.

Activities of Weights and Measures Section. Weights and measures supervision involves the comparing, calibrating, testing, designing, and specification and tolerances of most weighing and measuring devices used commercially in this state, as well as checking correct package content. The supervisor of the Weights and Measures Section emphasized that this activity is concerned with quantity only and not quality. In addition to commercial weights and measures, the section is responsible for the weighing and measuring equipment for all state institutions, state highway contractors, and ports of entry.

Table 20 contains figures relating to the activities of the Weights and Measures Section from fiscal year 1954 through 1959. As shown therein, the number of licenses issued annually has steadily increased, rising from 8,311 in 1955 to 9,317 in 1959 (figures are unavailable for 1954). On the other hand, no uniform pattern for the number of inspections of scales, weights, meters, and packages is noted from one year to the next.

As a result of these inspections, the percentage of scales condemned by state inspectors has decreased from 17.0 percent in 1954 to 10.1 percent in 1959. Contrastingly, with the exception of 1958, the percentage of weights condemned was substantially lower, normally ranging between 1.5 percent and 4.6 percent. A wide variation may be noted for condemned cordage meters tested of between 22.2 percent and 5.0 percent, whereas fabric meters tested ranged between 10.3 percent and 4.9 percent condemnations.

STATE INSPECTION													
Fiscal Year	Licenses Issued ^b	Service Calls ^e	SCALES		WEIGHTS		FABRIC METERS		CORDAGE METERS		PACKAGES		
			Scales Checked	% of Scales Condemned ^g	Weights Checked	% of Weights Condemned	Meters Tested	% Meters Condemned	Meters Checked	% Meters Condemned	Packages Checked	Packages % Over Weight ⁱ	% Short Weight ⁱ
1954		3,123	13,812	17.0	12,817	1.6							
1955	8,311	4,093	18,290	12.7	17,068	1.8					9,378	23.5	43.8
1956	8,664	5,696	16,706	12.8	14,889	4.6	249	9.6	32	21.9	9,979	17.9	29.0
1957	8,809	4,845	17,822	16.3	15,848	2.4	229	8.7	72	22.2	13,614	24.6	22.4
1958	9,220	5,151	21,323	12.2	18,348	7.0	370	10.3	83	18.1	16,073	13.6	20.9
1959	9,317	5,078	18,626	10.1	15,143	1.5	345	4.9	80	5.0	14,025	5.9	8.2
<u>DENVER AND PUEBLO INSPECTION</u>													
1954			7,697	10.2	3,982	2.9							
1955			9,281	8.1	4,296	2.4					14,964	15.3	28.7
1956			6,617	10.2 ^f	2,698	2.7	174	24.1	0	0	8,832	14.0	20.2
1957 ^d		722	6,066	4.2	2,611	.7	207	6.3	15	0	2,565 ^h	1.8 ^h	10.7 ^h
1958		40	8,136	5.7	3,421	.1	135	4.4	22	0	3,565	5.4	21.8
1959		60	10,550	5.5	6,863	2.7	188	3.7	30	0	20,873	6.3	6.9

a. Source: Weights and Measures Section, State Department of Agriculture. The figures for Denver and Pueblo include only the data submitted to the State Department of Agriculture and are incomplete in some cases.

b. All licenses are issued by the State whether inspection is done by Denver or Pueblo or not. Figures for 1954 are unavailable.

c. This year includes only 7 months reported work done by the City of Denver.

d. This year includes only 8 months reported work done by the City of Denver.

e. Pueblo does not report service calls. The Denver data is also incomplete.

f. The 10.2% was calculated on Pueblo figures since the condemned figures for Denver were unavailable.

g. Condemned scales include incorrect scales whether in favor of operator or against.

h. Denver figures were not available; figure and per cents are for Pueblo only.

i. Per cent of packages overweight and shortweight includes samples within tolerance as well as those rejected or remarked.

The percentage figures reported for overweight and shortweight packages include those within established tolerances as well as those rejected or set aside for remarking. With this reservation in mind, a large decrease of overweight and shortweight packages is reported -- from a total of 67.3 percent in 1955 to 14.1 percent in 1959.

Table 20 also includes figures, where available, on the activities of weights and measures inspectors employed by Denver and Pueblo. Comparing the activities of the local inspectors with those of the state inspectors, it appears that the former devote proportionately more of their efforts to the checking of packages, but this may be possible because they do no large-scale inspection work, leaving this area to state inspectors.

The weights and measures law, as quoted previously herein, requires that every scale, textile meter, tank, or cordage meter for which a license has been issued shall be tested at least once every 12 months. C.R.S. 151-1-8 provides that all weights and measures used in checking the receipt or disbursements of supplies in every institution for the maintenance of which moneys are appropriated by the legislature shall be tested or calibrated at least once annually. Additionally, C.R.S. 151-1-9 states that all weights and measures commercially used in determining the weight, measurement, or count of commodities or things sold, or offered or exposed for sale, on the basis of weight or measure, in computing any charge or payment for services rendered on the basis of weight or of measure, or in determining weight or measurement when a charge is made for such determination, shall be inspected and tested annually. Further, this section authorizes the weighing, measuring, and inspecting of packages or amounts of commodities offered for sale or sold from time to time to determine whether they contain the amounts represented in accordance with law.

The supervisor of the Weights and Measures Section reports that, in regard to the inspection required under C.R.S. 151-1-8, weights and measures used in connection with state institutions are checked annually. However, while this section of the law also contains a provision relating to city standards of weight and measure, the state has not as yet checked these as provided by law but will begin to do so as soon as the necessary equipment is available.

Concerning the inspections required by C.R.S. 151-1-9, the supervisor estimates that, due to staff limitations, approximately 75 percent of the inspections required are being made each year. He points out that the location of the scales is important in this case as those yielding small fees in out-of-way places may not be checked once each year. On the other hand, some scales may be inspected more often than once each year.

On the subject of staff, the number of employees of the Weights and Measures Section has remained almost constant since it was established in fiscal year 1954; at the same time the number of men in Denver and in Pueblo increased from four to five

(from three to four in Denver alone). As may be noted in the following tabulation, the amount of full-time employees in the Weights and Measures Section, as reported by the supervisor, shows a slight increase during the six-year period, from 8.5 full-time employees in 1954 to 9.5 in 1958 and a drop to 9.0 in 1959.

<u>Fiscal Year</u>	<u>Section Staff</u>			<u>Sub Total</u>	<u>City Field Men</u>			<u>Total</u>
	<u>Full Time</u>	<u>½ Time</u>	<u>¼ Time</u>		<u>Denver</u>	<u>Pueblo</u>	<u>Sub Total</u>	
1954	8	1		8.50	3	1	4	12.50
1955	8		4	9.00	3	1	4	13.00
1956	8		1	8.25	3	1	4	12.25
1957	8		2	8.50	4	1	5	13.50
1958	9	1		9.50	4	1	5	14.50
1959	9			9.00	4	1	5	14.00

The staff positions of the Weights and Measures Section presently consist of the supervisor, assistant supervisor, six inspectors, and a clerk-stenographer. The supervisor, assistant supervisor, and clerk-stenographer are stationed in the Denver office. The six inspectors are located, by type of activity, as follows:

<u>Location</u>	<u>Type of Activity</u>
Grand Junction (western slope)	Small capacity scales
Longmont (north central and north east Colorado)	Small capacity scales
Pueblo (south and south-eastern Colorado)	Small capacity scales
Denver (central and eastern Colorado)	Small capacity scales
Denver (eastern slope)	Large capacity scales
La Junta (western slope)	Large capacity scales

Each of the four inspectors engaged in small-capacity activity is supplied with the following equipment: 30-pound test kits, set of grain weights, set of gram weights, five 50-pound weights, and one even-balance scale (five-pound capacity). The two inspectors testing large capacity scales are each equipped with a truck, ten 1,000-pound weights, small kit, and gram weights, but they do not have any grain weights or five-pound even-balance scales. Eventually, the supervisor states, it is planned that these latter two inspectors will be completely equipped to test both large-capacity and small-capacity scales; to do this will cost an estimated \$400 for additional equipment for both units.

FINANCING THE STATE DEPARTMENT OF AGRICULTURE

Fiscal Years 1950 Through 1959

Sources of Financing

The activities of the State Department of Agriculture are financed by general fund appropriations and by cash fund receipts. During the ten-year period, fiscal years 1950 through 1959, as reported in Table 21, "normal" expenditures of the department more than doubled, rising from \$600,400 in 1950 to \$1,236,093 in 1959.

Over this same ten-year period, the department's normal operations financed from the general fund increased proportionately more than cash fund operations did. That is, comparing 1950 and 1959 totals, expenses financed by general fund appropriations increased some 145 percent whereas cash fund expenses increased 94 percent. Similarly, in 1950 the general fund supported 23.8 percent of total normal departmental expenses, but by 1959 this figure had increased to 28.2 percent.

On the other hand, in terms of actual dollars, cash fund expenses increased from \$457,663 in 1950 to \$887,085 in 1959, or some \$430,000 more, while annual general fund expenses for normal activities increased \$206,271 during the ten years.

Table 21 shows considerable fluctuation from year to year in terms of general fund expenditures. This situation results largely from the inclusion of emergency fund expenditures (general fund appropriations) for such activities as drought relief and grasshopper control.

On the basis of total departmental expenses, general fund expenditures varied from 22.5 percent of the total in 1950 to 50.1 percent in 1959. However, most of the time, between 70 and 75 percent of the total annual expenses were supplied by cash fund revenues.

Table 22 contains a comparison of the annual value of Colorado agricultural production and the expenses of operating the agriculture department from 1950 through 1958. Because the "value" figures are reported on a calendar-year basis while the cost figures are on a fiscal-year basis, the two totals are not exactly comparable. However, such a comparison does serve to furnish some idea of the relationship between the two.

In this connection, it may be noted that, comparing 1950 to 1958, the value of Colorado agricultural products totaled \$527.2 million and \$602.2 million, respectively, or an increase of 14.2 percent, while normal operating costs of the department increased 75.7 percent and total costs rose 127.9 percent for the period.

Table 21

COMPARISON OF EXPENDITURES FROM CASH AND GENERAL FUND
STATE DEPARTMENT OF AGRICULTURE
Fiscal Years 1950 through 1959^(a)

	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
Normal General Fund Expenses ^(b)	\$142,737	\$159,938	\$172,234	\$198,805	\$223,173	\$229,447	\$233,706	\$262,917	\$303,567	\$349,008
Per cent of Total	23.77	27.68	27.34	28.52	26.42	25.77	27.83	28.27	28.78	28.23
Normal Cash Fund Expenses ^(c)	\$457,663	\$417,835	\$457,644	\$498,155	\$621,568	\$660,812	\$606,067	\$667,021	\$751,308	\$887,085
Per cent of Total	76.23	72.32	72.66	71.48	73.58	74.23	72.17	71.73	71.22	71.77
Total of Normal Dept. Expenses	\$600,400	\$577,773	\$629,878	\$696,960	\$844,741	\$890,259	\$839,773	\$929,938	1,054,875	1,236,093
All General Fund Expenses	\$142,737	\$174,438	\$186,734	\$213,305	\$250,301	\$281,800	\$246,038	\$322,645	\$495,852	1,104,018
Per cent of Grand Total	22.48	28.10	26.53	26.72	24.88	28.91	27.44	29.66	34.26	50.11
All Cash and Revolving Fund Expend.	\$492,282	\$446,314	\$517,004	\$585,111	\$755,918	\$693,046	\$650,641	\$765,209	\$951,510	1,099,198
Per cent of Grand Total	77.52	71.90	73.47	73.28	75.12	71.09	72.56	70.34	65.74	49.89
Grand Total all Expenses	\$635,019	\$620,752	\$703,738	\$798,416	1,006,219	\$974,846	\$896,679	1,087,854	1,447,362	2,203,216

(a) Source: State Auditor's reports, fiscal years 1950 through 1957; agriculture department records, fiscal years 1958 and 1959.

(b) Does not include emergency or disaster fund expenses, and stock show and other premiums.

(c) Does not include Hail Insurance, Hope-Flanigan, and Veterinary Revolving Fund expenses.

Table 22
 COMPARISON OF VALUE OF COLORADO AGRICULTURAL PRODUCTION
 AND COST OF OPERATION OF STATE DEPARTMENT OF AGRICULTURE
 1950 through 1959^(a)

	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
Cost of Normal Agriculture Department Activities ^(b)	\$ 600,400	\$ 577,773	\$ 629,878	\$ 696,960	\$ 844,741	\$ 890,259	\$ 839,773	\$ 929,938	\$ 1,054,875	\$ 1,236,093
Per cent of Normal 1950 Costs	100.0	96.2	104.9	116.1	142.5	148.3	139.9	154.9	175.7	205.9
Correlation of Normal Departmental Costs to Total Value of Colo. Agriculture Products	1.14	0.97	1.01	1.38	1.81	2.09	1.84	1.85	1.75	Not Available
Total Costs of State Dept. of Agriculture	\$ 635,019	\$ 620,752	\$ 703,738	\$ 798,416	\$ 1,006,219	\$ 974,846	\$ 896,679	\$ 1,087,854	\$ 1,447,362	\$ 2,203,216
Per cent of 1950 Total Costs	100.0	97.7	110.8	125.7	158.5	153.5	141.2	171.3	227.9	347.0
Correlation of Total Dept. of Agriculture Costs to Total Value of Colo. Ag. Products	1.20	1.04	1.13	1.58	2.15	2.29	1.97	2.16	2.40	Not Available
Total Value of Colo. Agricultural Products ^(c)	\$527,200,000	\$596,700,000	\$624,800,000	\$505,500,000	\$467,000,000	\$426,200,000	\$455,700,000	\$503,800,000	\$602,200,000	Not Available
Per cent of 1950 Value of Colorado Agricultural Products	100.0	113.2	118.5	95.9	88.6	80.8	86.4	95.6	114.2	

(a) Cost of operation of Department of Agriculture - Source: Auditor's reports, fiscal years 1950 through 1957; agriculture department records, fiscal years 1958 and 1959. Cost figures are for fiscal years; value figures are for calendar years.

(b) Excludes Hail Insurance Program, Veterinarian Revolving Fund, Hope-Flanigan Fund, Emergency Funds, Disaster Fund, Stock Show Premiums, etc.

(c) Includes cash income, government payments and value of products consumer in farms where produced. Source: Colo. Crop and Livestock Reporting Service.

Tables 23, 24, and 25 provide an over-all summary of revenues and expenditures for the agriculture department from fiscal year 1950 through 1959. In Table 23 the activities are divided into those financed by general fund appropriations and those which are not. Most of the activities in this latter group are supported by cash receipts from license and inspection fees, but a few involve federal funds, local collections or assessments, and insurance premiums.

The figures in Table 24 contain annual costs by activity, thereby showing the dollar changes in the various programs during the ten-year period. The largest increase between 1950 and 1959 occurred in the activities of the Division of Administrative Services both in terms of actual dollars and of percentage change. Part of this increase resulted from the addition of soil conservation work in 1957.

A comparison of expenditures by object, i.e., personal services, maintenance and operation, etc., is presented in Table 25. While some increase between 1950 and 1959 took place in all categories, the costs for personal services represent the greatest gain. Accounting for this increase, and in large part for the increase in travel and subsistence expenses, is the addition of more employees and adjustments upward in over-all salary scales during the ten-year period.

Concerning cash fund payments to the general fund, a decrease in this expense may be noted beginning in fiscal year 1955 after reaching a high of \$45,921 paid in 1954. In order to contribute to the cost of general governmental services provided these activities, the law requires a payment of five percent or ten percent of cash fund collections except for hail insurance and the revolving funds whose receipts are kept intact. In 1949, this service charge was set at ten percent of collections, but as of April 1, 1955, the amount of payments from the Fruit and Vegetable Inspection Service Fund was reduced to five percent. This reduction was the major factor contributing to the decline in this expense in fiscal years 1955 through 1959 compared to 1954.

Revenues and Expenditures by Activity

Division of Administrative Services

Central Administration. All of the expenses for the central administrative activities of the Division of Administrative Services, including the commissioner's office, are borne by general fund appropriations. It may be noted in Table 26 that total expenditures have ranged from \$47,883 in fiscal year 1950 to \$122,618 in fiscal year 1959, representing an increase of \$74,735 or 156 percent more in 1959 than in 1950. On the basis of expenditure purpose, most of the increase is found in personal services and in maintenance and operation. Capital outlay held fairly steady but increased noticeably in 1959 largely as a result of purchasing a sensimatic bookkeeping machine (\$6,103.50) and a validating machine (\$2,875.00).

SUMMARY OF APPROPRIATIONS AND RECEIPTS
STATE DEPARTMENT OF AGRICULTURE
FISCAL YEARS 1950 THROUGH 1959^(a)

ACTIVITIES	FISCAL YEARS									
	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
General Fund Appropriations										
Commissioner & Admin. Services	\$ 70,000	\$ 76,812	\$ 70,648	\$ 74,433	\$75,102	\$ 83,829	\$ 88,702	\$104,028 ^(b)	\$ 95,560	\$117,782
Soil Conservation	--	--	--	--	--	--	--	--	16,736	19,106
Rodent Supervision	2,500	2,500	None	3,500	3,500	3,500	3,000	2,500	2,500	2,500
Agriculture Statistics ^(c)	--	--	--	--	--	--	--	--	16,672	17,648
Predator Animal	7,500	7,500	--	--	--	--	--	--	--	--
Division of Plant Industry	50,751	51,142	37,478	46,421	46,129	46,955	49,745	48,579	58,124	64,199
Chief of Animal Industry	9,060	12,077	11,127	9,871	10,544	11,592	13,074	15,797	14,861	16,209
Dairy Section	23,294	23,611	22,266	26,407	27,000	26,011	26,325	27,144	30,837	41,098
State Veterinarian	--	(e)	25,063	33,033	34,000	35,857	35,610	36,035	51,030	56,433
Animal I.B. Control	2,500	2,500	1,500	1,500	1,000	1,000	625	700	3,000	2,000
Misc. Livestock Disease Control	1,500	1,500	1,500	1,000	20,000	10,000	6,032	--	--	--
Division of Markets	10,248	10,342	10,468	10,397	11,109	12,192	12,700	17,470	20,485	21,113
Stock Show and other Premiums	--	14,500	14,500	14,500	--	--	--	--	--	--
Emergency Funds	--	--	--	--	1,200,000	1,213,141	711,053	717,215	200,000	200,000
Disaster Fund	--	--	--	--	--	--	--	--	--	778,237 ^(d)
Sub-Total - Appropriations	\$177,353	\$202,484	\$194,550	\$221,062	\$1,428,384	\$1,444,077	\$946,866	\$984,016	\$509,805	\$1,336,325
Cash Funds Receipts										
Predator Control	\$ 29,804	\$ 34,140	\$ 39,264	\$ 92,053	\$112,248	\$ 89,201	\$ 65,186	\$ 50,756	\$ 71,229	\$181,005
Rodent Control	13,369	8,472	6,706	8,055	8,572	9,175	9,022	10,055	13,192	15,023
Plant Insect Control	3,006	2,708	2,133	2,302	2,053	6,375	7,532	8,248	9,543	11,582
Insecticide Inspection	7,475	4,830	4,770	7,642	8,581	8,698	9,933	8,511	4,419	10,109
Vet. Sanitary fund	--	7,215 ^(h)	--	--	--	--	--	--	--	--
Poultry & Egg	29,756	29,766	44,367	44,785	45,684	42,703	51,060	76,717	79,968	78,541
Dairy Cash	8,192	6,074	5,077	8,426	10,114	12,136	9,913	7,350	6,927	8,678
Oleo Fund	1,250	1,525	750	1,800	1,275	1,590	1,325	1,250	1,200	1,575
Feed Fund	26,169	27,885	31,453	29,275	30,074	30,982	32,004	36,476	33,309	37,610
Fertilizer Fund	4,161	13,420	11,932	15,644	16,390	16,155	14,909	18,451	18,482	21,624
Fruit & Vegetable Inspection	291,740	286,386	191,154	271,745	274,465	294,461	270,333	326,926	341,818	410,318
Produce Dealers	52,723	52,794	57,165	61,182	66,113	67,545	71,787	53,999	70,725	76,580
Refrigerated Lockers	5,175	5,920	5,900	3,850	5,250	5,050	5,025	4,950	4,650	4,300
Weights and Measures	--	--	--	35,000	53,990	55,743	83,047	50,800	78,918	80,406
Hail Insurance	25,199	22,021	31,327	78,480	89,944	25,105	11,195	15,744	34,647	21,257
Hope-Flanigan Fund	--	(g)	7,720	3,000	6,220	28,866	6,126	4,763	657	8,000
Veterinary Revolving Fund	--	(f)	29,901	23,955	21,899	16,053	15,897	73,727	153,900	186,608
Sub-Total - Cash Receipts	\$498,019	\$515,708	\$469,619	\$687,194	\$752,872	\$709,838	\$664,294	\$748,723	\$923,584	\$1,153,216
Total Appropriations and Receipts	675,372	718,192	664,169	908,256	2,181,256	2,153,915	1,611,160	1,732,739	1,433,389	2,489,541

- (a) Source: State Auditor's reports, fiscal years 1950 through 1957; agriculture department records, fiscal years 1958 and 1959.
- (b) For fiscal year 1957, over-all appropriation for Administrative Services Division included monies for soil conservation and agriculture statistics.
- (c) Appropriation for fiscal years 1950 through 1957 included in general appropriation for administrative services division.
- (d) Includes governor's authorization of \$485,500 of \$1,500,000 appropriated by legislature plus receipts of \$292,737.
- (e) The State Veterinarian Fund was financed from the office of the Chief of Animal Industry for fiscal years 1950 and 1951.
- (f) Receipts were first collected for the Veterinarian Revolving Fund in fiscal year 1951.
- (g) The Hope-Flanigan Fund first began operation in fiscal year 1951.
- (h) Monies transferred from State Board of Stock Inspection Commissioners to Department of Agriculture for sanitary inspection purposes.

SUMMARY OF EXPENDITURES BY ACTIVITY

STATE DEPARTMENT OF AGRICULTURE

FISCAL YEARS 1950 THROUGH 1959^(a)

Activity	Fiscal Years									
	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
Commiss. & Chief of Adm Services*	\$ 47,883	\$ 59,936	\$ 67,724	\$ 70,628	\$ 74,442	\$ 83,474	\$ 88,247	\$ 77,888	\$ 93,339	\$122,618
Soil Conservation*	--	--	--	--	--	--	--	14,526	15,753	17,829
Agriculture Statistics ^{(b)*}	--	--	--	--	--	--	--	14,128	16,304	16,645
Predatory Animal Control***	41,439	37,940	35,174	45,797	107,748	101,944	84,718	51,861	75,998	160,699
Supervision of Rodent Control Program*	2,500	2,497	none	3,500	3,499	3,495	2,985	2,496	2,497	2,387
Preparation of Rodenticides**	11,499	7,296	9,389	8,464	8,779	8,503	9,417	9,417	11,520	14,585
Sub-Total	\$103,321	\$107,669	\$112,287	\$128,389	\$194,468	\$197,416	\$185,367	\$170,316	\$215,411	\$334,763
Chief Plant Industry Division*	41,500	43,166	35,684	44,955	45,720	46,415	49,076	50,226	57,274	60,467
Plant Insect Control**	5,074	5,218	2,058	4,358	3,308	3,168	3,534	6,770	10,795	10,172
Insecticide Inspection**	2,968	3,091	10,368	7,774	4,371	8,552	7,542	9,344	10,888	8,649
Sub-Total	\$ 49,542	\$ 51,475	\$ 48,110	\$ 57,087	\$ 53,399	\$ 58,135	\$ 60,152	\$ 66,340	\$ 78,957	\$ 79,288
Office of Animal Industry*	8,495	11,237	10,571	9,521	10,388	11,324	12,912	14,993	13,821	15,741
Veterinarian-Sanitation Inspection**	--	5,698 ^(h)	--	--	--	--	--	--	--	--
Poultry and Egg Section**	31,621	26,811	32,721	39,501	40,381	46,815	46,545	62,090	79,699	88,299
Dairy Section*	22,692	22,928	21,846	26,192	26,839	25,881	26,283	25,999	32,536	40,838
Dairy Section**	4,595	4,122	8,416	5,166	8,101	9,412	9,735	12,224	10,378	7,437
Oleomargarine Fund**	155	215	1,867	479	488	867	312	816	888	762
Feed Fund**j	29,434	30,890	57,292	30,505	26,386	26,853	24,407	33,038	33,219	40,637
Fertilizer Fund**	8,514	8,904	10,529	14,927	12,000	11,074	14,332	16,787	19,599	16,930
State Veterinarian*	--	-- ^(e)	24,021	32,046	33,472	35,743	35,104	40,266	39,167	50,577
Animal T.B. Control*	2,495	2,301	1,347	1,330	557	951	531	678	407	448
Misc. Livestock Disease Control* (c)	1,064	1,202	931	895	17,204	9,973	5,937	--	--	--
Sub-Total	\$109,065	\$114,308	\$169,541	\$160,562	\$175,816	\$178,893	\$176,098	\$206,891	\$229,714	\$261,669
Division of Markets Fund*	8,609	9,171	10,110	9,738	11,052	12,191	12,631	21,717	32,469	21,458
Fruit & Vegetable Inspection **	265,957	232,751	227,303	272,287	281,356	295,918	272,113	323,349	340,917	387,066
Produce Dealers**	57,808	56,386	56,678	63,652	65,721	68,798	68,569	65,976	71,809	67,708
Refrigerated lockers**	6,098	6,013	5,849	5,045	4,648	6,577	5,829	3,199	3,680	2,307
Weights & Measures**	--	--	--	200	58,281	72,331	59,014	72,150	81,918	81,834
Sub-Total	\$338,472	\$304,321	\$299,940	\$350,922	\$421,058	\$455,815	\$418,156	\$486,391	\$530,793	\$560,373
Stock Show premiums, Seed Show, etc.*	--	14,500	14,500	14,500	--	--	--	--	--	--
Hail Insurance Program**	34,619	23,222	30,721	60,217	110,357	12,810	21,441	18,644	35,875	23,444
Hope-Flanigan Fund**	--	5,257 ^(g)	7,700	3,653	4,745	3,553	5,982	9,776	14,893	10,172
Veterinary Revolving Fund**	--	-- ^(f)	20,939	23,086	19,248	15,871	17,151	69,768	149,434	178,497
Emergency Funds ^(d)	--	--	--	--	27,128	52,353	12,332	59,728	192,285	19,846
Disaster Fund ^{(d)*}	--	--	--	--	--	--	--	--	--	735,164
Sub-Total of Misc. Activities	\$ 34,619	\$ 42,979	\$ 73,860	\$101,456	\$161,478	\$ 84,587	\$ 56,906	\$157,916	\$392,487	\$967,123
Grand Total Expenditures	\$635,019	\$620,752	\$703,738	\$798,416	\$1,006,219	\$974,846	\$896,679	\$1,087,854	\$1,447,362	\$2,203,216

(a) Source: State Auditor's reports, fiscal years 1950 through 1957; agriculture department records 1958 and 1959. Expenditures include monies transferred to General Fund from cash funds.

(b) Prior to 1957 expenditures for agricultural statistics were included under the Chief of Division of Administration Services.

(c) Miscellaneous livestock disease control expenses are included under emergency fund expenses for fiscal years 1957 through 1959.

(d) The disaster fund includes expenditures for grasshopper control.

(e) The State Veterinarian Fund was financed from the office of the Chief of Animal Industry for fiscal years 1950 and 1951.

(f) Expenses first occurred under the Veterinarian Revolving Fund in fiscal year 1952.

(g) The Hope-Flanigan Fund began operating in fiscal year 1951.

(h) Expenses incurred for sanitation inspection for State Board of Stock Inspection Commissioners.

* Financed by general fund appropriations.

** Supported by cash fund or other receipts.

*** Supported by general fund and cash funds.

Table 25
SUMMARY OF EXPENDITURES BY OBJECT
STATE DEPARTMENT OF AGRICULTURE
FISCAL YEARS 1950 THROUGH 1959^(a)

O B J E C T	F I S C A L Y E A R S									
	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
Division of Administrative Services										
Personal Services	\$ 65,175	\$ 71,679	\$ 78,249	\$ 79,460	\$ 131,609	\$ 137,518	\$128,141	\$ 115,402	\$ 148,618	\$ 218,391
Maint. & Operation	20,885	18,799	19,306	27,194	29,626	26,931	28,407	32,014	35,447	45,327
Travel & Subsistence	14,504	14,760	12,374	15,134	29,173	29,566	24,187	19,273	24,442	43,887
Other	2,756	2,429	2,357	6,602	4,061	3,401	4,633	3,629	6,904	27,158
Sub-Total	\$103,321	\$107,669	\$112,287	\$128,389	\$ 194,468	\$ 197,416	\$185,367	\$ 170,316	\$ 215,411	\$ 334,763
Division of Plant Industry										
Personal Services	37,006	38,340	36,365	41,046	41,340	42,882	46,035	54,441	60,823	62,711
Maint. & Operation	3,782	5,485	4,803	6,230	5,508	7,667	5,128	3,571	4,585	4,187
Travel & Subsistence	6,036	4,912	3,847	3,737	3,957	4,479	4,257	4,852	5,990	5,473
10% to Gen. Fund	1,048	754	690	994	1,063	1,508	1,746	1,595	1,395	2,036
Other	1,670	1,984	2,405	5,078	1,531	1,600	2,985	1,880	6,162	4,882
Sub-Total	\$ 49,542	\$ 51,475	\$ 48,110	\$ 57,087	\$ 53,399	\$ 58,135	\$ 60,152	\$ 66,340	\$ 78,957	\$ 79,288
Division of Markets										
Personal Services	222,669	204,026	206,424	234,634	268,617	284,460	273,973	319,158	351,841	366,662
Maint. & Operation	8,004	5,913	5,222	6,885	13,704	14,300	16,273	26,536	30,694	27,076
Travel & Subsistence	57,227	46,404	49,187	56,794	62,247	71,153	67,939	78,285	81,234	83,083
5% or 10% to Gen. Fund	34,953	34,384	25,421	33,653	34,570	33,423	21,203	22,237	24,627	28,397
Other	15,618	13,595	13,685	18,956	41,918	52,480	38,768	40,177	42,398	55,155
Sub-Total	\$ 338,472	\$ 304,321	\$ 299,940	\$ 350,922	\$ 421,058	\$ 455,815	\$ 418,156	\$ 486,391	\$ 530,793	\$ 560,373
Division of Animal Industry										
Personal Services	70,854	72,662	89,914	102,715	122,521	125,144	121,465	149,016	164,102	191,194
Maint. & Operation	12,166	15,148	9,091	19,660	16,264	19,117	17,758	16,014	13,875	14,652
Travel & Subsistence	14,123	13,465	17,107	16,250	19,535	17,747	19,246	22,150	27,075	28,078
10% to Gen. Fund	6,952	7,867	9,358	9,982	10,288	10,302	10,763	13,839	13,527	14,868
Other	4,968	5,164	44,068	11,953	7,205	6,581	6,865	5,871	11,133	12,875
Sub-Total	\$ 109,065	\$ 114,308	\$ 169,541	\$ 160,562	\$ 175,816	\$ 178,893	\$ 176,098	\$ 206,891	\$ 229,714	\$ 261,669
Miscellaneous Activities ^(b)										
Personal Services	11,235	11,664	18,324	21,782	49,834	59,332	18,171	85,057	225,124	199,203
Maint. & Operation	1,487	20,886	44,105	32,302	14,664	19,612	28,135	57,686	145,369	746,336
Travel & Subsistence	659	590	961	1,092	2,231	1,549	1,610	6,426	14,929	15,503
Other	21,239	9,839	10,470	46,280	94,750	4,093	8,990	8,749	7,064	6,080
Sub-Total	\$ 34,619	\$ 42,979	\$ 73,860	\$ 101,456	\$ 161,478	\$ 84,587	\$ 56,906	\$ 157,916	\$ 392,487	\$ 967,123
Total for Department										
Personal Services	406,939	398,371	429,276	479,637	613,921	649,336	587,785	723,074	950,508	1,038,161
Maint. & Operation	46,324	66,231	82,527	92,271	79,766	87,627	95,701	135,821	229,970	837,578
Travel & Subsistence	92,549	80,131	83,476	93,007	117,143	124,494	117,239	130,986	153,670	176,024
5% or 10% to Gen. Fund	42,953	43,005	35,469	44,629	45,921	45,233	33,712	37,671	39,549	45,301
Other	46,251	33,011	72,985	88,867	149,465	68,155	62,241	60,306	73,661	106,150
Grand Total	\$ 635,019	\$ 620,752	\$ 703,738	\$ 798,416	\$1,006,219	\$ 974,846	\$ 896,679	\$1,087,854	\$1,447,362	\$2,203,216

(a) Source: State Auditor's reports, fiscal years 1950 through 1957; agriculture department records 1958 and 1959. Totals may not balance as a result of rounding to nearest dollar.

(b) Miscellaneous activities includes expenditures for Hail Insurance Program, Hope-Flanagan Fund, Veterinary Revolving Fund, Emergency Funds, the Disaster Fund, Stock Show premiums, etc.

Table 26

EXPENDITURES OF OFFICE OF COMMISSIONER AND ADMINISTRATIVE
SERVICES DIVISION (a)

Fiscal Years 1950 Through 1959 (b)

<u>Fiscal Year</u>	<u>Personal Services</u>	<u>Maint. and Operation</u>	<u>Retirement</u>	<u>Capital</u>	<u>Total</u>
1950	\$33,420	\$11,706	\$1,263	\$ 1,493	\$ 47,883
1951	43,420	14,086	1,929	500	59,936
1952	50,442	14,998	2,059	225	67,724
1953	44,327	22,880	1,944	1,477	70,628
1954	52,247	19,368	2,328	500	74,442
1955	61,219	18,957	2,822	476	83,474
1956	64,633	18,982	2,830	1,803	88,247
1957	55,982	19,195	1,764	947	77,888
1958	67,925	19,885	3,002	2,527	93,339
1959	80,370	24,276	4,529	13,443	122,618

- (a) Includes appropriations and expenditures for office of Commissioner of Agriculture, Chief of Administrative Services, Administrative Services Division, and fiscal and personnel services.
- (b) Source: Auditor's reports, fiscal years 1950 through 1956; agriculture department records, 1957 through 1959. Totals may not balance as a result of rounding to nearest dollar.

Soil Conservation. Prior to 1957, the State Soil Conservation Board functioned without the assistance of a full-time staff. During this period, general fund monies were allocated from the Administrative Services Division for stenographic services, planning, printing and other miscellaneous activities.

Since 1957 the board has been provided a full-time staff which accounts for most of the expenditures listed in the following tabulation. During this three-year period, general fund monies were apportioned to two different funds but for the sake of clarity the revenues and expenditures have been consolidated in this single table. Since the activities of the Soil Conservation Section require the attendance of the section supervisor and the soil conservation representative in the various districts over the state, it may be noted that travel expenses are relatively high; these expenses will undoubtedly increase when training manuals are completed and more time is devoted to the actual management of the districts and to the establishment of sound administrative practices.

Fiscal Year	E X P E N S E S *				
	Personal Services	Maint. & Operation	Travel & Sub.	Other	Total
1957	\$11,453	\$390	\$2,136	\$549	\$14,526
1958	11,633	769	2,595	756	15,753
1959	13,746	580	2,734	770	17,829

*Totals may not balance as a result of rounding to the nearest dollar.

Agricultural Statistics. During the past few years, the General Assembly has made an annual general fund appropriation of about \$16,000 for support of the agricultural statistics program in Colorado; at the same time, the federal government has been contributing approximately \$90,000 each year. As reported in Table 27, by far the greatest share of expenditures has been used for salaries. (Information is not available for the years prior to 1955 when this program was carried as part of the budget for the Division of Administrative Services (Table 26).)

Predator Animal and Rodent Control. Three separate funds are used by the agriculture department in connection with predator animal and rodent control work: Predator Animal Control Fund (supported by collections from assessments on sheep and goats, county contributions, livestock associations, etc.); Rodent Pest Control Supervision Fund (general fund appropriations); and Rodent Pest Control Revolving Fund (sales of poisons). Altogether, including the activities of other governmental units, the various predator animal and rodent control programs are financed by the federal government (Fish and Wildlife Service and Bureau of Land Management), the State Department of Agriculture, the State Game and Fish Department, counties, and the Colorado Wool Growers Association.

Table 27

COLORADO CROP AND LIVESTOCK REPORTING SERVICE EXPENDITURES
STATE DEPARTMENT OF AGRICULTURE

Fiscal Years 1955 Through 1959*

<u>Fiscal Year</u>	<u>E X P E N S E S</u>				
	<u>Personal Services</u>	<u>Maint. & Operation**</u>	<u>Travel & Subs.</u>	<u>Other</u>	<u>Total</u>
1955	\$10,330	\$3,180	\$907	\$513	\$14,929
1956	9,277	2,885	618	308	13,088
1957	10,320	2,825	615	369	14,128
1958	12,383	2,602	700	619	16,304
1959	12,726	2,685	470	764	16,645

*Totals may not balance as a result of rounding to nearest dollar. Prior to 1955, program carried under budget of division of Administrative Services.

**This expense is primarily for printing of data collected.

Table 28 presents a breakdown of the revenues and expenditures of funds administered by the department for predator animal control. In addition to the funds reported therein, a total of \$15,000 was appropriated for fiscal years 1950 and 1951 from the general fund for the continuation of the federal-state agreements, but this was the only time during the ten-year period when general fund monies were made available for this program.

Funds to pay for the technical supervision of the dissemination of rodenticides by counties and municipalities are normally appropriated from the state general fund. However, as may be noted in Table 29, no such appropriation was made for fiscal year 1952; similarly, no such appropriation was made for fiscal year 1961. Usually, the General Assembly appropriates between \$2,500 and \$3,500 to cover the annual costs of this technical supervision.

Distinct from the appropriated monies from the general fund is a separate revolving cash fund for the preparation and sale of rodenticides, the receipts and expenditures for which are reported in Table 30. The increase in the ending balance beginning in 1958 results from the addition to the actual cost figure in order to increase the balance to a satisfactory working level.

In regard to this revolving fund, Section 6-7-10, C.R.S. 1953, provides: "All poisons or other materials for such control furnished by the state to such co-operators shall be supplied at actual cost and the state shall be reimbursed by such co-operators, landowners, lessees or contract holders for the actual cost of materials and labor, other than supervision, expended by the state in such treatment under co-operative agreements with them..." (Emphasis added.) Thus, the department of agriculture, in establishing a revolving fund for the preparation of materials, may not use funds so acquired for supervisory purposes. In Table 27, some expenditures for travel and subsistence are reported which would appear to be in possible conflict with the provision of Section 6-7-10 previously quoted. The management assistant of the U. S. Fish and Wildlife Service stated that such expenses were incurred in supervisory activities regarding the dissemination of rodenticides. He further added, however, that this practice is being abolished.

Hail Insurance. One of the problems of the Hail Insurance Section is that normal operations are on a calendar-year basis, while the other activities of the department of agriculture are on a fiscal-year basis. This necessitates two bookkeeping systems: the central bookkeeping system of the department of agriculture which operates on a cash system and on a fiscal year, and the hail insurance books which are based on a calendar year. Another aspect further confusing the problem is that some hail insurance premiums are placed on the tax rolls and are not collected until the following year.

Table 28

PREDATORY ANIMAL CONTROL FUND
DIVISION OF ADMINISTRATIVE SERVICES

Fiscal Years 1950 Through 1959*

Fiscal Year	Beginning Balance	Receipts**	Expenses				Total	Ending Balance
			Personal Services	Maint. & Operation	Travel & Subsistence	Other		
1950	\$22,668	\$29,804	\$21,738	\$ 4,534	\$ 7,668	\$---	\$33,940	\$18,532
1951	18,532	34,140	18,270	4,514	7,656	---	30,440	22,233
1952	22,233	39,264	24,776	4,496	5,847	55	35,174	26,323
1953	26,323	92,053	31,321	4,784	8,514	1,179	45,797	72,580
1954	72,580	112,248	75,863	7,996	22,921	968	107,748	77,080
1955	77,080	89,201	72,804	6,085	23,055	---	101,944	64,338
1956	64,338	65,186	60,256	6,531	17,931	---	84,718	44,806
1957	44,806	50,756	35,397	5,228	11,236	---	51,861	43,701
1958	43,701	71,229	54,123	6,455	15,420	---	75,998	38,932
1959	38,932	181,005	108,688	11,138	33,326	7,547	160,699	59,238

*Totals may not balance as a result of rounding to nearest dollar.

**For fiscal years 1950 and 1951 receipts were collected from a 6-mill levy on sheep and goats. From 1952 to 1956, mill levy on sheep and goats was 10 mills and was increased to 20 mills in 1957. From 1952 to 1954 a ½-mill levy was assessed on all cattle (excluding sheep and goats) and all dozens of poultry. From 1953 to 1956 there were also some miscellaneous receipts from reimbursements for lost property. For all years some income was derived from fur or miscellaneous sales. In order to centralize payrolls, beginning in fiscal year 1959, contributions of about 17 wool growers associations and 44 counties were included in receipts of department of agriculture.

Table 29

RODENT PEST CONTROL--GENERAL FUND APPROPRIATIONS
DIVISION OF ADMINISTRATIVE SERVICES

Fiscal Years 1950 through 1959*

<u>Fiscal Year</u>	<u>Appropriations</u>	<u>Expenses</u>				<u>Total</u>	<u>Ending Balance</u>
		<u>Personal Services</u>	<u>Maint. & Operation</u>	<u>Travel</u>	<u>Other</u>		
1950	\$2,500	\$2,423	\$ 2	\$ 75	\$---	\$2,500	\$ 0
1951	2,500	2,190	200	106	---	2,497	3
1952	NONE	---	---	---	---	NONE	---
1953	3,500	3,500	---	---	---	3,500	0
1954	3,500	3,234	---	---	265	3,499	1
1955	3,500	3,495	---	---	---	3,495	5
1956	3,000	2,985	---	---	---	2,985	15
1957	2,500	2,250	---	245	---	2,496	4
1958	2,500	1,711	---	786	---	2,497	3
1959	2,500	1,653	61	640	33	2,387	113

*Totals may not balance as a result of rounding to nearest dollar.

Table 30

RODENT PEST CONTROL REVOLVING FUND
DIVISION OF ADMINISTRATIVE SERVICES

Fiscal Years 1950 through 1959*

Fiscal Year	Begin- ning Balance	Receipts**	Expenses				Total	Ending Balance
			Personal Services	Maint. & Operation	Travel Expense	Other		
1950	\$ 722	\$13,369	\$ 298	\$10,314	\$ 887	\$ ---	\$11,499	\$2,592
1951	2,592	8,472	319	6,447	530	---	7,296	3,768
1952	3,768	6,706	3,031	5,635	704	18	9,389	1,085
1953	1,085	8,055	312	4,812	1,338	2,002	8,464	676
1954	676	8,572	265	7,659	855	---	8,779	469
1955	469	9,175	---	7,562	838	103	8,503	1,141
1956	1,141	9,022	267	8,277	873	---	9,417	745
1957	745	10,055	---	8,992	425	---	9,417	1,384
1958	1,384	13,192	843	10,313	364	---	11,520	3,056
1959	3,056	15,023	1,208	12,879	425	72	14,585	3,494

*Totals may not balance as a result of rounding to nearest dollar. This fund is for the preparation of rodenticides for sale to counties and municipalities.

**Receipts: Collections from sale of poisons and eradicators.

For the preceding reasons, the fiscal aspects of the hail insurance section are presented in Table 31 on a fiscal-year basis, and in Table 32 on a calendar-year basis. In examining these tables, it may be noted that there is considerable fluctuation in premiums. This reflects the variation in crops and to some degree the varying attitudes of the growers regarding hail insurance.

Division of Plant Industry

The activities of the Plant Industry Division are predominantly supported by general fund appropriations. Table 33 reports the percentage of general fund appropriations in comparison with the cash fund receipts for nursery inspections and insecticide registrations. General fund appropriations comprised 74.7 percent of the division's funds for fiscal year 1959, while collections from nursery and greenhouse receipts amounted to 13.5 percent and insecticide registrations about 11.8 percent. In general, appropriations from the general fund ranged from a high of 87.2 percent of available funds in fiscal year 1951 to a low of 74 percent in 1956. In actual dollars, general fund appropriations reached an all-time high of \$64,199 in 1959 and a low, for the ten-year period, of \$37,478 in fiscal year 1952, as shown in Table 34.

In relating appropriations and cash receipts of various activities with time spent on these activities for fiscal year 1959, the work budget prepared by the department shows about 6.6 percent of the staff entomologists' time was being used for seed inspections, 14.7 percent for nursery work, and 6.8 percent for pesticides. On the other hand, 11.8 percent of the total available revenue for the plant division was received from pesticide registration and would seem to indicate that receipts in this cash fund exceed costs. Receipts from nursery inspections were slightly less, correspondingly, than the time allocated in the work budget. The work budget indicates 14.7 percent of the employees' time was being used for nursery work while receipts amounted to about 13.5 percent of available funds. However, some caution must be used in viewing this relationship since the division chief reports that the work budget is an approximation of time spent on various activities.

License receipts for aerial-spray operators have not been deposited either in the insecticide fund (Table 35) or the Plant Insect Control Fund (Table 36). Receipts from these licenses are deposited directly to the general fund as the law does not authorize the depositing of receipts to a cash fund. For fiscal year 1959, a total of \$1,081 was collected from the licensing of aerial-spray operators.

Division of Animal Industry

Office of Division Chief. Since fiscal year 1950 expenditures of the office of the Chief Animal Industry Division have almost doubled--from \$8,495 in 1950 to \$15,741 in 1959. Most of this in-

Table 31

STATE HAIL INSURANCE FUND
DIVISION OF ADMINISTRATIVE SERVICES

Fiscal Years 1950 Through 1959 (a)

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>(b) Receipts</u>	<u>Personal Services</u>	<u>Maint. & Operation</u>	<u>Losses Paid</u>	<u>Other</u>	<u>Total</u>	<u>Ending Balance</u>
1950	\$23,439	\$25,199	\$11,235	\$ 2,146	\$20,998	\$ 241	\$ 34,619	\$14,019
1951	14,019	22,021	11,664	1,719	9,487	352	23,222	12,818
1952	12,818	31,327	10,871	9,380	9,946	524	30,721	13,424
1953	13,424	78,480	12,750	1,635	29,253	16,579(c)	60,217	31,687
1954	31,687	89,944	14,185	1,869	61,304	33,000(c)	110,357	11,274
1955	11,274	25,105	8,981	1,485	---	2,344	12,810	23,568
1956	23,568	11,195	9,510	3,962	7,460	509	21,441	13,322
1957	13,322	15,774	3,193	7,310	2,223	5,918	18,644	10,452
1958	10,452	34,647	7,933	22,410	2,412	3,119	35,875	9,224
1959	9,224	21,257	5,247	12,745	5,154	298	23,444	7,037

(a) Totals may not balance as a result of rounding to nearest dollar.

(b) Includes cash collections for premiums and premium tax collections from counties.

(c) Includes commissions paid.

Table 32

STATE HAIL INSURANCE PROGRAM
DIVISION OF ADMINISTRATIVE SERVICESCalendar Years 1949 Through 1959

<u>Year</u>	<u>Total Risk</u>	<u>Total Premiums</u>	<u>Total Loss</u>	<u>Pro-Rata % Paid</u>	<u>Losses Pro-Rata Paid</u>	<u>Total Acres Insured</u>	<u>Number of Policies</u>	<u>Loss Ratio</u>
1949	\$ 270,866	\$ 28,268	\$ 26,197	---	---	38,451	233	9.5%
1950	250,531	25,232	13,730	---	---	34,854	238	5.4
1951	199,909	20,243	23,902	65%	\$ 15,536	27,304	226	11.9
1952	814,004	84,869	38,645	---	---	103,508	437	4.74
1953	1,163,774	139,707	224,943	51%	114,949	122,532	570	19.32
1954	213,108	25,906	760	---	---	24,430	131	3.5
1955	77,084	8,796	9,572	---	---	8,420	63	12.41
1956	168,347	20,075	31,770	55%	17,474	17,846	116	18.87
1957	435,509	53,944	28,921	---	---	45,800	249	6.64
1958	1,185,719	145,429	221,087	55%	121,598	108,687	489	18.64
1959	598,254	71,961	50,013	---	---	53,779	251	8.35

Table 33

PLANT INDUSTRY DIVISION
RELATIONSHIP OF FUNDS AVAILABLE

Fiscal Years 1950 Through 1959*

Fiscal Year	<u>General Fund</u>		<u>Cash Funds</u>				<u>Total Funds</u>	
	<u>Appropriations</u> Amount	<u>% of Total</u>	<u>Insecticide Inspection</u>		<u>Plant and Insect Control</u>		<u>Available</u>	
			<u>Amount</u>	<u>% of Total</u>	<u>Amount</u>	<u>% of Total</u>	<u>Amount</u>	<u>Percent</u>
1950	\$50,571	82.9	\$7,475	12.2	\$3,006	4.9	\$61,232	100.0
1951	51,142	87.2	4,830	8.2	2,708	4.6	58,680	100.0
1952	37,478	84.5	4,770	10.7	2,133	4.8	44,381	100.0
1953	46,421	82.4	7,642	13.5	2,302	4.1	56,366	100.0
1954	46,129	81.3	8,581	15.1	2,053	3.6	56,763	100.0
1955	46,955	75.7	8,698	14.0	6,375	10.3	62,027	100.0
1956	49,745	74.0	9,933	14.8	7,532	11.2	67,210	100.0
1957	48,579	74.4	8,511	13.0	8,248	12.6	65,388	100.0
1958	58,124	80.6	4,419	6.1	9,543	13.3	72,086	100.0
1959	64,199	74.7	10,109	11.8	11,582	13.5	85,890	100.0

*Amounts rounded to nearest dollar before percentage calculations were made.
Percent columns represent the portion of money available from a given source
for a given year.

Table 34

PLANT INDUSTRY DIVISION
REVENUE AND EXPENDITURES - GENERAL FUND APPROPRIATIONS

Fiscal Years 1950 Through 1959*

<u>Fiscal Year</u>	<u>Appropriations</u>	<u>EXPENDITURES</u>				<u>Total</u>	<u>Revert to Gen. Fund</u>
		<u>Personal Services</u>	<u>Maint. & Operation</u>	<u>Retirement and Other</u>			
1950	\$50,751	\$31,906	\$8,051	\$1,543	\$41,500	\$9,251	
1951	51,142	33,520	7,898	1,748	43,166	7,976	
1952	37,478	27,212	6,583	1,889	35,684	1,794	
1953	46,421	32,300	9,190	3,464	44,955	1,467	
1954	46,129	37,139	7,127	1,454	45,720	408	
1955	46,955	36,913	8,250	1,252	46,415	540	
1956	49,745	39,582	7,116	2,378	49,076	669	
1957	50,226	42,861	5,970	1,395	50,226	-0-	
1958	58,124	46,171	6,749	4,353**	57,274	851	
1959	64,199	49,001	7,494	3,973**	60,467	3,732	

*Totals may not balance as a result of rounding to nearest dollar. For fiscal years 1950 through 1956 appropriations were made for three separate funds. However, beginning in fiscal year 1957 appropriations were allocated to the Chief of the Plant Industry Division. Table also includes a \$3,500 appropriation for seed testing and inspection for fiscal years 1958 and 1959.

**Includes reimbursements to Colorado State University for seed testing.

Table 35

INSECTICIDE INSPECTION FUND
REVENUES AND EXPENDITURES
Fiscal Years 1950 through 1959*

Fiscal Year	Beginning Balance	Receipts**	EXPENDITURES				Ending Balance	
			Personal Services	Maint. and Operation	Other	10% to Gen. Fund		Total
1950	\$ 4,515	\$ 7,475	\$1,275	\$ 882	\$ 63	\$747	\$ 2,968	\$ 9,022
1951	9,022	4,830	1,160	1,290	158	483	3,091	10,761
1952	10,761	4,770	8,208	1,343	340	477	10,368	5,163
1953	5,163	7,642	5,709	104	1,196	764	7,774	5,031
1954	5,031	8,581	1,375	2,061	77	858	4,371	9,241
1955	9,241	8,698	4,248	3,168	266	870	8,552	9,387
1956	9,387	9,933	4,464	1,753	332	993	7,542	11,778
1957	11,778	8,511	6,839	1,489	243	772	9,344	10,945
1958	10,945	4,419***	7,387	2,150	910	441	10,888	4,777
1959	4,477	10,109	6,316	1,051	404	878	8,649	5,937

* Totals may not balance as a result of rounding to nearest dollar.

** Receipts: Collections from registration of insecticides.

*** The decrease in receipts for fiscal year 1958 may be attributed to the establishment of a suspense fund in which \$4,933 was transferred to fiscal year 1959.

Table 36

PLANT AND INSECT CONTROL
REVENUES AND EXPENDITURES
Fiscal Years 1950 through 1959*

Fiscal Year	Beginning Balance	Receipts**	EXPENDITURES				Ending Balance	
			Personal Services	Maint. and Operation	Other	10% to Gen. Fund		Total
1950	\$ 9,263	\$ 3,006	\$3,825	\$ 885	\$ 64	\$ 301	\$ 5,074	\$ 7,195
1951	7,195	2,708	3,660	1,209	78	271	5,218	4,685
1952	4,685	2,133	945	724	176	213	2,058	4,760
1953	4,760	2,302	3,037	673	418	230	4,358	2,703
1954	2,703	2,053	2,826	277	-	205	3,308	1,448
1955	1,448	6,375	1,721	728	82	638	3,168	4,656
1956	4,656	7,532	1,989	516	275	753	3,534	8,655
1957	8,655	8,248	4,741	964	242	823	6,770	10,132
1958	10,132	9,543	7,265	1,676	899	954	10,795	8,880
1959	8,880	11,582	7,394	1,115	505	1,158	10,172	10,290

* Totals may not balance as a result of rounding to nearest dollar.

** Receipts: Collection of nursery and greenhouse fees for licensing and inspections. The increase in receipts for 1955 may be attributed to an increase in nursery fees and extension of coverage to dealers and agents.

crease may be attributed to greater amounts being expended for personal services, as shown in Table 37. Expenses for maintenance and operation and miscellaneous costs remained fairly steady over the ten-year period. However, it should be pointed out that in fiscal years 1950 and 1951 the expenditures for the State Veterinarian were included in the budget for the chief of the division.

Table 37
EXPENDITURES, CHIEF OF ANIMAL INDUSTRY DIVISION
Fiscal Years 1950 Through 1959*

<u>Fiscal Year</u>	<u>Personal Services</u>	<u>Maint. & Operation</u>	<u>Other</u>	<u>Total</u>
1950**	\$ 5,849	\$2,386	\$260	\$ 8,495
1951**	7,250	3,625	362	11,237
1952	7,327	2,511	733	10,571
1953	7,870	1,365	286	9,521
1954	8,393	1,673	322	10,388
1955	9,415	1,700	209	11,324
1956	8,821	3,743	349	12,912
1957	10,751	3,704	538	14,993
1958	8,683	4,704	434	13,821
1959	11,544	3,504	693	15,741

* Totals may not balance as a result of rounding to nearest dollar. Revenue source: state general fund.

** Includes expenditures for State Veterinarian in fiscal years 1950 and 1951.

Veterinary Section. Normally, the expenses of the Veterinary Section are budgeted from two funds, both of which are supported by general fund appropriations -- the State Veterinarian Fund and the Animal Tuberculosis Control Fund. In addition, a miscellaneous livestock disease control fund has been used regularly, the financing of which has also come from general fund monies. A fourth fund used in this section is the Veterinarian Revolving Fund which involves the selling of serums and vaccines to practicing veterinarians.

State Veterinarian Fund -- General operating and administrative expenses for the Veterinary Section are carried in the fund reported in Table 38. As may be noted, this table includes expenditures only for fiscal years 1952 through 1959 as the activities of this section were financed from the Animal Industry Division Fund (Table 37) during the first two years of its operations -- 1950 and 1951.

Since 1952, expenditures from the State Veterinarian Fund have doubled, rising from \$24,021 to \$50,577 in 1959. Most of the dollar increase resulted from greater amounts being expended for personal services -- \$17,012 in 1952 and \$41,238 in 1959. However, maintenance and operation costs also more than doubled -- from \$4,281 to \$9,339.

Table 38

EXPENDITURES, STATE VETERINARIAN FUND

Fiscal Years 1952 Through 1959*

<u>Fiscal Year</u>	<u>Personal Services</u>	<u>Maint. & Operation</u>	<u>Other</u>	<u>Total</u>
1952	\$17,012	\$4,281	\$2,728	\$24,021
1953	24,148	7,055	843	32,046
1954	25,220	6,369	1,883	33,472
1955	28,340	6,078	1,325	35,743
1956	29,117	4,189	1,798	35,104
1957	32,713	7,553	---	40,266
1958	31,540	7,627	---	39,167
1959	41,238	9,339	---	50,577

*Totals may not balance as a result of rounding to nearest dollar. Revenue source: state general fund.

Animal Tuberculosis Control Fund -- A separate fund is used for the control of animal tuberculosis and Johne's disease. Only relatively minor amounts are expended from this fund, as shown in Table 39. Total annual expenditures have declined considerably since 1950. In that year some \$2,500 was spent while in 1959 the total was \$448.

Table 39

EXPENDITURES, ANIMAL TUBERCULOSIS CONTROL FUND

Fiscal Years 1950 Through 1959*

<u>Fiscal Year</u>	<u>Personal Services</u>	<u>Maint. & Operation</u>	<u>Other</u>	<u>Total</u>
1950	---	\$2,065	\$430	\$2,495
1951	\$203	1,603	495	2,301
1952	360	987	---	1,347
1953	---	971	359	1,330
1954	---	417	140	557
1955	---	951	---	951
1956	---	531	---	531
1957	236	443	---	678
1958	---	407	---	407
1959	---	448	---	448

*Totals may not balance as a result of rounding to nearest dollar. Revenue source: state general fund.

Miscellaneous Livestock Disease Control Funds -- During the past ten years, various appropriations or allocations have been made to finance miscellaneous livestock disease control activities, as reported in Table 40. For fiscal years 1950 through 1953, around \$1,000 was expended annually for the control of "goat disease." In 1954, \$17,204 was spent for emergency swine disease control. During the next two years, 1955 and 1956, almost \$16,000 was used in vesicular exanthema work. For each of the last three years, from \$17,000 to \$52,000 was expended annually for emergency livestock disease control.

Table 40

EXPENDITURES, MISCELLANEOUS LIVESTOCK DISEASE CONTROL FUNDS*

Fiscal Years 1950 Through 1959

<u>Fiscal Year</u>	<u>Personal Services</u>	<u>Maint. & Operation</u>	<u>Other</u>	<u>Total</u>
1950	---	\$ 636	\$ 428	\$ 1,064
1951	---	1,202	---	1,202
1952	---	931	---	931
1953	---	636	259	895
1954	\$13,504	3,674	26	17,204
1955	6,408	3,377	189	9,973
1956	3,907	1,835	194	5,937
1957	12,041	5,209	---	17,250
1958	17,961	32,364	1,418	51,743
1959	5,032	14,814	---	19,846

*Fiscal years 1950 - 1953, funds for control of goat disease; fiscal year 1954, emergency swine disease control; fiscal years 1955 and 1956, fund for control of vesicular exanthema; fiscal year 1957 - 1959 emergency funds for livestock disease control. Revenue source: state general fund. Totals may not balance as a result of rounding to nearest dollar.

Veterinarian Revolving Fund -- The Veterinarian Revolving Fund, reported in Table 41, is composed of receipts and expenditures for the purchasing and selling of serums and vaccines to practicing veterinarians. Also, since 1957, as a result of federal government requirements, all payments to veterinarians from livestock sales rings are channeled through this fund. The introduction of this requirement accounts for the substantial increases in receipts and expenditures beginning in fiscal year 1957.

Poultry and Egg Section. Activities of the Poultry and Egg Section are financed entirely from license and inspection fee receipts, plus some miscellaneous receipts; the section receives no appropriations from the state general fund. The receipts and expenditures for the poultry and egg fund from 1950 through 1959 are presented in Table 42, including the amount (10%) of license and inspection fee receipts transferred to the state general fund.

Table 41

VETERINARIAN REVOLVING FUND
RECEIPTS AND EXPENDITURES

Fiscal Years 1951 Through 1959*

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Total Receipts**</u>	<u>Personal Services</u>	<u>Maint. & Operation</u>	<u>Other</u>	<u>Total</u>	<u>Ending Balance</u>
1951	---	\$ 2,052	---	---	---	---	\$ 2,052
1952	\$ 2,052	29,901	\$ 7,453	\$13,486	---	\$ 20,939	11,015
1953	11,015	23,955	7,282	15,804	---	23,086	11,884
1954	11,884	21,899	6,727	12,075	\$ 446	19,248	14,535
1955	14,535	16,053	4,399	10,347	1,182	15,871	14,717
1956	14,717	15,897	3,858	12,302	992	17,151	13,463
1957	13,463	73,727***	55,199	14,382	188	69,786	17,422
1958	17,422	153,900	129,819	19,615	---	149,434	21,888
1959	21,888	186,608	160,392	18,104	---	178,497	30,000

*Totals may not balance as a result of rounding off to nearest dollar.

**Receipts were derived from billing serums and vaccines to veterinarians. The fund produces a profit representing the difference between the purchase price and selling price of serums and vaccines.

***Beginning in 1957, federal government requirements necessitated the State Department of Agriculture to voucher all checks by auction rings for services of state-appointed veterinarians. Thus, this fund was expanded in 1957 to include payments by livestock sales rings to veterinarians.

Table 42

RECEIPTS AND EXPENDITURES OF POULTRY AND EGG FUND

Fiscal Years 1950 through 1959*

Fiscal Year	Beginning Balance	Total** Receipts	Expenditures					Total	Ending Balance
			Personal Services	Travel & Subsistence	Maint. & Operation	10% Gen. Fund	to Other		
1950	\$ 8,850	\$29,756	\$24,618	\$ 2,165	\$ 658	\$2,976	\$1,204	\$31,620	\$ 6,986
1951	6,986	29,766	20,788	1,487	520	2,977	1,039	26,811	9,941
1952	9,941	44,367	22,126	3,284	995	4,437	1,879	32,721	21,588
1953	21,588	44,785	25,043	4,312	3,459	4,468	2,219	39,501	26,872
1954	26,872	45,684	27,485	4,710	2,231	4,503	1,452	40,381	32,176
1955	32,176	42,703	32,884	5,247	2,706	4,218	1,760	46,815	28,064
1956	28,064	51,060	31,000	6,023	1,930	5,017	1,576	46,546	32,578
1957	32,578	76,717	42,387	6,054	3,785	7,513	2,351	62,090	47,205
1958	47,205	79,968	56,103	9,193	2,194	7,536	4,672	79,699	47,475
1959	47,475	78,541	62,454	10,283	2,702	7,919	4,940	88,299	37,717

*Totals may not balance as a result of rounding to nearest dollar.

**Includes license and inspection fee receipts, sales of clips and tags, and a few miscellaneous sales.

During the ten-year period receipts to the poultry and egg fund usually exceeded expenditures. Only in three years, fiscal years 1950, 1955, and 1959, was this pattern reversed. During this period, ending fund balances increased from \$7,000 at the close of fiscal year 1950 to \$47,500 at the close of fiscal year 1958. Substantial increases may also be noted in the amount of receipts credited to the poultry and egg fund in these years, rising sharply in fiscal year 1952, and again in fiscal year 1957. Primary factors contributing to these sharp increases in revenue include additional inspection fees for poultry authorized by a 1951 amendment to the law and the revision of egg license fees in 1956 and 1957.

As may be noted in Table 42, the size of expenditures in the poultry and egg fund experienced increases similar to revenues during the ten-year period. Largely accounting for the rise in expenditures was the increase in the number of poultry and egg inspectors, from five in fiscal year 1950 through fiscal year 1955, to six in fiscal year 1956, and nine beginning in fiscal year 1957. A series of salary increases also added to the increase in expenditures, as well as larger amounts being spent for travel and subsistence.

Feed and Fertilizer Control Section. Activities of the Feed and Fertilizer Control Section are financed from cash fund revenues; no general fund monies are used. Under the funding procedure followed, two separate funds are established, as shown in Tables 43 and 44. Table 43 includes figures on receipts and expenditures of the Commercial Feed Fund; Table 44 contains similar information for the Commercial Fertilizer Fund.

As may be noted in the two tables, feed fund receipts over the ten-year period show a fairly steady increase -- from \$26,169 in 1950 to \$37,610 in 1959. Similarly, fertilizer fund receipts have increased rather substantially -- from around \$12,000 to \$13,000 annually in 1951 and 1952 to almost \$22,000 in 1959.

Annual expenditures from the two funds have likewise increased during the ten-year period. However, expenditures have normally been less than revenues with a few exceptions. The greatest difference between expenditures and revenues occurred in 1952 when \$31,000 was transferred out of the feed fund to establish a temporary laboratory equipment purchase fund. This latter fund was utilized for three years when the remaining balance of \$651.10 was transferred back to the feed fund. During the three years the fund existed, from 1953 through 1955, approximately \$25,000 was spent for the purchase of laboratory equipment, \$2,400 went for salaries, and \$2,300 was used for maintenance and operation expenses.

Dairy Section. Three funds are used to finance the Dairy Section, as reported in Tables 46, 47, and 48, while Table 45 merely consolidates these funds to reflect the over-all revenue and expenditure figures for this section. Table 46 contains the figures on appropriations and expenditures; Table 47 includes the dairy cash fund receipts and expenditures; and Table 48 concerns receipts and expenditures under the oleomargarine cash fund.

Table 43

FEED FUND REVENUES AND EXPENDITURES

Fiscal Years 1950 through 1959*

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Total Revenues</u>	<u>Expenditures</u>				<u>Total</u>	<u>Ending Balance</u>
			<u>10% to Gen. Fund</u>	<u>Salaries</u>	<u>Maintenance & Operation</u>	<u>Other</u>		
1950	\$35,379	\$26,169	\$2,616	\$16,970	\$8,810	\$ 1,037	\$29,434	\$32,113
1951	32,113	27,885	2,788	17,612	9,347	1,142	30,890	29,108
1952	29,108	31,453	3,145	15,005	5,953	33,188**	57,292	3,269
1953	3,269	29,275	2,927	15,215	8,530	3,832	30,505	2,039
1954	2,039	30,074	3,007	16,498	5,883	997	26,386	5,728
1955	5,728	30,982	3,097	15,777	7,018	959	26,853	9,857
1956	9,857	32,004	3,132	12,614	7,864	796	24,407	17,453
1957	17,453	36,476	3,627	20,984	7,504	922	33,038	20,891
1958	20,891	33,309	3,330	20,788	7,016	2,084	33,219	20,981
1959	20,981	37,610	3,761	26,721	7,422	2,733	40,637	17,954

*Totals may not balance as a result of dropping the cents.

**Includes transfer of \$31,000 to establish a temporary laboratory equipment fund.

Table 44
 FERTILIZER FUND REVENUES AND EXPENDITURES
Fiscal Years 1950 Through 1959*

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Total Revenues</u>	<u>Expenditures</u>				<u>Total</u>	<u>Ending Balance</u>
			<u>10% to Gen. Fund</u>	<u>Salaries</u>	<u>Maintenance & Operation</u>	<u>Other</u>		
1950	\$ 6,992	\$ 4,161**	\$ 416	\$ 6,085	\$1,263	\$ 749	\$ 8,514	\$ 2,639
1951	2,639	13,420	1,342	5,419	1,251	891	8,904	7,155
1952	7,155	11,932	1,193	7,185	998	1,151	10,529	8,558
1953	8,558	15,644	1,564	8,530	1,718	3,114	14,927	9,275
1954	9,275	16,390	1,639	7,596	2,085	678	12,000	13,665
1955	13,665	16,155	1,615	6,715	2,488	255	11,074	18,746
1956	18,746	14,909	1,490	10,040	2,037	764	14,332	19,323
1957	19,323	18,451	1,839	12,815	1,545	587	16,787	20,988
1958	20,988	18,482	1,848	14,210	1,562	1,979	19,599	19,870
1959	19,870	21,624	2,162	11,760	1,647	1,360	16,930	24,565

*Totals may not balance as a result of dropping the cents.

**In this year, the Commissioner of Agriculture redeemed all inspection stamps on hand in compliance with Chapter 107, 1949 Session Laws, thereby making receipts smaller.

Table 45

TOTAL DAIRY SECTION RECEIPTS AND EXPENDITURES. FY 1950-1959

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Appropriations and Receipts</u>			<u>Expenditures</u>					<u>Ending* Balance</u>
		<u>Appropriation</u>	<u>Cash Receipts</u>	<u>Total</u>	<u>10% to General Fund</u>	<u>Salaries</u>	<u>Maint. & Operation</u>	<u>Other</u>	<u>Total</u>	
1950	\$ 472	\$23,294	\$ 9,442	\$32,736	\$ 944	\$17,332	\$8,306	\$ 860	\$27,442	\$ 5,658
1951	5,658	23,611	7,599	31,210	760	17,830	7,622	1,053	27,265	9,182
1952	9,182	22,266	5,827	28,093	583	20,899	6,258	4,389	32,129	5,197
1953	5,197	26,407	10,226	36,633	1,023	21,909	7,864	1,041	31,837	10,953
1954	10,953	27,000	11,389	38,389	1,139	23,825	8,757	1,707	35,428	15,505
1955	15,505	26,011	13,726	39,737	1,372	25,605	7,299	1,884	36,160	18,962
1956	18,962	26,325	11,238	37,563	1,124	25,966	7,852	1,388	36,330	20,389
1957	20,389	27,411	8,600	35,744	860	29,130	7,576	1,473	39,039	15,949
1958	15,949	30,837	8,127	38,964	813	32,778	8,247	1,964	43,802	12,810
1959	12,810	41,098	10,253	51,351	1,026	37,477	7,385	3,149	49,037	14,865

* Does not include unexpended balances from appropriated funds.

Table 46

DAIRY SECTION FUND EXPENDITURES

Fiscal Years 1950 Through 1959*

<u>Fiscal Year</u>	<u>Personal Services</u>	<u>Maintenance & Operation</u>	<u>Other</u>	<u>Total</u>
1950	\$14,685	\$7,271	\$ 736	\$22,692
1951	15,237	6,822	869	22,928
1952	15,753	5,084	1,009	21,846
1953	20,096	5,138	958	26,192
1954	21,273	4,346	1,220	26,839
1955	19,897	4,996	988	25,881
1956	20,492	4,766	1,025	26,283
1957	21,531	3,403	1,065	25,999
1958	25,860	5,426	1,250	32,536
1959	33,941	4,822	1,075	40,838

*Totals may not balance as a result of rounding to nearest dollar. Revenue source: state general fund.

Table 47

DAIRY CASH FUND RECEIPTS AND EXPENDITURES

Fiscal Years 1950 through 1959*

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Receipts</u>	<u>Expenditures</u>				<u>Total</u>	<u>Ending Balance</u>
			<u>10% to Gen. Fund</u>	<u>Salaries</u>	<u>Maintenance & Operation</u>	<u>Other</u>		
1950	\$ 441	\$ 8,192	\$ 819	\$2,647	\$1,005	\$ 124	\$ 4,595	\$ 4,532
1951	4,532	6,074	607	2,593	800	122	4,122	6,746
1952	6,746	5,077	508	5,146	1,174	1,588	8,416	3,877
1953	3,877	8,426	843	1,813	2,427	83	5,166	8,312
1954	8,312	10,114	1,011	2,552	4,411	127	8,101	12,077
1955	12,077	12,136	1,217	5,708	2,303	184	9,412	14,811
1956	14,811	9,913	989	5,474	2,978	294	9,735	15,225
1957	15,225	7,350	735	7,599	3,482	408	12,224	10,350
1958	10,350	6,927	693	6,918	2,353	414	10,378	6,900
1959	6,900	8,678	868	3,536	2,563	470	7,437	8,141

*Totals may not balance as a result of rounding to nearest dollar.

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Table 48

OLEOMARGARINE CASH FUND RECEIPTS AND EXPENDITURES

Fiscal Years 1950 Through 1959*

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Receipts</u>	<u>Expenditures</u>			<u>Ending Balance</u>	
			<u>10% to Gen. Fund</u>	<u>Maintenance & Operation</u>	<u>Other</u>		<u>Total</u>
1950	\$ 31	\$1,250	\$125	\$ 30	---	\$ 155	\$1,126
1951	1,126	1,525	153	---	\$ 62	215	2,436
1952	2,436	750	75	---	1,792	1,867	1,320
1953	1,320	1,800	180	299	---	479	2,641
1954	2,641	1,275	128	---	360	488	3,428
1955	3,428	1,590	155	---	712	867	4,151
1956	4,151	1,325	135	108	69	312	5,164
1957	5,164	1,250	125	691	---	816	5,599
1958	5,599	1,200	120	468	300	888	5,910
1959	5,910	1,575	158	---	604	762	6,724

*Totals may not balance as a result of rounding to nearest dollar.

As shown in Table 45, from fiscal year 1950 through 1959 general fund revenues to the Dairy Section have increased from a low of \$22,266 in fiscal year 1952 to a high of \$41,098 in fiscal year 1959. Dairy cash fund receipts have varied over the period, from \$5,077 in fiscal year 1952 to \$12,136 in fiscal year 1955 (Table 47). Oleomargarine receipts, on the other hand, have held fairly steady, with receipts generally averaging around \$1,200 to \$1,500 annually (Table 48).

Division of Markets

Division Chief Fund. The chief of the Markets Division administers two funds directly. The first, reported in Table 49, represents the division's allocation from the department's general fund appropriation and is used to pay the expenses of the office of the chief of the division and part of the Markets Section. The second fund, reported in Table 50, contains the receipts and expenditures in connection with the Hope-Flanigan program of marketing research.

As shown in Table 49, the expenditures of the division's fund increased substantially between 1950 and 1959, reaching a high of \$32,469 in fiscal year 1958. Most of the increased expenditures may be attributed to personal services and maintenance and operation (which includes travel and subsistence). In 1957, a marketing specialist was transferred from the budget of the Produce Dealers' Section to the Markets Division budget. This item alone accounts for much of the increase in that year compared to 1956.

Receipts and expenditures from the Hope-Flanigan Fund are shown in Table 50 for the fiscal years 1951 through 1959. The receipts shown represent contributions from the federal government and from local industry groups in this state for marketing research studies. No state monies were appropriated to this fund.

Fruit and Vegetable Inspection Service. The Fruit and Vegetable Inspection Service is financed entirely from fees and charges received for inspection work; no general fund monies are used to defray its expenses. During the ten-year period, annual receipts varied from a low of \$191,154 in fiscal year 1952 (a drought year) to a high of \$410,318 in fiscal year 1959, as shown in Table 51.

With the exception of fiscal years 1952, 1957, 1958, and 1959, receipts generally ranged between \$200,000 and \$300,000. In the latter three years, a rather substantial increase may be noted. However, the removal of onions from the compulsory inspection list by the 1959 General Assembly may be expected to reduce collections somewhat on this particular product.

It may also be noted in Table 51 that a fairly sizeable balance is carried forward each year in the fruit and vegetable fund. This service reports that a large beginning balance is

Table 49
 EXPENDITURES, DIVISION OF MARKETS FUND
Fiscal Years 1950 Through 1959*

<u>Fiscal Year</u>	<u>Personal Services</u>	<u>Maintenance & Operation</u>	<u>Other</u>	<u>Total</u>
1950	\$ 7,344	\$ 960	\$ 305	\$ 8,609
1951	7,893	884	395	9,171
1952	8,121	1,080	909	10,110
1953	7,918	1,534	286	9,738
1954	8,404	2,255	393	11,052
1955	9,421	2,299	471	12,191
1956	9,900	2,203	528	12,631
1957	17,792	3,127	798	21,717
1958	27,272	4,028	1,169	32,469
1959	17,641	2,865	952	21,458

*Totals may not balance as a result of rounding to nearest dollar. Revenue source: state general fund.

Table 50

RECEIPTS AND EXPENDITURES, HOPE-FLANIGAN FUND

Fiscal Years 1951 Through 1959*

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Receipts**</u>	<u>Expenditures</u>			<u>Total</u>	<u>Ending Balance</u>
			<u>Personal Services</u>	<u>Maintenance & Operation</u>	<u>Other</u>		
1951	\$-----	\$10,500	\$-----	\$5,257	\$---	\$ 5,257	\$ 5,243
1952	5,243	7,720	-----	7,700	---	7,700	5,263
1953	5,263	3,000	1,750	1,455	448	3,653	4,611
1954	4,611	6,220	2,460	2,285	---	4,745	6,086
1955	6,086	28,866	1,607	1,946	---	3,553	31,400
1956	31,400	6,126	-----	5,982	---	5,982	31,543
1957	31,543	4,763	2,745	6,956	75	9,776	26,530
1958	26,530	657	5,347	9,431	115	14,893	12,294
1959	12,294	8,000	5,215	4,644	313	10,172	10,122

*Source: Auditor's reports 1951 through 1957, Department of Agriculture records 1958 and 1959. Totals may not balance as a result of rounding to nearest dollar.

**Receipts: Contributions of federal government and local agricultural boards of control for marketing research studies.

Table 51

FRUIT AND VEGETABLE INSPECTION RECEIPTS AND EXPENDITURES

Fiscal Years 1950 Through 1959^(a)

Fiscal Year	Beginning Balance	Receipts ^(b)	E X P E N S E S			E S		Ending Balance
			Personal Services	Maintenance & Operation	Other ^(c)	5% or 10% To Gen. Fund ^(d)	Total	
1950	\$46,205	\$291,740	\$172,366	\$51,480	\$12,947	\$29,163	\$265,957	\$ 71,987
1951	71,987	286,386	153,670	39,712	10,856	28,513	232,751	125,622
1952	125,622	191,154	155,555	42,030	10,602	19,115	227,303	89,473
1953	89,473	271,745	181,407	49,756	13,974	27,150	272,287	88,932
1954	88,932	274,465	189,412	46,874	17,635	27,434	281,356	82,041
1955	82,041	294,461	198,397	49,972	21,386	26,163	295,918	80,584
1956	80,584	270,333	183,438	51,130	24,029	13,517	272,113	78,804
1957	78,804	326,926	222,654	59,177	25,172	16,346	323,349	82,381
1958	82,381	341,818	233,932	65,195	24,700	17,091	340,917	83,282
1959	83,282	410,318	266,668	66,563	33,319	20,516	387,066	106,533

(a) Totals may not balance as a result of rounding to nearest dollar.

(b) Fees and charges collected.

(c) Includes payments to federal government.

(d) From 1950 through March 31, 1955, 10% of collections transferred to General Fund; since April 1, 1955, 5% transferred to General Fund.

necessary in order to pay employees during the first few months of the fiscal year, which is a period of heavy inspection work, until fees are collected. Normally, payments for fees are submitted within 60 days of the billing made at the time the inspection work is completed.

The amount of expenditures by the Fruit and Vegetable Service in any one year is directly related to the amount of produce harvested. To a certain extent, this situation is reflected in Table 51, listing expenditures annually for fiscal years 1950 through 1959.

On the other hand, due to the variable nature of crop production and marketing, expenses may not decline in proportion to collections and the service may spend more in any one year than it receives. To illustrate, because of the compulsory inspection provisions (1953 C.R.S. 7-6-24), the service will maintain a crew on call to handle inspections during the various fruit and vegetable seasons; however, because of such variables as marketing conditions or adverse weather, the inspection demand may not require the actual number of inspectors employed, thus expenses will exceed receipts.

Table 51 reports expenditures of the inspection service on the basis of personal services, maintenance and operation, payments to the state general fund, and other. Around two-thirds of the total expenditures each year were paid in salaries to inspectors. Generally, about one-half of the remaining expenditures were under maintenance and operation which includes travel and subsistence payment to inspectors.

Until April 1, 1955, ten percent of collections were paid into the general fund; since that time the general fund has received five percent of the collections, accounting for the relative decline in this expense.

The "other" column includes miscellaneous costs plus payments made to the federal government as provided in the agreement between the State Department of Agriculture and the Agriculture Marketing Service, United States Department of Agriculture. Under the terms of this agreement, the state reimburses the federal government for the salary and expenses of the federal supervisor, the expenses and \$400 of the salary of the assistant supervisor (who is also a federal employee), plus four percent of inspection charges.* (See Table 52.) At the same time, however, the federal government in turn credits the state for federal inspection work performed by state inspection service personnel.

*Unlike the five percent payment to the state general fund, which is based on actual collections, the four percent payment to the federal government is based on inspection charges, some of which may not be collected.

Table 52

PAYMENTS MADE TO FEDERAL GOVERNMENT
BY FRUIT AND VEGETABLE INSPECTION SERVICE

Fiscal Years 1950 Through 1959

Fiscal Year	SALARIES		TRAVEL EXPENSE			4% of ^b Charges	Misc. Expenses ^c	Total Exps.	Credit to State ^d	Net Total Paym'ts to Fed. Govt.
	Federal Supr.	Asst. Supr.	Subsis- tence	Travel	Total ^a					
1950	\$5,377					\$ 8,283		\$13,860	\$1,771	\$12,089
1951	5,484					6,195		11,766	2,989	8,776
1952	6,235	\$1,000				4,736		11,971	4,012	7,959
1953	7,150	1,000				6,981		15,130	3,746	11,385
1954	7,982	400				10,752		19,134	2,730	16,405
1955	8,081	400	\$ 122	\$ 194	\$ 316	11,342	24	20,162	1,268	18,895
1956	8,686	969	1,263	1,214	2,477	9,954	146	22,233	1,008	21,225
1957	7,371	714	1,211	1,553	2,764	12,676	478	24,003	1,016	22,987
1958	7,075	400	842	1,333	2,175	12,703	143	22,496	540	21,957
1959	8,384	400	864	1,422	2,286	15,831	111	17,011	207	26,804

- (a) For fiscal years 1950 through 1954 federal supervisor and assistant's travel and miscellaneous expense was paid directly by the state. For fiscal years 1955 through 1959 travel and miscellaneous expense was paid through the U.S.D.A.
- (b) Fiscal years 1950 through 1953 charges were based on 20¢ per certificate plus \$1.50 per man-week for processing inspection for federal services. Fiscal years 1954 through 1959 charges were based on 4% of fees charged on certificates and \$2.00 per man-week for processing inspection.
- (c) Includes purchases from federal General Service Agency and some postage.
- (d) Credits to state were for federal inspection work by inspection service staff.

Produce Dealers' Section. The Produce Dealers' Section operates entirely from the revenue received from produce dealers' licenses. Generally, receipts from licenses have steadily increased in the last ten years, as may be noted in Table 53. In fiscal year 1957, however, the fee collection of \$53,999 does not indicate the true amount of monies collected since an additional \$17,437 was placed in a trust fund for fiscal year 1958. In addition, the increases in receipts from \$52,723 in fiscal year 1950 to a high of \$76,580 in fiscal year 1959, despite no change in the fee structure, may in part be explained by the marked increase in truck shipments of agricultural products. In 1950 only 30 percent of all produce shipped was by truck as opposed to 70 percent in fiscal year 1959, and this has resulted in an increase in the number of truck or dealer licenses issued.

<u>Fiscal Year</u>	<u>Proportion of Colorado Agricultural Produce Moved by Trucks*</u>
1950	30%
1951	33 1/3%
1952	40%
1953	45%
1954	60%
1955	65%
1956	70%
1957	75%
1958	75%
1959	70%

*Source: Annual Report, Produce Dealers' Section, fiscal year 1959.

Personal services accounted for the largest disbursement of funds during the ten-year period, ranging from \$38,025 in 1952 to \$49,214 in 1958. However, some of the persons whose salaries were paid from this fund worked part or full time in other sections within the Markets Division during these years.

Frozen Food Provisioners' Section. In general, since the law was enacted in 1947, revenues have been insufficient to cover the costs of administration of this section. Receipts from licenses for the ten-year period from 1950 through 1959 generally declined as the small marginal lockers went out-of-business, as may be noted in Table 54. Fiscal year 1960 is expected to show an increase in revenues since about 150 new licenses will be issued, according to the supervisor. This is due to the fact that food plan operators and some processors were brought under the law by the 1959 amendments. However, the supervisor points out that Section 7-14-10, as adopted in 1959, excludes all processors that do 75 percent of their business in activities other than those covered by the act. An audit will be necessary in all cases disputed by an operator, thereby making

Table 53

RECEIPTS AND EXPENDITURES, PRODUCE DEALERS' FUND
Fiscal Years 1950 through 1959*

Fiscal Year	Beginning Balance	** Receipts	Expenses				Total	Ending Balance
			Personal Services	Maintenance & Operation	Other	10% to General Fund		
1950	\$26,856	\$52,723	\$38,324	\$12,220	\$1,991	\$5,272	\$57,808	\$21,771
1951	21,771	52,794	38,108	11,014	1,985	5,279	56,386	18,179
1952	18,179	57,165	38,025	10,999	1,938	5,716	56,678	18,666
1953	18,666	61,182	41,303	11,941	4,290	6,118	63,652	16,196
1954	16,196	66,113	43,311	13,402	2,397	6,611	65,721	16,588
1955	16,588	67,545	44,673	15,088	2,285	6,752	68,798	15,335
1956	15,335	71,787	45,643	13,430	2,307	7,188	68,569	18,553
1957	18,553	53,999***	44,386	13,969	2,229	5,393	65,976	6,576
1958	6,576	70,725	49,214	12,191	3,333	7,071	71,809	5,492
1959	5,492	76,580	44,377	13,206	2,674	7,451	67,708	14,363

*Totals may not balance as a result of rounding to nearest dollar.

**Receipts: License fees collected from produce dealers.

***Also collected during the period was \$17,437 held in a suspense account. Total collections therefore were \$71,436. The amount held in the suspense fund was transferred to the Produce Dealers' Fund on July 29, 1957.

Table 54

REFRIGERATED LOCKERS FUND
Fiscal Years 1950 through 1959*

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Receipts**</u>	<u>Expenditures</u>				<u>Ending Balance</u>	
			<u>Personal Services</u>	<u>Maintenance & Operation</u>	<u>Other</u>	<u>10% to General Fund</u>		<u>Total</u>
1950	\$4,352	\$5,175	\$4,635	\$571	\$375	\$518	\$6,098	\$3,429
1951	3,429	5,920	4,355	707	359	592	6,013	3,336
1952	3,336	5,900	4,723	300	236	590	5,849	3,387
1953	3,387	3,850	3,830	424	406	385	5,045	2,193
1954	2,193	5,250	3,615	327	181	525	4,648	2,795
1955	2,795	5,050	4,860	977	233	508	6,577	1,267
1956	1,267	5,025	4,885	113	333	498	5,829	463
1957	463	4,950	2,496	68	138	498	3,199	2,214
1958	2,214	4,650	2,715	251	250	465	3,680	3,183
1959	3,183	4,300	1,716	51	110	430	2,307	5,177

* Totals may not balance as a result of rounding to nearest dollar.

** Receipts are derived from licenses issued to refrigerated locker plants. As a result of 1959 amendment, beginning in fiscal year 1960 the name of this fund was changed to the "Frozen Food Provisioners' Fund" in keeping with the activities thereunder.

it extremely costly to administer. Thus, the amendment eliminates a large number of retail merchants who would otherwise have been required to purchase a license and which, it is reported, would have made the section financially independent.

Personal services accounted for the largest share of disbursements for the past ten years. However, this expenditure has varied from year to year as indicated by the following tabulations:

<u>Fiscal Year</u>	<u>Personnel and Number of Months Salary Paid*</u>	
1954	Produce Inspector	12
1955	Supervisor**	11
1956	Supervisor	11
1957	Supervisor	5
1958	Supervisor	5
1959	Supervisor	3

*Data based on Agriculture Department Annual Budget Reports. These figures indicate approximate amount of months for which salary was paid by Refrigerated Lockers Fund.

**Supervisor of Produce Dealers' and Frozen Food Provisioners' Sections.

Travel expenses are generally allotted on the basis of costs that the Frozen Food Provisioners' Board incurs as the result of hearings held in outlying communities. This expense may be expected to increase since the board was enlarged to four members plus the Commissioner in 1959.

Weights and Measures Section. Revenues and expenditures of the Weights and Measures Section from fiscal year 1953 through 1959 are reported in Table 55. The receipts shown include the two loans from the state general fund (\$35,000 in 1953 and \$17,000 in 1955) and license fee receipts. Since the fee schedules were changed in 1955, license revenue usually has amounted to around \$80,000 annually. The expenditures reported for 1953 involved minor expenses incurred in establishing the section. Some \$10,400 was spent in each of the last four years to repay the loans from the state general fund. At the same time, however, the section does not pay a portion of its collections to the general fund, being exempted by C.R.S. Supplement 6-1-10, as do other cash fund activities within the agriculture department.

Table 55

WEIGHTS AND MEASURES SECTION
RECEIPTS AND EXPENDITURES
Fiscal Years 1953 through 1959^a

<u>Fiscal Years</u>	<u>Beginning Balance</u>	<u>Receipts^b</u>	<u>EXPENDITURES</u>				<u>Total</u>	<u>Ending Balance</u>
			<u>Personal Services</u>	<u>Maint. and Operation</u>	<u>Other</u>	<u>Partial Paym't on Loans</u>		
1953	\$-----	\$35,000 ^c	\$ 176	\$ 24	\$-----	\$-----	\$-----	\$34,800
1954	34,800	53,990	23,875	13,093	21,312	-----	58,281	30,509
1955	30,509	55,743 ^d	27,109	17,117	21,105	7,000	72,331	13,922
1956	13,922	83,047	30,107	17,336	1,171	10,400	59,014	37,955
1957	37,955	50,800	31,830	28,480	1,440	10,400	72,150	16,604
1958	16,604	78,918	38,708	30,263	2,546	10,400	81,918	13,605
1959	13,605	80,406	36,260	27,474	7,700	10,400	81,834	12,177

a. Totals may not balance as a result of rounding to nearest dollar.

b. Receipts derived from license fees except for loans from State general fund.

c. Warrant transfer of \$35,000 from general revenue fund -- made available as a loan.

d. Includes \$17,000 loan from general fund.

INSPECTION AND OTHER FEES

As mentioned previously, most of the activities within the State Department of Agriculture are financed from collections of inspection and other fees. The size of these fees therefore has a substantial relationship to the extent of the services which may be rendered in these areas. Consequently, as such conditions as wage or production levels have increased, corresponding adjustments upward were made in a number of the base fee charges. Others, however, remained unchanged in the ten-year period from fiscal years 1950 through 1959.

The following paragraphs contain a review of the present fee structures within the various cash fund activities of the agriculture department, as well as any changes made therein over the past ten-year period.

Division of Plant Industry

Registration of Insecticides, Fungicides, and Rodenticides.

The fees established in 1947 for insecticides amounted to \$5.00 per brand up to a maximum charge of \$50.00 for each registrant. This fee charge was increased in 1953 to a charge of \$5.00 per brand up to ten brands and \$2.00 for each additional brand.

Nurseries and Greenhouses. Prior to 1950 nurseries growing stock for sale in Colorado and for distribution out-of-state required certification that the stock was insect free. The State Department of Agriculture provided the inspection for \$1.25 per hour and an additional charge of \$2.50 for the annual certification. During the early 1950's, the inspection fee was raised to \$2.25 per hour, while the certification charge remained at \$2.50.

Subsequently, in 1953, the "Nursey Stock Act" (6-15-1 through 6-15-5, C.R.S. 1953) was enacted, requiring that "any person, firm, corporation, or association desiring to sell nursery stock in Colorado must first secure a license to sell nursery stock from the commissioner of agriculture. Before any license is issued to any dealer he or it shall deposit with the commissioner of agriculture a surety bond in the sum of one thousand dollars executed by the dealer as principal and by a surety company qualified and authorized to do business in this state as surety and shall have a certificate of inspection as provided in section 6-15-1 or a satisfactory like certificate issued by another state. Said bond shall be conditioned upon compliance with the provisions of this article and upon the faithful and honest handling of nursery products in accordance with the terms of this article." However, this act did not supply any revenue to the department of agriculture and the inspection of the retail selling of nursery stock was supported by the general fund.

Since 1953 nursery growers selling wholesale stock in Colorado and in interstate commerce have been charged \$3.00 per hour for inspections and \$2.50 for certification. However, Section 6-15-4, C.R.S. 1953, was amended in 1955 to provide for the following license charges:

"6-15-4. Licensing - Fees. (1) Any person, firm, corporation or association selling nursery stock in Colorado, must first secure a license yearly from the commissioner of agriculture. Each branch, sales yard, store or sales location, shall be licensed. To defray the cost of administration the following license fees shall be charged:

'Nursery.' Each nursery shall pay a license fee of ten dollars.

'Dealer.' Each dealer shall pay a license fee of ten dollars for each branch, sales yard, store or sales location operated within the state.

'Agent.' Each agent shall be required to secure and carry an agent's permit issued by the commissioner of agriculture, for which an annual fee of five dollars will be charged; such agent's permit may be revoked for cause by the commissioner of agriculture at any time.

'Exemption.' Nurseries selling direct to licensed nurseries or licensed dealers within the State of Colorado shall be exempt from the license fee.

The fees provided herein shall be deposited to the nursery inspection fee, plant and insect control fund."

If a grower of nursery stock wishes to make retail sales, he must pay the \$10.00 fee. However, in any event, the grower must still pay the \$2.50 certification fee and the \$3.00 per hour inspection costs. The requirement of a surety bond was deleted by the 1955 amendment. A bill to increase nursery fees was killed in the 1959 session.

Greenhouse inspection fees, which are credited to the nursery cash fund, were established in 1939 and provided for a \$5.00 minimum inspection fee with an additional charge of ten cents for each additional 1,000 square feet of glass over the first 10,000 square feet. This charge was not increased until 1958 when it was raised to \$10.00 for the first 10,000 square feet and twenty cents for each additional 1,000 square feet. These charges are not stipulated by statute but are based largely on the administrative costs of the division.

Aerial-spray Operators. The department issues licenses to aerial-spray operators but a cash fund has not been established for this purpose nor have the fee charges been designated by statute. The Commissioner of Agriculture and an advisory board presently determine license charges. The original fee charges in 1953 were \$5.00 for the first airplane and \$1.00 for each additional airplane. The present charges are \$10.00 for the first aircraft and \$5.00 for each additional aircraft.

Division of Animal Industry

Poultry Fees. License fees under Colorado's Poultry Law are the same as when the act was adopted in 1937. Briefly, these license fees are:

- \$ 2.50 -- retail dealers buying and selling live poultry to consumers only;
- \$10.00 -- jobbers buying live or dressed poultry from producers and selling to wholesalers only;
- \$20.00 -- wholesalers buying and selling live or dressed market poultry to retailers, restaurants, hotels, dealers, and public or governmental institutions. Annual fee of \$20 is applied for each place of business and for each truck or other vehicle engaged in buying live market or dressed poultry.

At present, there are only a few dealers qualifying as jobbers or retailers under the definitions established in 1937, due primarily to changes in the buying, selling, and processing practices in the industry. As shown in the following tabulation, in the last three years only five to seven retail licenses have been issued annually and only 11 to 18 jobber licenses.

POULTRY LICENSES ISSUED

Fiscal Years 1950 Through 1959

<u>Fiscal Year</u>	<u>Retailer</u>	<u>Jobber</u>	<u>Wholesaler</u>
1950	102	54	148
1951	91	58	142
1952	82	47	151
1953	67	47	163
1954	65	32	151
1955	58	30	147
1956	55	20	182
1957	5*	13	171
1958	4	11	137
1959	7	18	202

*In 1957, the number of licenses was drastically reduced when retailers learned they had to be licensed only if they engaged in buying live poultry to be resold to consumers.

In addition to license fee receipts, under the authorization granted in the sections added to the poultry law in 1951, wholesalers are charged an inspection fee of ¼-cent on each dressed bird or rabbit which they sell or process in Colorado. An inspection fee is also imposed on eviscerated or cut-up parts of the poultry and rabbits as follows:

2 lbs. broilers or fryers = 1 bird or ¼ cent
 3 lbs. roosters or stewers = 1 bird or ¼ cent
 15 lbs. cut-up turkey = 1 bird of ¼ cent

Egg Fees. The Colorado Egg Law, as amended in 1957, provides license fee schedules based, for the most part, on size of operations of the various firms or dealers, Unlike poultry, no inspection fees are collected under the egg law.

Egg license fee schedules are as follows:

Retailer

Class I, Under \$50,000 annual total gross sales...\$ 2.00
 Class II, \$ 51,000 to \$100,000.....\$ 5.00
 Class III, \$101,000 to \$200,000.....\$ 12.00
 Class IV, \$201,000 to \$500,000.....\$ 15.00
 Class V, \$501,000 and up.....\$ 25.00

Wholesaler

Class I, Under 50 cases of eggs sold per week.....\$ 25.00
 Class II, 51 to 100 cases of eggs sold per week...\$ 50.00
 Class III, 101 to 250 cases of eggs sold per week...\$200.00
 Class IV, 251 to 750 cases of eggs sold per week...\$300.00
 Class V, 751 or more cases of eggs sold per week..\$500.00

Out-of-State Dealer or Trucker

For each truck or other vehicle used.....\$200.00

Colorado Trucker

For each truck or other vehicle used.....\$ 25.00

Consignment Receiver.....\$ 15.00

Retail Delivery Trucks

For each vehicle used.....\$ 2.00

Egg Breaker

Class I, annual production of 50,00 pounds
 or less.....\$ 25.00
 Class II, annual production over 50,000 pounds.....\$ 50.00

Frozen Egg Dealer

Fee based on the number of pounds sold per week per year converted to cases at the rate of 36 pounds per case on frozen eggs or 12 pounds per case on egg solids and applied to wholesaler license fee schedule

Candler.....\$ 2.00

Commercial Feeds. Under the Commercial Feeding Stuffs Law an annual registration fee of \$1 is imposed for each brand of commercial feeding stuffs certified. This fee formerly was \$2 for a permanent permit but the law was amended in 1954 to the present

annual \$1 figure. In addition to the registration fee, an inspection tax is levied at the rate of ten cents per ton on each brand of commercial feeding stuffs sold, offered for sale, or distributed in this state.

During the fiscal year 1959, a total of \$37,610.32 was collected under these charges as follows:

<u>Fee Charge</u>	<u>Price Each</u>	<u>Quantity Sold</u>	<u>Revenues</u>
Brand Registration	\$1.00	3,202	\$ 3,202.00
Inspection			
Tonnage reports	\$.10/ton	315,380.7 T	\$31,538.07
Tags			
100#	\$5.00 M	311 M	\$ 1,555.00
50#	2.50 M	101 M	252.50
25#	1.25 M	3 M	3.75
Stamps			
100#	\$5.00 M	165,700	\$ 828.50
50#	2.50 M	98,600	226.50
25#	1.25 M	3,200	<u>4.00</u>
Total Inspection			<u>\$34,408.32</u>
Gross Total			\$37,610.32

Commercial Fertilizers. Fees imposed to finance the section's operations under the Commercial Fertilizers Law include charges for registration, analyses, and inspection. Also, Chapter 40 of the 1959 Session Laws added annual permit fees of \$5 for manipulators and \$2 for applicators, beginning July 1, 1959.

These fees have apparently been misconstrued for several years as to the amount which should be levied under the statutory language. C.R.S. 6-13-4 provides in part:

- (1) Each brand and grade of commercial fertilizer or soil amendments shall be registered before being offered for sale, sold or distributed in the state of Colorado. The application for registration shall be submitted to the commissioner on forms furnished by the commissioner, and shall be accompanied by a fee of twenty-five dollars for the first brand or trade mark. A fee of ten dollars for each succeeding registration of same, and two dollars and fifty cents for each analysis upon each separate brand, or any special analyzation or change in the same shall be paid. All registrations shall expire on June 30th of each year.

However, based on an opinion of the Attorney General, dated July 31, 1959, the policy of the agriculture department has been to charge somewhat less than the total fee should have been. (For fiscal year 1959, \$455.00 was not collected from fertilizer registrants on the basis of the Attorney General's opinion.)

Actual collections from registration analyses and inspection fees for this section for the fiscal year 1959 are reported in the following tabulation:

<u>Fee Charges</u>	<u>Price Each</u>	<u>Quantity Sold</u>	<u>Revenues</u>
Registration			
First Brand or Trademark	\$25.00	113	\$ 2,825.00
Additional Analysis	10.00	65	650.00
Additional Analysis	2.50	210	525.00
Total Registration			<u>\$ 4,000.00</u>
Inspection			
Tonnage Reports	\$.25/Ton	70,309.6 T	\$17,577.39
Annual Fee, Small Package*			40.00
Total Inspection			<u>\$17,617.39</u>
Gross Total			\$21,617.39

*On individual packages of five pounds or less or bottles of one quart or less, there may be paid, in lieu of the tonnage fee, an annual inspection fee of ten dollars for each brand offered for sale, sold, or distributed in Colorado -- C.R.S. 6-13-6(2).

Dairy Fees. The rates for license fees collected under the dairy cash fund (i.e., excluding oleomargarine) have not been changed since their adoption in 1923. As provided in Section 7-8-6, 1953 C.R.S., these annual rates are as follows: Fieldmen and testers, \$3.00; cream receiving stations, \$2.00; dairy plants, concentrating stations, counter freezers, etc., \$10.00. According to a report prepared by the agriculture department, during fiscal year 1959 the following licenses were issued:

<u>Licenses</u>	<u>Price Each</u>	<u>Quantity Sold</u>	<u>Total Revenues</u>
Plants	\$10.00	42	\$ 420.00
Concentrators	10.00	19	190.00
Counter freezers	10.00	600	6,000.00
Receiving stations	2.00	61	122.00
Testers	3.00	501	1,503.00
Fieldmen	3.00	18	54.00
Bulk tank	3.00	26	78.00
U.S. Treasury			310.57
			<u>\$8,677.57</u>

The latter item of \$310.57 is collected by the Dairy Section for services rendered the federal government in grading cheese and butter for sale to veterans' hospitals or under government storage. In the past ten years, a total of \$11,856 has been collected for these services.

A license fee of \$25.00 is provided in Section 7-8-18, 1953 C.R.S., for oleomargarine manufacturers or wholesale dealers within the state. Under this provision, 63 licenses were issued in fiscal year 1959, totaling \$1,575 in revenue. An excise tax of ten cents per pound is imposed on certain oleomargarine under the terms of Section 7-8-17, 1953 C.R.S. However, no receipts are received under this section as the types of oleomargarine sold in Colorado come within the provision which exempts oleomargarine "the oil content of which is composed of oleo oil, oleo stock, oleo stearine, neutral lard, milk fat, cotton seed oil, peanut oil, corn oil, or soya bean oil."

Table 56 contains the number of licenses issued annually from fiscal year 1950 through 1959. Generally speaking, during these ten years the dairy industry in Colorado has tended to consolidate its activities into larger operations, thus eliminating the need for many cream receiving stations, testers, and fieldmen, and this consolidating process is reflected in the number of licenses issued. Dairy plant licenses for cream receiving stations decreased from 108 in 1950 to 60 in 1959; and samplers-testers-graders decreased from 693 in 1950 to 485 in 1959.

On the other hand, during the same ten-year period counter-freezer establishments experienced a substantial growth, from 269 licenses issued in 1950 to 582 in 1959. On a lesser scale, oleomargarine licenses increased from 35 in 1950 to 63 in 1959, reflecting the 1950 repeal of the federal excise tax thereon.

Division of Markets

Fruit and Vegetable Fees. Under the Colorado Fruit and Vegetable Law, charges may be levied for inspections, for providing duplicate copies of certificates, and for licensing shippers. By far the most important is the fee charge for produce inspection. In fact, since the passage of the Produce Dealers' Act, shippers are no longer licensed under the fruit and vegetable law, and the \$2.00 charged for each certificate copy is relatively minor. However, this \$2.00 charge is made despite the provisions in C.R.S. 7-6-20 which authorizes a fee of not to exceed \$1.00 for preparing a duplicate certificate.

C.R.S. 7-6-19, as amended in 1951, authorizes the Agricultural Commission to set fees for inspection and classification which "shall in no event exceed twelve dollars for each carlot of fruits or vegetables." Previously, the maximum fee established by law had been \$5.00 (1945), and 1936 \$3.00 (for potatoes, peaches, and onions) and \$5.00 (for other fruits and vegetables). Prior to 1931, the law merely authorized the setting of fees sufficient to meet the costs of the program.

Table 56

NUMBER OF LICENSES ISSUED BY DAIRY SECTION, FISCAL YEARS 1950 THROUGH 1959

	<u>1950</u>	<u>1951</u>	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>
Dairy plants	59	50	44	40	40	36	39	36	36	41
Counter freezer establishments	269	308	304	346	408	460	514	554	594	582
Milk and cream concentrators	20	22	22	22	23	20	19	21	22	19
Receiving stations	108	107	105	92	78	78	72	65	63	60
Samplers-testers-graders	693	700	642	621	585	580	554	536	517	485
Fieldmen	38	33	29	25	20	19	18	18	17	18
Oleomargarine	35	49	50	56	54	53	55	64	62	63

During the past ten years, actual fees charged increased from \$8.00 per carlot in fiscal year 1950 (\$5 statutory maximum plus \$3 voluntary inspection fee paid by shippers) to \$9.00 in fiscal year 1957. Since July 1, 1958, the basic carlot inspection fee has been \$9.75.

Charges for compulsory shipper inspections of produce on other than an even carlot are prorated according to the basic carlot fee. A minimum fee of \$3.00 is made for writing a certificate and for other inspections on less than a carlot basis the following schedule applies:

Up to and including 1/4 carlot	- \$3.00
From 1/4 through 1/2 carlot	- 5.00
From 1/2 through 3/4 carlot	- 7.50
From 3/4 to 1 carlot	- 9.75

Fee charges for more than one carlot are broken down by tenths, i.e., \$9.75 for one carlot, \$10.70 for 1.1 carlot, etc.

The aforementioned basic carlot fee schedule is in some cases supplemented by a contractual agreement between the inspection service and a shipper which guarantees a payment of a minimum of \$144 per week for inspection work. Under this type of agreement, the joint program protects itself against providing inspection service at a financial loss. Normally this contractual arrangement arises in cases where inspection is requested by shippers of fruits or vegetables which are not required under the law to be inspected or by canneries. It is not used for inspections of fruits or vegetables on the compulsory list.

Produce Dealers' Fees. Licenses issued by the Produce Dealers' Section and the fees therefor are the same as when the law was enacted in 1937. These licenses and fees are as follows:

Commission merchant.....	\$25 annually
Dealers.....	\$25 annually
Brokers.....	\$25 annually
Agents.....	\$ 1 annually

Frozen Food Provisioners' License Fees. Section 7-14-5, C.R.S. 1953, as amended in 1959, provides an annual license fee of \$25 for locker plants, processors, and food plan operators. Prior to the 1959 amendment, the law provided that licenses were not to exceed \$25 per year.

Weights and Measures Fees. The Weights and Measures Section is financed by license fee receipts as established in C.R.S. 1955 Supplement 151-1-23 (7). The fee schedule for license fees, which was set in 1953, was revised upward in 1955 and has remained unchanged since. These two fee schedules are summarized as follows:

Current License Fees -- Set in 1955

<u>Capacity of Scale</u>	<u>Fee</u>
Over 60,001 pounds	\$15.00
4,951 to 60,000 pounds	10.00
451 to 4,950 pounds	5.00
76 to 450 pounds	4.00
75 pounds or less	1.00

Other Licenses

Tanks	\$ 1.00 each
testing fee	20.00 each
Textile meters	2.50 each
Cordage meters	2.50 each

Original License Fees -- Set in 1953

<u>Capacity of Scale</u>	<u>Fee</u>
5,000 pounds and over	\$10.00
600 pounds through 4,999	3.00
100 pounds through 599	2.00
99 pounds and under	.50

When the license fees charged are compared with the services performed by the Weights and Measures Section, it may be noted that while a rather substantial number of packages are checked, no fees or other revenue is collected to support this activity. Similarly, the section is not reimbursed for services rendered state institutions and other state agencies. At the same time, however, some license fees are being collected for scales which do not receive annual testing by the section.