

# BRAND INSPECTION DIVISION

## Fee and Assessment Increase Proposal



**Program deficit projected to reach \$2.8M without increase**

### QUICK FACTS

- Unlike other states, the Brand Inspection Division is fully funded by inspection fees, operating independent from state funding.
- Inspection fees were last raised in 2016 and assessments were last raised in 2017. The Consumer Price Index (CPI) has risen 33% since 2016.
- Inspections verify ownership and protect Colorado's \$3 billion livestock industry from loss and theft. CDA administers over 30,000 brands and staff inspects more than 2.6 million cattle annually.
- Colorado has some of the lowest inspection fees compared to nearby states. Even with this fee increase, Colorado fees will still remain lower than other states'.

**For more info, contact Brand Commissioner Todd Inglee**

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**[ag.colorado.gov/brands](http://ag.colorado.gov/brands)**

To address a projected program deficit, CDA and the State Board of Stock Inspection Commissioners are proposing to increase brand inspection fees this fall and the five-year brand assessment fee starting in January 2027. The new rates will be determined through a rulemaking process involving extensive stakeholder engagement.

Between FY22-FY25, the Brand Division's annual expenses have increased from \$6M to a projected \$7.6M. The Division's total expenses of \$34.8M since FY22 will outpace total projected revenue of \$32M in FY26. This is due to significant increases in vehicle expenses, personnel costs, and operational overhead beyond the program's control.

Over the past several years, the Division has had to use its cash reserves to cover the increasing expenses. Continuing at the current pace will deplete the program reserves, resulting in a significant deficit well before the 2027 assessment period.

To address this deficit, which has been compounded by inflationary pressures, the Brand Board is proposing to raise inspection and assessment fees while reducing operating costs. Fees would rise by an average of 53%, though the specific increase will vary by inspection type, and the assessment fee would rise by 61%.

The Division has identified areas where it can reduce expenses and will be implementing several initiatives to reduce costs and increase efficiencies. These efforts are forecasted to lower overall expenses approximately \$3M during the 2027-2032 assessment period.

To provide feedback, see a list of [proposed fee increases](#), or get more information about the rulemaking process, please visit our website by scanning the QR code.

**Virtual stakeholder meeting**

Tuesday, May 27 at 11:00 am

Register by scanning the QR code.

