# Second Regular Session Seventy-second General Assembly STATE OF COLORADO

# REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction

LLS NO. 20-0309.02 Thomas Morris x4218

**SENATE BILL 20-055** 

#### SENATE SPONSORSHIP

**Priola and Story,** Fenberg, Foote, Garcia, Gonzales, Hansen, Lee, Moreno, Pettersen, Todd, Williams A., Winter

#### **HOUSE SPONSORSHIP**

Cutter and Arndt,

#### **House Committees**

# Senate Committees Business Labor & Technology

Business, Labor, & Technology Appropriations

### A BILL FOR AN ACT

101	CONCERNING THE EXPANSION OF MARKET MECHANISMS FOR THE
102	FURTHER DEVELOPMENT OF RECYCLING, AND, IN CONNECTION
103	THEREWITH, MAKING AN APPROPRIATION.

## **Bill Summary**

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

## Zero Waste and Recycling Interim Study Committee. Section

1 of the bill directs the pollution prevention advisory board (board) within the department of public health and environment (department) to recommend to the department a structure and governing guidance for a recycling market development center to support the development of SENATE 3rd Reading Unamended June 6, 2020

SENATE Amended 2nd Reading June 5, 2020 end-market businesses within the state. Section 1 also directs the department to conduct a literature review of what industry and other states are doing around the country regarding producer responsibility and to create policy and legislative recommendations regarding the feasibility of requiring producers to design, manage, and finance programs for end-of-life management of their products and packaging as a condition of sale.

Sections 3, 4, and 5 allow the board to use the recycling resources economic opportunity fund and the front range waste diversion cash fund to reimburse eligible recycling businesses for locally assessed personal property taxes paid in the current tax year in this state on personal property. Section 2 directs the board to establish a formula that it would use in awarding personal property tax reimbursements.

**Section 6** requires the department, on and after October 1, 2020, to administer a statewide campaign to educate Colorado residents concerning recycling. The department shall ensure the campaign includes:

- ! Communications delivered via social media;
- ! Television and radio public service announcements; and
- ! The placement of written materials in public locations, such as community centers, recreation centers, and shopping centers.

In administering the campaign, the department shall consult with municipal governments, county governments, and private agencies that operate recycling programs. The department may contract with one or more public or private entities for the preparation of materials to be used in the campaign. The requirement is repealed, effective September 1, 2021.

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

2 SECTION 1. In Colorado Revised Statutes, add 25-16.5-112 and

3 25-16.5-113 as follows:

9

4 25-16.5-112. Recycling market development center -

5 **definitions - repeal.** (1) THE DEPARTMENT SHALL CONVENE

6 STAKEHOLDERS TO INFORM THE DEPARTMENT REGARDING A STRUCTURE

7 AND GOVERNING GUIDANCE FOR A RECYCLING MARKET DEVELOPMENT

8 CENTER, REFERRED TO IN THIS SECTION AS THE "CENTER", TO SUPPORT THE

DEVELOPMENT OF END-MARKET BUSINESSES WITHIN THE STATE BY

10 ACHIEVING THE GOALS OF THE CENTER AS SPECIFIED IN SUBSECTION (3) OF

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1	THIS SECTION. IN CONVENING STAKEHOLDERS, THE DEPARTMENT SHALL
2	INCLUDE A BROAD RANGE OF EXPERTISE, INCLUDING:
3	(a) Institutions of higher education;
4	(b) EXPERTS IN RECYCLING VARIOUS TYPES OF MATERIALS
5	INCLUDING CONSTRUCTION AND DEMOLITION WASTE, ORGANICS, TEXTILES,
6	ELECTRONICS, PLASTICS, FIBER, GLASS, ALUMINUM, AND METALS;
7	(c) Waste Haulers;
8	(d) MATERIAL RECOVERY FACILITY OPERATORS;
9	(e) Brokers; and
10	(f) OTHERS.
11	(2) The <u>department</u> , in collaboration with the
12	STAKEHOLDERS, SHALL:
13	(a) REVIEW WHAT OTHER STATES HAVE DONE TO CREATE
14	RECYCLING MARKET DEVELOPMENT CENTERS;
15	(b) Explore funding opportunities for the center, both
16	PRIVATE AND PUBLIC; AND
17	(c) REPORT TO THE GENERAL ASSEMBLY'S COMMITTEES WITH
18	JURISDICTION OVER SOLID WASTE AND RECYCLING ON THE RECOMMENDED
19	STRUCTURE, STAKEHOLDER ENGAGEMENT POLICIES, AND CENTER
20	GOVERNING GUIDANCE BY JULY 1, 2021.
21	(3) THE GOALS OF THE CENTER ARE TO ASSIST EXISTING AND NEW
22	END-MARKET RECYCLING BUSINESSES THAT PROCESS OR REUSE
23	RECYCLABLE MATERIALS INTO NEW PRODUCTS SOLD OR OTHERWISE
24	FURNISHED TO END USERS BY:
25	(a) EVALUATING THE SHORT- AND LONG-TERM CAPACITY OF
26	EXISTING MARKETS TO USE THE CURRENT AND FUTURE QUANTITIES OF
2.7	RECYCLARIE MATERIALS AND OPPORTUNITIES TO EXPAND EXISTING

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1	MARKETS,
2	(b) IDENTIFYING POTENTIAL END-MARKET BUSINESS TARGETS AND
3	FEASIBLE INCENTIVES THAT THE STATE MAY OFFER TO BRING THESE
4	BUSINESSES TO COLORADO;
5	(c) DEVELOPING A RECYCLABLE MATERIAL DATABASE TO IDENTIFY
6	HOW MUCH RECYCLABLE MATERIAL IS AVAILABLE AND FROM WHAT
7	SOURCES AND REGIONS;
8	(d) RECOMMENDING STATE AND LOCAL POLICIES TO INCREASE THE
9	SUPPLY OF RECYCLABLE MATERIALS TO SUPPORT END-MARKET
10	BUSINESSES;
11	(e) Connecting end-market businesses with funding
12	ASSISTANCE INCLUDING GRANTS, LOANS, AND TAX BREAKS AVAILABLE
13	THROUGH THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT CREATED
14	IN SECTION 24-48.5-101, THE DEPARTMENT, AND OTHER SOURCES AND
15	EXPANDING AND DIVERSIFYING THESE FUNDING SOURCES;
16	(f) PROVIDING MATERIAL-SPECIFIC RESEARCH AND BUSINESS
17	DEVELOPMENT ASSISTANCE FOR NEW AND EXPANDED END-MARKET
18	BUSINESSES TO CREATE AND EXPAND RECYCLING PROCESSING
19	INFRASTRUCTURE;
20	(g) RECOMMENDING PUBLIC OUTREACH CAMPAIGNS, WHICH MAY
21	BE MATERIAL-SPECIFIC, TO INCREASE THE SUPPLY AND QUALITY OF
22	RECYCLABLE MATERIALS; AND
23	(h) INTEGRATING THE CENTER'S EFFORTS WITH THE STATE SOLID
24	WASTE PLAN DEVELOPED PURSUANT TO SECTION 30-20-100.5 (1)(d)(II)
25	AND THE CLIMATE ACTION PLAN DEVELOPED PURSUANT TO SECTION
26	24-20-111 (2)(a).
27	(4) AS USED IN THIS SECTION:

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1	(a) "END-MARKET BUSINESS" MEANS A BUSINESS, OR A PORTION OF
2	A BUSINESS, THAT PROCESSES RECYCLABLE MATERIALS OR REUSES
3	RECYCLABLE MATERIALS IN NEW PRODUCTS SOLD OR OTHERWISE
4	FURNISHED TO END USERS.
5	(b) "RECYCLABLE MATERIALS":
6	(I) MEANS ANY TYPE OF DISCARDED OR WASTE MATERIAL THAT IS
7	NOT REGULATED UNDER SECTION 25-8-205 (1)(e) AND CAN BE REUSED,
8	REMANUFACTURED, RECLAIMED, OR RECYCLED, INCLUDING COMPOSTABLE
9	ORGANIC MATERIAL AND CONSTRUCTION AND DEMOLITION MATERIALS;
10	AND
11	(II) DOES NOT INCLUDE INDUSTRIAL MATERIALS, PAINT, OR A
12	WASTE TIRE AS DEFINED IN SECTION 30-20-1402 (12).
13	(5) This section is repealed, effective September 1, 2022.
14	25-16.5-113. Producer responsibility literature review-report
15	- repeal. (1) The department shall conduct a literature review
16	OF WHAT INDUSTRY AND OTHER STATES ARE DOING AROUND THE COUNTRY
17	REGARDING PRODUCER RESPONSIBILITY AND CREATE POLICY AND
18	LEGISLATIVE RECOMMENDATIONS REGARDING THE FEASIBILITY OF
19	REQUIRING PRODUCERS TO DESIGN, MANAGE, AND FINANCE PROGRAMS FOR
20	END-OF-LIFE MANAGEMENT OF THEIR PRODUCTS AND <u>PACKAGING</u> ,
21	INCLUDING THE POTENTIAL IMPACT ON END MARKETS FOR THE MATERIALS,
22	AS A CONDITION OF SALE.
23	(2) By July 1, 2021, the department shall report to the
24	GENERAL ASSEMBLY'S COMMITTEES WITH JURISDICTION OVER SOLID
25	WASTE REGARDING ITS POLICY AND LEGISLATIVE RECOMMENDATIONS
26	BASED ON THE LITERATURE REVIEW.
27	(3) This section is repealed, effective September 1, 2022.

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1	<b>SECTION 2.</b> In Colorado Revised Statutes, 25-16.5-105, add
2	(1)(n) as follows:
3	25-16.5-105. Powers and duties of advisory board - definitions.
4	(1) The advisory board has the following powers and duties:
5	(n) (I) IN CONSULTATION WITH THE POLLUTION PREVENTION
6	ADVISORY BOARD ASSISTANCE COMMITTEE CREATED IN SECTION
7	25-16.5-105.5 (2), TO DEVELOP A FORMULA FOR REIMBURSING A NEW OR
8	EXISTING BUSINESS, OR A PORTION OF A BUSINESS, THAT RECLAIMS OR
9	RECYCLES RECYCLABLE MATERIALS FOR LOCALLY ASSESSED PERSONAL
10	PROPERTY TAXES THE BUSINESS PAID ON PERSONAL PROPERTY ASSOCIATED
11	WITH NEW OR EXISTING WASTE DIVERSION OPERATIONS. <u>The</u>
12	REIMBURSEMENT FORMULA MUST EXCLUDE THE FIRST EIGHTEEN
13	THOUSAND DOLLARS IN ACTUAL VALUE THAT IS OTHERWISE ELIGIBLE FOR
14	THE INCOME CREDIT AUTHORIZED BY SECTION 39-22-537.5. THE ADVISORY
15	BOARD MAY SET CRITERIA OR LIMITS FOR REIMBURSEMENT BUT NEED NOT
16	ACTUALLY MAKE A REIMBURSEMENT. REIMBURSEMENTS ARE PAYABLE
17	ONLY FROM THE FOLLOWING SOURCES:
18	(A) FOR AN ELIGIBLE RECYCLING BUSINESS THAT PAID LOCALLY
19	ASSESSED PERSONAL PROPERTY TAX ON PERSONAL PROPERTY LOCATED
20	OUTSIDE THE FRONT RANGE, FROM MONEY APPROPRIATED TO THE
21	RECYCLING RESOURCES ECONOMIC OPPORTUNITY FUND PURSUANT TO
22	SECTION 25-16.5-106.5 (1)(a)(II); AND
23	(B) FOR AN ELIGIBLE RECYCLING BUSINESS THAT PAID LOCALLY
24	ASSESSED PERSONAL PROPERTY TAX ON PERSONAL PROPERTY LOCATED IN
25	THE FRONT RANGE, FROM MONEY IN THE FRONT RANGE WASTE DIVERSION
26	CASH FUND PURSUANT TO SECTION 25-16.5-111 (4)(b)(IV).
7	(II) $\Delta c$ used in this subsection (1)(n):

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1	(A) FRONT RANGE HAS THE MEANING SET FORTH IN SECTION
2	25-16.5-111 (2)(f).
3	(B) "RECYCLABLE MATERIALS" MEANS ANY TYPE OF DISCARDED
4	OR WASTE MATERIAL THAT IS NOT REGULATED UNDER SECTION $25-8-205$
5	(1)(e) AND CAN BE REUSED, REMANUFACTURED, RECLAIMED, OR
6	RECYCLED, INCLUDING COMPOSTABLE ORGANIC MATERIAL AND
7	CONSTRUCTION AND DEMOLITION MATERIALS. "RECYCLABLE MATERIALS"
8	DOES NOT INCLUDE INDUSTRIAL MATERIALS, PAINT, OR A WASTE TIRE AS
9	DEFINED IN SECTION 30-20-1402 (12).
10	SECTION 3. In Colorado Revised Statutes, 25-16.5-106.5,
11	amend (1)(a) introductory portion, (1)(a)(II), and (2) as follows:
12	25-16.5-106.5. Recycling resources economic opportunity fund
13	- creation - repeal. (1) (a) The recycling resources economic opportunity
14	fund, is hereby created in the state treasury, referred to in this section as
15	the "fund", is hereby created in the state treasury. The fund $\frac{1}{2}$
16	consist CONSISTS of:
17	(II) Any moneys MONEY appropriated to the fund by the general
18	assembly, INCLUDING MONEY APPROPRIATED FOR PERSONAL PROPERTY
19	TAX REIMBURSEMENTS FOR ELIGIBLE RECYCLING BUSINESSES PURSUANT
20	TO SECTION <u>25-16.5-105</u> (1)(n); and
21	(2) Any moneys THE MONEY generated pursuant to subsection (1)
22	of this section shall be annually appropriated to the department: for
23	allocation to the advisory board
24	(a) For the purpose of funding the recycling resources economic
25	opportunity activities authorized by section 25-16.5-106.7, as well as any
26	administrative costs associated therewith, including without limitation the
27	grants authorized to be made under section 25-16.5-106.7 (3) and grant

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1	program oversight authorized by section 25-16.5-105.5 (3); AND
2	(b) Such moneys may also be used To fund studies pursuant to
3	section SECTIONS 25-16.5-105 (1)(i), 25-16.5-112 (2), AND 25-16.5-113,
4	TO MAKE REIMBURSEMENTS PURSUANT TO SECTION 25-16.5-106.7 (6.5),
5	AND TO FINANCE THE STATEWIDE CAMPAIGN DESCRIBED IN SECTION
6	<u>25-17-108.</u>
7	SECTION 4. In Colorado Revised Statutes, 25-16.5-106.7, add
8	(6.5) as follows:
9	25-16.5-106.7. Recycling resources economic opportunity
10	program - grants - definitions - repeal. (6.5) (a) IN ADDITION TO
11	AWARDING GRANTS PURSUANT TO SUBSECTION (4) OF THIS SECTION, THE
12	ADVISORY BOARD MAY USE MONEY IN THE FUND TO REIMBURSE, IN
13	ACCORDANCE WITH SECTION 25-16.5-105 (1)(n), ELIGIBLE RECYCLING
14	BUSINESSES FOR LOCALLY ASSESSED PERSONAL PROPERTY TAXES PAID IN
15	THE CURRENT TAX YEAR IN THIS STATE ON PERSONAL PROPERTY THAT IS
16	LOCATED OUTSIDE THE FRONT RANGE, AS DEFINED IN SECTION 25-16.5-111
17	(2)(f).
18	(b) A PERSON THAT APPLIES FOR REIMBURSEMENT PURSUANT TO
19	THIS SUBSECTION (6.5) MUST INFORM THE ADVISORY BOARD, IN A FORM
20	AND MANNER SPECIFIED BY THE ADVISORY BOARD, OF THE TYPE OF
21	BUSINESS PERSONAL PROPERTY THAT WAS SUBJECT TO THE TAXES AND
22	HOW THE PROPERTY WILL HELP DEVELOP RECYCLING MARKETS.
23	SECTION 5. In Colorado Revised Statutes, 25-16.5-111, amend
24	(4)(b)(II) and (4)(b)(III); and <b>add</b> (4)(b)(IV) as follows:
25	25-16.5-111. Front range waste diversion enterprise -
26	legislative declaration - fund - goals - grant program - personal
27	property tax reimbursements - gifts, grants, or donations - definitions

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1	- repeal. (4) Fund. (b) Money in the fund is continuously appropriated
2	to the enterprise to:
3	(II) Award grants in accordance with this section; and
4	(III) Provide technical assistance to eligible entities to promote
5	diversion, including through the development and implementation of
6	policy; AND
7	(IV) (A) REIMBURSE, AT THE BOARD'S DISCRETION, ELIGIBLE
8	RECYCLING BUSINESSES FOR LOCALLY ASSESSED PERSONAL PROPERTY
9	TAXES PAID IN THE CURRENT TAX YEAR IN THIS STATE ON PERSONAL
10	PROPERTY THAT IS LOCATED IN THE FRONT RANGE. THE FIRST EIGHTEEN
11	THOUSAND DOLLARS IN ACTUAL VALUE THAT IS OTHERWISE ELIGIBLE FOR
12	THE INCOME CREDIT AUTHORIZED BY SECTION 39-22-537.5 IS NOT
13	ELIGIBLE FOR REIMBURSEMENT.
14	(B) A PERSON THAT APPLIES FOR REIMBURSEMENT PURSUANT TO
15	THIS SUBSECTION (4)(b)(IV) MUST INFORM THE ENTERPRISE, IN A FORM
16	AND MANNER SPECIFIED BY THE ENTERPRISE, OF THE TYPE OF BUSINESS
17	PERSONAL PROPERTY THAT WAS SUBJECT TO THE TAXES AND HOW THE
18	PROPERTY WILL HELP DEVELOP RECYCLING MARKETS.
19	SECTION 6. In Colorado Revised Statutes, add 25-17-108 as
20	follows:
21	25-17-108. Statewide education campaign concerning
22	recycling - repeal. (1) AS SOON AS PRACTICABLE, THE DEPARTMENT OF
23	PUBLIC HEALTH AND ENVIRONMENT, REFERRED TO IN THIS SECTION AS THE
24	"DEPARTMENT", SHALL ADMINISTER A STATEWIDE CAMPAIGN TO EDUCATE
25	COLORADO RESIDENTS CONCERNING RECYCLING. THE OBJECTIVES OF THE
26	STATEWIDE CAMPAIGN ARE TO:
27	(a) INCREASE RECYCLING AMONG RESIDENTS; AND

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AND SPECIFIC RECYCLING HABITS THAT CAN INCREASE THE EFFICIENCY OF
RECYCLING EFFORTS IN COLORADO.
(2) THE DEPARTMENT SHALL ENSURE THE STATEWIDE CAMPAIGN
INCLUDES:
(a) COMMUNICATIONS DELIVERED VIA SOCIAL MEDIA;
(b) TELEVISION AND RADIO PUBLIC SERVICE ANNOUNCEMENTS;
AND
(c) THE PLACEMENT OF WRITTEN MATERIALS IN PUBLIC
LOCATIONS, SUCH AS COMMUNITY CENTERS, RECREATION CENTERS, AND
SHOPPING CENTERS.
(3) IN ADMINISTERING THE STATEWIDE CAMPAIGN DESCRIBED IN
SUBSECTION (1) OF THIS SECTION, THE DEPARTMENT SHALL CONSULT WITH
MUNICIPAL GOVERNMENTS, COUNTY GOVERNMENTS, AND PRIVATE
AGENCIES THAT OPERATE RECYCLING PROGRAMS.
(4) THE DEPARTMENT MAY CONTRACT WITH ONE OR MORE PUBLIC
OR PRIVATE ENTITIES FOR THE PREPARATION OF MATERIALS TO BE USED IN
THE STATEWIDE CAMPAIGN DESCRIBED IN SUBSECTION (1) OF THIS
SECTION.
(5) This section is repealed, effective September 1, 2021.
SECTION 7. Appropriation. For the 2020-21 state fiscal year,
\$985,283 is appropriated to the department of public health and
environment for use by the division environmental health and
sustainability. This appropriation is from the recycling resources
economic opportunit fund created in section 25-16.5-106.5 (1)(a), C.R.S.,
and is based on an assumption that the division will require an additional
2.1 FTE. To implement this act, the division may use this appropriation

(b) EDUCATE RESIDENTS ABOUT SPECIFIC RECYCLABLE MATERIALS

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**SECTION** <u>8.</u> Act subject to petition - effective date - applicability. (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general <u>assembly:</u> except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November <u>2022</u> and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) This act applies to conduct occurring on or after the applicable effective date of this act.

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