

**First Regular Session
Seventy-first General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 17-0357.01 Thomas Morris x4218

SENATE BILL 17-047

SENATE SPONSORSHIP

Coram,

HOUSE SPONSORSHIP

(None),

Senate Committees

Agriculture, Natural Resources, & Energy

House Committees

A BILL FOR AN ACT

101 **CONCERNING ADDITIONAL INCENTIVES FOR THE BENEFICIAL USE OF**
102 **COLORADO WASTE TIRES.**

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 <http://leg.colorado.gov/>.)

Under current law:

- ! A generator of a waste tire pays a per tire fee, which the solid and hazardous waste commission can reduce by rule below its statutory level of \$1.50. The fee is distributed as follows: 30% to the waste tire administration, enforcement, and cleanup fund; 65% to the end users fund; and 5% to the

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

waste tire market development fund;

- ! To be eligible for a rebate from the end users fund for the use of whole waste tires, an end user must use the waste tire to generate energy or fuel; and
- ! Effective January 1, 2018, the waste tire fee is reduced to 55 cents, the end users fund and the waste tire market development fund will be repealed, and all of the money from the waste tire fee will be credited to the waste tire administration, enforcement, and cleanup fund.

Section 1 of the bill includes within the definition of an "end user" a person who uses a whole waste tire, when baled with other waste tires, for an agricultural purpose. **Section 2** changes the amount of the waste tire fee and its allocation to the 3 funds as follows:

- ! Until December 31, 2021, the fee cannot exceed \$1.50;
- ! From January 1, 2022 through December 31, 2022, the fee cannot exceed \$1.25;
- ! On and after January 1, 2023, the fee cannot exceed \$1;
- ! The state treasurer will distribute the fees as follows:
 - ! Until December 31, 2021, 30% to the waste tire administration, enforcement, and cleanup fund; 65% to the end users fund; and 5% to the waste tire market development fund;
 - ! Effective January 1, 2022, through December 31, 2022, 36% to the waste tire administration, enforcement, and cleanup fund; 55% to the end users fund; and 9% to the waste tire market development fund;
 - ! Effective January 1, 2023, through December 31, 2023, 30% to the waste tire administration, enforcement, and cleanup fund; 65% to the end users fund; and 5% to the waste tire market development fund; and
 - ! On and after January 1, 2024, 45% to the waste tire administration, enforcement, and cleanup fund; and 55% to the waste tire market development fund.

Section 3 extends the repeal date of the end users fund to January 1, 2024. **Section 4** eliminates the January 1, 2018, repeal of the waste tire market development fund and modifies the grant and loan program financed by the fund to specify that:

- ! The commission must, by rule, allocate a minimum percentage of the fund's revenue to the grant and loan program; and
- ! If the recipient of a loan complies with the terms of the loan during an initial period, the loan converts to a grant.

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

2 **SECTION 1.** In Colorado Revised Statutes, 30-20-1402, **amend**
3 (4)(b) as follows:

4 **30-20-1402. Definitions - repeal.** As used in this part 14, unless
5 the context otherwise requires:

6 (4) "End user" means a person who:

7 (b) Uses a whole waste tire:

8 (I) To generate energy or fuel; or

9 (II) WHEN BALED WITH OTHER WHOLE WASTE TIRES FOR AN
10 AGRICULTURAL PURPOSE; OR

11 **SECTION 2.** In Colorado Revised Statutes, 30-20-1403, **amend**
12 (1)(a) and (2) as follows:

13 **30-20-1403. Waste tire fee - distribution - rules - repeal.**

14 (1) (a) (I) Retailers of new motor vehicle tires and new trailer tires shall
15 collect a waste tire fee ON THE SALE OF EACH NEW TIRE in an amount to be
16 set by the commission, by rule, not to exceed ~~one dollar and fifty cents on~~
17 ~~the sale of each new tire; except that, effective on and after January 1,~~
18 ~~2018, the waste tire fee is fifty-five cents on the sale of each new tire~~ THE
19 AMOUNTS SPECIFIED IN SUBSECTION (1)(a)(II) OF THIS SECTION. The
20 receipt from the retailer to the customer for every new tire must contain
21 the following statement in the largest bold-faced type capable based on
22 point-of-sale software and on existing invoice printers, not to exceed
23 fifteen points: "Section 30-20-1403, Colorado Revised Statutes, requires
24 retailers to collect a waste tire fee set by the solid and hazardous waste
25 commission on the sale of each new motor vehicle tire and each new
26 trailer tire."

1 (II) (A) UNTIL DECEMBER 31, 2021, THE FEE CANNOT EXCEED ONE
2 DOLLAR AND FIFTY CENTS. EFFECTIVE JANUARY 1, 2022, THROUGH
3 DECEMBER 31, 2022, THE FEE CANNOT EXCEED ONE DOLLAR AND
4 TWENTY-FIVE CENTS. THIS SUBSECTION (1)(a)(II)(A) IS REPEALED,
5 EFFECTIVE JANUARY 1, 2023.

6 (B) ON AND AFTER JANUARY 1, 2023, THE FEE CANNOT EXCEED
7 ONE DOLLAR.

8 (2) (a) (I) Until December 31, ~~2017~~ 2021, the state treasurer shall
9 distribute the revenue from the fee assessed in subsection (1) of this
10 section as follows:

11 ~~(H)~~ (A) Thirty percent to the waste tire administration,
12 enforcement, and cleanup fund created in section 30-20-1404;

13 ~~(H)~~ (B) Sixty-five percent to the end users fund created in section
14 30-20-1405; and

15 ~~(H)~~ (C) Five percent to the waste tire market development fund
16 created in section 30-20-1406.

17 (II) THIS SUBSECTION (2)(a) IS REPEALED, EFFECTIVE JANUARY 1,
18 2023.

19 (b) (I) Effective January 1, ~~2018~~ 2022, THROUGH DECEMBER 31,
20 2022, the state treasurer shall distribute ~~all of~~ the revenue from the fee
21 assessed in subsection (1) of this section AS FOLLOWS:

22 (A) THIRTY-SIX PERCENT to the waste tire administration,
23 enforcement, and cleanup fund created in section 30-20-1404;

24 (B) FIFTY-FIVE PERCENT TO THE END USERS FUND CREATED IN
25 SECTION 30-20-1405; AND

26 (C) NINE PERCENT TO THE WASTE TIRE MARKET DEVELOPMENT
27 FUND CREATED IN SECTION 30-20-1406.

1 (II) THIS SUBSECTION (2)(b) IS REPEALED, EFFECTIVE JANUARY 1,
2 2024.

3 (c) (I) EFFECTIVE JANUARY 1, 2023, THROUGH DECEMBER 31,
4 2023, THE STATE TREASURER SHALL DISTRIBUTE THE REVENUE FROM THE
5 FEE ASSESSED IN SUBSECTION (1) OF THIS SECTION AS FOLLOWS:

6 (A) THIRTY PERCENT TO THE WASTE TIRE ADMINISTRATION,
7 ENFORCEMENT, AND CLEANUP FUND CREATED IN SECTION 30-20-1404;

8 (B) SIXTY-FIVE PERCENT TO THE END USERS FUND CREATED IN
9 SECTION 30-20-1405; AND

10 (C) FIVE PERCENT TO THE WASTE TIRE MARKET DEVELOPMENT
11 FUND CREATED IN SECTION 30-20-1406.

12 (II) THIS SUBSECTION (2)(c) IS REPEALED, EFFECTIVE JANUARY 1,
13 2025.

14 (d) ON AND AFTER JANUARY 1, 2024, THE STATE TREASURER
15 SHALL DISTRIBUTE THE REVENUE FROM THE FEE ASSESSED IN SUBSECTION
16 (1) OF THIS SECTION AS FOLLOWS:

17 (I) FORTY-FIVE PERCENT TO THE WASTE TIRE ADMINISTRATION,
18 ENFORCEMENT, AND CLEANUP FUND CREATED IN SECTION 30-20-1404;
19 AND

20 (II) FIFTY-FIVE PERCENT TO THE WASTE TIRE MARKET
21 DEVELOPMENT FUND CREATED IN SECTION 30-20-1406.

22 **SECTION 3.** In Colorado Revised Statutes, 30-20-1404, **amend**
23 (1) as follows:

24 **30-20-1404. Waste tire administration, enforcement, and**
25 **cleanup fund - creation - rules.** (1) There is hereby created in the state
26 treasury the waste tire administration, enforcement, and cleanup fund,
27 referred to in this section as the "fund", consisting of the fee revenue

1 credited pursuant to section 30-20-1403 ~~(2)(a)(I) or (2)(b)~~ (2) and any
2 other ~~moneys~~ MONEY appropriated to it. The general assembly shall
3 annually appropriate the ~~moneys~~ MONEY in the fund to the department for
4 its direct and indirect administrative and enforcement costs in
5 administering and enforcing this part 14. The state treasurer shall credit
6 all interest earned on the investment of ~~moneys~~ MONEY in the fund to the
7 fund. Any unexpended and unencumbered ~~moneys~~ MONEY in the fund at
8 the end of any fiscal year ~~remain~~ REMAINS in the fund and ~~do~~ DOES not
9 revert to the general fund or any other fund.

10 **SECTION 4.** In Colorado Revised Statutes, 30-20-1405, **amend**
11 (1) and (5) as follows:

12 **30-20-1405. End users fund - creation - monthly rebates - rules**
13 **- repeal.** (1) There is hereby created in the state treasury the end users
14 fund, referred to in this section as the "fund", consisting of the fee
15 revenue credited pursuant to section 30-20-1403 ~~(2)(a)(H) or (2)(b)~~ (2).
16 The state treasurer shall credit all interest and any other return on the
17 investment of ~~moneys~~ MONEY in the fund to the fund. Any unexpended
18 and unencumbered ~~moneys~~ MONEY remaining in the fund at the end of
19 any fiscal year ~~remain~~ REMAINS in the fund and ~~do~~ DOES not revert to the
20 general fund or any other fund. The fund is subject to annual
21 appropriation by the general assembly to the department for the purposes
22 specified in this section.

23 (5) This section is repealed, effective January 1, ~~2018~~ 2024.

24 **SECTION 5.** In Colorado Revised Statutes, 30-20-1406, **amend**
25 (1) and (2)(g); and **repeal** (5) as follows:

26 **30-20-1406. Waste tire market development fund - creation -**
27 **incentive programs - legislative declaration.** (1) There is hereby

1 created in the state treasury the waste tire market development fund,
2 referred to in this section as the "fund", consisting of revenues credited
3 pursuant to section 30-20-1403 ~~(2)(a)(III) or (2)(b)~~ (2). The state treasurer
4 shall credit all interest and any other return on the investment of ~~moneys~~
5 MONEY in the fund to the fund. Any unexpended and unencumbered
6 ~~moneys~~ MONEY in the fund at the end of any fiscal year ~~remain~~ REMAINS
7 in the fund and ~~do~~ DOES not revert to the general fund or any other fund.
8 The fund is subject to annual appropriation by the general assembly to the
9 department for the purposes specified in this section.

10 (2) The department shall use the fund:

11 (g) To establish a waste tire innovative technology business
12 development grant, loan, and incentive funding program that will assist
13 in the creation of waste tire business opportunities and market
14 development activities and the creation of waste tire recycling jobs. THE
15 COMMISSION SHALL ESTABLISH BY RULE A MINIMUM PERCENTAGE OF THE
16 MONEY CREDITED TO THE FUND THAT MUST BE ALLOCATED TO THE GRANT.
17 IF THE RECIPIENT OF A LOAN COMPLIES WITH ALL APPLICABLE
18 REQUIREMENTS OF THE LOAN DURING A PRELIMINARY PERIOD
19 ESTABLISHED BY THE COMMISSION BY RULE AFTER RECEIPT OF THE LOAN
20 PROCEEDS, THE LOAN IS CONVERTED TO A GRANT.

21 (5) ~~This section is repealed, effective January 1, 2018.~~

22 **SECTION 6. Act subject to petition - effective date -**
23 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
24 the expiration of the ninety-day period after final adjournment of the
25 general assembly (August 9, 2017, if adjournment sine die is on May 10,
26 2017); except that, if a referendum petition is filed pursuant to section 1
27 (3) of article V of the state constitution against this act or an item, section,

1 or part of this act within such period, then the act, item, section, or part
2 will not take effect unless approved by the people at the general election
3 to be held in November 2018 and, in such case, will take effect on the
4 date of the official declaration of the vote thereon by the governor.

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