



**Colorado
Legislative
Council
Staff**

HB17-1275

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 17-0338
Prime Sponsor(s): Rep. Winter
Sen. Priola

Date: April 12, 2017
Bill Status: House Transportation
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BILL TOPIC: INCREASE SOLID WASTE DIVERSION

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue		
State Expenditures	<u>\$142,173</u>	<u>\$155,744</u>
Cash Funds	108,275	116,247
Centrally Appropriated Costs	44,729	39,497
FTE Position Change	1.2 FTE	1.5 FTE
Appropriation Required: \$108,275 - Multiple Agencies (FY 2017-18).		
Future Year Impacts: Ongoing increase in expenditures.		

Summary of Legislation

This bill requires the Colorado Department of Public Health and Environment (CDPHE) and the Office of Economic Development and International Trade (OEDIT) to assist in increasing solid waste diversion in the state, and requires landfills and local governments to begin collecting solid waste data. The bill requires CDPHE to:

- provide technical assistance to communities and counties;
- assist in data collection and reporting;
- provide grant-writing training and assistance;
- help local governments establish mechanisms to track county-wide data;
- encourage and assist with planning for regional waste management facilities;
- evaluate waste diversion reports from local governments;
- establish voluntary waste diversion goals for the next twenty years by February 1, 2020;
- report to the General Assembly on solid waste and diversion information and progress towards diversion goals by December 31 of each year; and
- publish solid waste and diversion information and progress towards diversion goals on the agency website by July 1 of each year.

The bill requires OEDIT to:

- provide business development assistance;
- facilitate networking and collaboration between governments, businesses, and end users for improving recovered material use in Colorado; and
- annually report to the General Assembly on its activities.

The bill requires landfills to begin collecting solid waste data in 2018 and to begin reporting on this collection quarterly to CDPHE in 2019. Local governments are encouraged to begin collecting solid waste data in 2018 and to report to CDPHE on March 15, 2019, and March 15, 2020. Local governments are encouraged to begin collecting data in 2018 and to report to CDPHE by March 15, 2020, on the types of waste diversion efforts they have in place. Data collection for local governments is mandatory beginning in 2020 and annual reporting is mandatory beginning March 15, 2022. Beginning in 2020, a local government that files a required report on time has priority in receiving a Recycling Resources Economic Opportunity Program grant award.

Background

The Solid Waste Program at CDPHE regulates solid waste landfills. The regulatory oversight for landfills includes facility permitting and compliance inspections. There are 63 solid waste landfills operating in Colorado.

The Recycling Resources Economic Opportunity Program was established in 2007 to help develop and expand recycling and waste diversion infrastructure and support waste diversion activities in the state through a grant and rebate program. The program is funded by the solid waste user fee paid by landfills. The fee is assessed as a tipping fee based on how much waste is disposed at each landfill by either weight or volume and deposited into the Recycling Resources Economic Opportunity Fund.

State Expenditures

This bill will increase expenditures by \$142,173 and 1.2 FTE in FY 2017-18 and \$155,744 and 1.5 FTE in FY 2018-19 from the Recycling Resources Economic Opportunity Fund. These costs are shown in Table 1 and explained below.

Department of Public Health and Environment. CDPHE will add one environmental protection specialist beginning in FY 2017-18 to provide the assistance to local governments. The 1.0 FTE are prorated to 0.8 FTE in FY 2017-18. Costs include operating expenses and capital outlay as well as staff travel and room rental fees for training.

Office of Economic Development and International Trade. OEDIT will add 0.5 FTE project manager to provide economic development assistance related to diversion of solid waste to businesses and communities. The 0.5 FTE is prorated to 0.4 FTE for FY 2017-18. Costs include operating expenses and capital outlay as well as staff travel.

Table 1. Expenditures Under HB17-1275		
Cost Components	FY 2017-18	FY 2018-19
Personal Services	\$85,469	\$102,562
FTE	1.2 FTE	1.5 FTE
Operating Expenses and Capital Outlay Costs	10,546	1,425
Travel and Meeting Costs	12,260	12,260
Centrally Appropriated Costs*	33,898	39,497
TOTAL	\$142,173	\$155,744

* Centrally appropriated costs are not included in the bill's appropriation.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2.

Table 2. Centrally Appropriated Costs Under HB17-1275		
Cost Components	FY 2017-18	FY 2018-19
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$9,727	\$12,151
Supplemental Employee Retirement Payments ⁷⁶⁵⁹	7,659	9,190
Indirect Costs	16,512	18,156
TOTAL	\$33,898	\$39,497

Local Government Impact

In the short term, this bill will increase workload for local governments that choose to collect and report on solid waste data and waste diversion efforts. Beginning in 2020, when the data collection and reporting becomes mandatory, the bill will increase workload for all local governments with landfills. Local governments that are working to get their landfills into compliance with state and federal regulations will have increased workload and possibly cost increases to comply with the bill. Larger counties that are not facing compliance issues with their landfills will also have increased workload and costs but may be better able to address the data collection and reporting requirements.

Departmental Difference

The CDPHE recommended the addition of 2.0 FTE of environmental protection specialists and OEDIT recommended 1.0 FTE of a project manager to implement the bill. The bill expands a program that currently has 1.4 FTE to provide additional consultation and data analysis. While it requires the CDPHE to establish voluntary waste diversion goals, the deadline for that plan is not until February 1, 2020. The fiscal note assumes that 1.0 FTE can provide sufficient consultation to landfills and local governments on data collection and solid waste diversion. OEDIT's responsibilities under the bill have no set deadlines or measurable outcomes specified, so the fiscal note cannot justify a full FTE.

Effective Date

The bill takes effect August 9, 2017, if the General Assembly adjourns on May 10, 2017, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2017-18, the following appropriations are required from the Recycling Resources Economic Opportunity Fund:

- \$70,264 to the Department of Public Health and Environment, and an allocation of 0.8 FTE; and
- \$38,011 to the Office of Economic Development and International Trade, and an allocation of 0.4 FTE.

State and Local Government Contacts

Counties
Information Technology
Municipalities
Public Health And Environment
Office of Economic Development and International Trade