

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

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

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,

Senate Committees

Business, Labor, & Technology
Appropriations

House Committees

Energy & Environment
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 <http://leg.colorado.gov/>.)

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

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

HOUSE
Amended 2nd Reading
June 10, 2020

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:
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
9 DEVELOPMENT OF END-MARKET BUSINESSES WITHIN THE STATE BY
10 ACHIEVING THE GOALS OF THE CENTER AS SPECIFIED IN SUBSECTION (3) OF

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 DEPARTMENT, 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
27 RECYCLABLE MATERIALS AND OPPORTUNITIES TO EXPAND EXISTING

- 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:

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 PACKAGING,
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.

1 **SECTION 2.** 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. THE
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).

27 (II) AS USED IN THIS SUBSECTION (1)(n):

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 ~~shall~~
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 25-16.5-105 (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

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 25-17-108.

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 **add** (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**

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

1 (b) EDUCATE RESIDENTS ABOUT SPECIFIC RECYCLABLE MATERIALS
2 AND SPECIFIC RECYCLING HABITS THAT CAN INCREASE THE EFFICIENCY OF
3 RECYCLING EFFORTS IN COLORADO.

4 (2) THE DEPARTMENT SHALL ENSURE THE STATEWIDE CAMPAIGN
5 INCLUDES:

6 (a) COMMUNICATIONS DELIVERED VIA SOCIAL MEDIA;

7 (b) TELEVISION AND RADIO PUBLIC SERVICE ANNOUNCEMENTS;

8 AND

9 (c) THE PLACEMENT OF WRITTEN MATERIALS IN PUBLIC
10 LOCATIONS, SUCH AS COMMUNITY CENTERS, RECREATION CENTERS, AND
11 SHOPPING CENTERS.

12 (3) IN ADMINISTERING THE STATEWIDE CAMPAIGN DESCRIBED IN
13 SUBSECTION (1) OF THIS SECTION, THE DEPARTMENT SHALL CONSULT WITH
14 MUNICIPAL GOVERNMENTS, COUNTY GOVERNMENTS, AND PRIVATE
15 AGENCIES THAT OPERATE RECYCLING PROGRAMS.

16 (4) THE DEPARTMENT MAY CONTRACT WITH ONE OR MORE PUBLIC
17 OR PRIVATE ENTITIES FOR THE PREPARATION OF MATERIALS TO BE USED IN
18 THE STATEWIDE CAMPAIGN DESCRIBED IN SUBSECTION (1) OF THIS
19 SECTION.

20 (5) THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2021.

21 **SECTION 7. Appropriation.** For the 2020-21 state fiscal year,
22 \$985,283 is appropriated to the department of public health and
23 environment for use by the division of environmental health and
24 sustainability. This appropriation is from the recycling resources
25 economic opportunity fund created in section 25-16.5-106.5 (1)(a),
26 C.R.S., and is based on an assumption that the division will require an
27 additional 2.1 FTE. To implement this act, the division may use this

1 appropriation for the recycling resources economic opportunity program.

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

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