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

## REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction SENATE BILL 24-123

LLS NO. 24-0517.01 Christopher McMichael x4775

SENATE SPONSORSHIP

Priola and Hansen, Jaquez Lewis, Winter F.

### **HOUSE SPONSORSHIP**

Mauro and Froelich,

Senate Committees Finance Appropriations **House Committees** 

# A BILL FOR AN ACT

101	<b>CONCERNING THE CREATION OF AN ENTERPRISE THAT IS EXEMPT FROM</b>
102	THE REQUIREMENTS OF SECTION 20 OF ARTICLE X OF THE STATE
103	CONSTITUTION TO ADMINISTER A FEE-BASED WASTE TIRE
104	MANAGEMENT PROGRAM, AND, IN CONNECTION THEREWITH,
105	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 <u>http://leg.colorado.gov.</u>)

The bill creates the waste tire management enterprise (enterprise). Under current law, when a consumer buys new tires, the retailer charges



SENATE Amended 2nd Reading April 16, 2024 the consumer a waste tire fee (fee) that is then collected by the department of public health and environment (department) and distributed into 2 separate cash funds:

- The waste tire administration, enforcement, market development, and cleanup fund; and
- The end users fund.

The department uses the money in the waste tire administration, enforcement, market development, and cleanup fund for various purposes related to waste tire recycling and management. The department uses the money in the end users fund to issue rebates to end users of waste tires.

The bill shifts the following responsibilities from the department to the enterprise:

- Collecting the fee;
- Managing the waste tire administration, enforcement, market development, and cleanup fund and the end users fund;
- Issuing rebates to end users; and
- In conjunction with the solid and hazardous waste commission, overseeing the activities of waste tire haulers, waste tire generators, waste tire collection facilities, waste tire processors, mobile processors, waste tire monofills, end users, and used tire management.

The bill extends the amount of time that the fee may be collected, from December 31, 2025, until December 31, 2040.

The enterprise is operated by a board of directors appointed by the executive director of the department. The enterprise's primary duties and functions are to:

- Collect the fee;
- Promote waste tire recycling and management strategies for Colorado;
- Issue revenue bonds;
- Publish waste tire recycling and management strategies online; and
- Engage the services of contractors, consultants, or legal counsel to provide professional and technical assistance related to the conduct of the enterprise.

Because the enterprise is a government-owned business, the revenue generated by the enterprise is not subject to section 20 of article X of the state constitution.

- 1 Be it enacted by the General Assembly of the State of Colorado:
- 2
- **SECTION 1.** In Colorado Revised Statutes, 30-20-1401, amend

1 (1) and (2) as follows:

30-20-1401. Legislative declaration - rules - enforcement recyclable material. (1) The general assembly hereby finds and declares
 that:

(a) In order to protect the environment and the public health, there
is a special need to address problems created by the disposal of waste tires
and the lack of recycling and beneficial <u>use REUSE</u> of waste tires; It is the
policy of this state to pursue proposals for recycling and other beneficial
use of waste tires in lieu of storage or landfill disposal, and, in addition,
it is the intent of the general assembly

(b) In adopting this part 14, to encourage THE GENERAL ASSEMBLY
HAS ENCOURAGED the development of techniques for resource recovery,
recycling, and reuse of waste tires; and to provide for the management of
waste tires. HOWEVER, THERE IS STILL ROOM FOR IMPROVEMENT
REGARDING THE MANAGEMENT OF WASTE TIRES IN COLORADO;

16 (c) THE MANAGEMENT OF WASTE TIRES AT THE STATE LEVEL
17 PROMOTES ECONOMIC DEVELOPMENT AND PROVIDES SUBSTANTIAL
18 ENVIRONMENTAL IMPACTS ACROSS THE STATE;

19 (d) IT IS IN THE STATE'S INTEREST TO PROVIDE FOR THE RECOVERY,
20 RECYCLING, REUSE, AND MANAGEMENT OF WASTE TIRES THROUGH A
21 GOVERNMENT-RUN ENTERPRISE;

(e) PROVIDING STATEWIDE WASTE TIRE <u>RECYCLING, BENEFICIAL</u>
<u>REUSE,</u> AND MANAGEMENT CONSTITUTES A VALUABLE SERVICE AND
BENEFIT, AND A WASTE TIRE MANAGEMENT ENTERPRISE WOULD PROVIDE
USEFUL BUSINESS SERVICES TO TIRE RETAILERS, AUTOMOBILE DEALERS,
AUTOMOBILE REPAIR SHOPS, SERVICE STATIONS, AUTOMOTIVE FLEET
CENTERS, WASTE TIRE HAULERS, WASTE TIRE COLLECTION FACILITIES,

1 WASTE TIRE PROCESSORS, RECYCLING AND WASTE FACILITIES, LANDFILLS,

2 CONSUMERS, AND ALL RESIDENTS OF COLORADO;

3 (f) THE WASTE TIRE MANAGEMENT ENTERPRISE WILL AID IN THE 4 PROPER MANAGEMENT OF WASTE TIRES BY PROVIDING FINANCIAL 5 INCENTIVES AND REBATES FOR THE RECYCLING OF WASTE TIRES INTO 6 END-USE TIRE-DERIVED PRODUCTS, WHICH FINANCIAL INCENTIVES AND 7 REBATES DIRECTLY COMPENSATE PEOPLE WHO PROPERLY DISPOSE OF OR 8 RECYCLE WASTE TIRES, PROVIDE FEE PAYERS MORE CONVENIENT WASTE 9 TIRE AND DISPOSAL OPTIONS, INCREASE THE PRODUCTION OF TIRE-DERIVED 10 PRODUCTS, AND POSITIVELY IMPACT HUMAN HEALTH AND SAFETY AND 11 THE ENVIRONMENT;

12 (g) IT IS NECESSARY, APPROPRIATE, AND IN THE BEST INTEREST OF
13 THE STATE TO ACKNOWLEDGE THAT, BY PROVIDING THE BUSINESS
14 SERVICES SPECIFIED IN THIS PART 14, THE ENTERPRISE ENGAGES IN AN
15 ACTIVITY CONDUCTED IN THE PURSUIT OF A BENEFIT, GAIN, OR LIVELIHOOD
16 AND THEREFORE OPERATES AS A BUSINESS;

17 (h) CONSISTENT WITH THE DETERMINATION OF THE COLORADO 18 SUPREME COURT IN NICHOLL V. E-470 PUBLIC HIGHWAY AUTHORITY, 896 19 P.2d 859 (Colo. 1995), THAT THE POWER TO IMPOSE TAXES IS 20 INCONSISTENT WITH ENTERPRISE STATUS UNDER SECTION 20 OF ARTICLE 21 X OF THE STATE CONSTITUTION, IT IS THE CONCLUSION OF THE GENERAL 22 ASSEMBLY THAT THE WASTE TIRE ENTERPRISE FEE COLLECTED BY THE 23 ENTERPRISE IS A FEE, NOT A TAX, BECAUSE THE FEE IS IMPOSED FOR THE 24 SPECIFIC PURPOSE OF ALLOWING THE ENTERPRISE TO DEFRAY THE COSTS 25 OF PROVIDING THE BUSINESS SERVICES SPECIFIED IN SECTIONS 30-20-1404 26 AND 30-20-1405 TO CONSUMERS WHO ULTIMATELY PAY THE ENTERPRISE 27 FEE, WHICH ENTERPRISE FEE IS IMPOSED AT RATES THAT ARE REASONABLY

#### 1 CALCULATED BASED ON THE COST OF PROVIDING THE SERVICES NEEDED BY

## 2 <u>THOSE CONSUMERS;</u>

3 (i) SO LONG AS THE ENTERPRISE QUALIFIES AS AN ENTERPRISE FOR 4 THE PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION, 5 THE REVENUE FROM THE WASTE TIRE ENTERPRISE FEE COLLECTED BY THE 6 ENTERPRISE IS NOT STATE FISCAL YEAR SPENDING, AS DEFINED IN SECTION 7 24-77-102(17), OR STATE REVENUES, AS DEFINED IN SECTION 24-77-103.6 8 (6)(c), AND DOES NOT COUNT AGAINST EITHER THE STATE FISCAL YEAR 9 SPENDING LIMIT IMPOSED BY SECTION 20 OF ARTICLE X OF THE STATE 10 CONSTITUTION OR THE EXCESS STATE REVENUES CAP, AS DEFINED IN 11 SECTION 24-77-103.6 (6)(b)(I); AND

12 (j) THE ENTERPRISE CREATED IN THIS PART 14 IS NECESSARY TO 13 CONTINUE COLORADO'S MANAGEMENT OF WASTE TIRES AND PROVIDE 14 INCENTIVES TO LOCAL GOVERNMENTS; FOR-PROFIT WASTE TIRE 15 MANAGEMENT, RECYCLING, AND REUSE COMPANIES; AND OTHER 16 ORGANIZATIONS THAT ARE INVOLVED IN WASTE TIRE <u>RECYCLING</u>, 17 <u>BENEFICIAL REUSE</u>, AND MANAGEMENT.

18 (2) (a) By May 31, 2015, The commission, IN CONSULTATION 19 WITH THE ENTERPRISE, shall promulgate rules for the implementation and 20 enforcement of this part 14. Until the commission promulgates rules to 21 implement and enforce this part 14, the commission's rules in effect on 22 July 1, 2014, governing waste tires continue to apply to the extent that 23 they do not conflict with this part 14 SECTIONS 30-20-1403, 30-20-1404, 24 AND 30-20-1405, AS APPLICABLE. 25 (b) THE COMMISSION, IN CONSULTATION WITH THE DEPARTMENT, 26 SHALL PROMULGATE RULES FOR THE IMPLEMENTATION AND ENFORCEMENT

27 <u>OF SECTIONS 30-20-1403 AND 30-20-1405.5 AND OTHER SECTIONS OF THIS</u>

1 PART 14, AS APPLICABLE.

2 SECTION 2. In Colorado Revised Statutes, 30-20-1402, add
3 (1.7), (4.5), (12.5), and (14.5) as follows:

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

6 (1.7) "BOARD OF DIRECTORS" OR "BOARD" MEANS THE BOARD OF
7 DIRECTORS OF THE ENTERPRISE.

8 (4.5) "ENTERPRISE" MEANS THE WASTE TIRE MANAGEMENT
9 ENTERPRISE CREATED IN SECTION 30-20-1403.

10 (12.5) "WASTE TIRE ADMINISTRATION FEE" OR "ADMINISTRATION
 11 FEE" MEANS MONEY COLLECTED PURSUANT TO SECTION 30-20-1403
 12 (2.5)(b).

13 (14.5) "WASTE TIRE ENTERPRISE FEE" OR "ENTERPRISE FEE" MEANS
 14 MONEY COLLECTED PURSUANT TO SECTION 30-20-1403 (2.5)(a).

 $\frac{\text{MONETCOLLECTED FORSOANT TO SECTION 50-20-1405 (2.5)(a)}{2}$ 

15 SECTION 3. In Colorado Revised Statutes, 30-20-1403, add

16 (1)(c), (1.5), (2)(c), (2.5), and (3) as follows:

17 <u>30-20-1403. Waste tire recycling, beneficial reuse, and</u>
 18 <u>management - waste tire fees - distribution - rules. (1) (c) THIS</u>
 19 <u>SUBSECTION (1) IS REPEALED, EFFECTIVE JULY 1, 2025.</u>

20 (<u>1.5</u>) Enterprise. (a) (<u>I</u>) THERE IS CREATED IN THE DEPARTMENT
21 <u>THE WASTE TIRE</u> MANAGEMENT ENTERPRISE. THE ENTERPRISE IS AND
22 OPERATES AS A GOVERNMENT-OWNED BUSINESS WITHIN THE DEPARTMENT
23 TO COLLECT THE <u>WASTE TIRE ENTERPRISE FEE</u> CHARGED BY RETAILERS OF
24 NEW TIRES PURSUANT TO SUBSECTION (<u>2.5</u>) OF THIS SECTION AND TO USE
25 THE <u>WASTE TIRE ENTERPRISE FEE</u> TO <u>PROMOTE WASTE TIRE RECYCLING</u>,
26 BENEFICIAL REUSE, AND MANAGEMENT STRATEGIES IN COLORADO.

27 (II) THE ENTERPRISE IS AND OPERATES AS A GOVERNMENT-OWNED

BUSINESS WITHIN THE DEPARTMENT FOR THE PURPOSE OF CONDUCTING
 THE BUSINESS ACTIVITIES SPECIFIED IN THIS SECTION. THE ENTERPRISE IS
 A TYPE 1 ENTITY, AS DEFINED IN SECTION 24-1-105, AND EXERCISES ITS
 POWERS AND PERFORMS ITS DUTIES AND FUNCTIONS UNDER THE
 DEPARTMENT.

6 (III) THE ENTERPRISE CONSTITUTES AN ENTERPRISE FOR PURPOSES 7 OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION SO LONG AS IT 8 RETAINS THE AUTHORITY TO ISSUE REVENUE BONDS AND RECEIVES LESS 9 THAN TEN PERCENT OF ITS TOTAL REVENUES IN GRANTS FROM ALL 10 COLORADO STATE AND LOCAL GOVERNMENTS COMBINED. SO LONG AS IT 11 CONSTITUTES AN ENTERPRISE PURSUANT TO THIS SUBSECTION (1.5)(a), 12 THE ENTERPRISE IS NOT SUBJECT TO SECTION 20 OF ARTICLE X OF THE 13 STATE CONSTITUTION.

(IV) THE REPEAL OF THE WASTE TIRE FEE, AS IT EXISTED 14 15 PURSUANT TO SUBSECTION (1) OF THIS SECTION, PRIOR TO ITS REPEAL IN 16 2025, AND THE CREATION OF THE WASTE TIRE MANAGEMENT ENTERPRISE 17 AS A NEW ENTERPRISE TO CHARGE AND COLLECT A NEW WASTE TIRE 18 ENTERPRISE FEE AS AUTHORIZED BY SUBSECTION (2.5) of this section 19 AND TO PROVIDE AND PROMOTE WASTE TIRE RECYCLING, BENEFICIAL 20 REUSE, AND MANAGEMENT STRATEGIES AND SERVICES FUNDED BY THE 21 WASTE TIRE ENTERPRISE FEE AS A NEW GOVERNMENT-OWNED BUSINESS 22 THAT PROVIDES BUSINESS SERVICES AS A NEW ENTERPRISE FOR THE 23 <u>PURPOSE OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION, DOES</u> 24 NOT CONSTITUTE THE QUALIFICATION OF AN EXISTING 25 GOVERNMENT-OWNED BUSINESS AS AN ENTERPRISE FOR THE PURPOSES OF 26 SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION OR SECTION 27 24-77-103.6 (6)(b)(II), AND, THEREFORE, DOES NOT REQUIRE OR

1	AUTHORIZE ADJUSTMENT OF THE STATE FISCAL YEAR SPENDING LIMIT
2	<u>CALCULATED PURSUANT TO SECTION 20 OF ARTICLE X OF THE STATE</u>
3	CONSTITUTION OR THE EXCESS STATE REVENUES CAP, AS DEFINED IN
4	<u>SECTION 24-77-103.6 (6)(b)(I).</u>
5	(V) THE ENTERPRISE IS NECESSARY FOR THE PRESERVATION OF THE
6	PUBLIC PEACE, HEALTH, AND SAFETY AND IS THEREFORE NOT SUBJECT TO
7	THE REQUIREMENTS OF SECTION 24-77-108.
8	(b) The enterprise's primary powers and duties are to:
9	(I) COLLECT THE <u>WASTE TIRE ENTERPRISE FEE;</u>
10	(II) PROMOTE WASTE TIRE <u>RECYCLING</u> , <u>BENEFICIAL REUSE</u> , AND
11	MANAGEMENT STRATEGIES THROUGHOUT COLORADO;
12	(III) ISSUE REVENUE BONDS PAYABLE FROM THE REVENUES OF THE
13	ENTERPRISE TO PROMOTE THE WASTE TIRE <u>RECYCLING, BENEFICIAL REUSE,</u>
14	AND MANAGEMENT STRATEGIES SPECIFIED IN THIS SECTION;
15	(IV) Publish each year, on the department's website and as
16	OTHERWISE DEEMED APPROPRIATE BY THE BOARD, THE WASTE TIRE
17	<u>RECYCLING, BENEFICIAL REUSE, AND MANAGEMENT STRATEGIES THAT THE</u>
18	BOARD HAS PRIORITIZED THROUGH THE COLLECTION OF THE WASTE TIRE
19	<u>ENTERPRISE FEE;</u>
20	(V) Adopt, amend, or repeal policies for the regulation of
21	THE ENTERPRISE'S AFFAIRS AND THE CONDUCT OF THE ENTERPRISE'S
22	BUSINESS CONSISTENT WITH THIS PART 14;
23	(VI) (A) CONTRACT WITH ANY PUBLIC OR PRIVATE ENTITY,
24	INCLUDING STATE AGENCIES, CONSULTANTS, AND THE ATTORNEY
25	GENERAL'S OFFICE, FOR PROFESSIONAL AND TECHNICAL ASSISTANCE,
26	OFFICE SPACE AND ADMINISTRATIVE SERVICES, ADVICE, AND OTHER
27	SERVICES RELATED TO THE CONDUCT OF THE AFFAIRS OF THE ENTERPRISE.

- 1 THE BOARD SHALL ENCOURAGE DIVERSITY IN APPLICANTS FOR CONTRACTS
- 2 <u>AND SHALL GENERALLY AVOID USING SINGLE-SOURCE BIDS.</u>

3 (B) THE ENTERPRISE SHALL PAY A FAIR MARKET RATE TO ANY 4 PUBLIC ENTITY, PRIVATE ENTITY, CONTRACTOR, OR CONSULTANT, WHICH 5 MAY INCLUDE A STATE AGENCY, THE ATTORNEY GENERAL'S OFFICE, OR 6 THE DEPARTMENT, THAT IS HIRED BY THE ENTERPRISE TO PERFORM DUTIES 7 PURSUANT TO THIS SUBSECTION (1.5)(b); AND 8 (VII) PREPARE AND ADOPT AN ANNUAL BUDGET PURSUANT TO 9 SUBSECTION (1)(h) OF THIS SECTION. 10 (c) THE ENTERPRISE IS GOVERNED BY A BOARD OF DIRECTORS. THE 11 BOARD CONSISTS OF THE FOLLOWING NINE MEMBERS: 12 (I) TWO MEMBERS APPOINTED BY THE EXECUTIVE DIRECTOR OF 13 THE DEPARTMENT TO REPRESENT THE DEPARTMENT, INCLUDING ONE WITH 14 EXPERTISE IN SUSTAINABILITY AND ONE WITH EXPERTISE IN COMPLIANCE; 15 (II) ONE MEMBER APPOINTED BY THE EXECUTIVE DIRECTOR OF THE 16 DEPARTMENT WHO REPRESENTS A COUNTY THAT HAS EXPERIENCE WITH 17 THE MANAGEMENT OF WASTE TIRES; AND 18 (III) SIX MEMBERS APPOINTED BY THE EXECUTIVE DIRECTOR OF

19 THE DEPARTMENT WHO ARE REPRESENTATIVES OF NONPROFIT AND 20 FOR-PROFIT ENTITIES ENGAGED IN THE RECOVERY, RECYCLING, REUSE, 21 AND MANAGEMENT OF WASTE TIRES, INCLUDING A TIRE RETAILER, A 22 WASTE TIRE COLLECTION FACILITY, A WASTE TIRE PROCESSOR, AND A 23 WASTE TIRE HAULER. TO THE EXTENT PRACTICABLE, THE REPRESENTATION 24 OF NONPROFIT AND FOR-PROFIT ENTITIES MUST BE BALANCED EQUALLY. 25 (d) OF THE MEMBERS APPOINTED TO THE BOARD OF DIRECTORS 26 PURSUANT TO SUBSECTION (1.5)(c)(III) OF THIS SECTION, AT LEAST ONE

27 MEMBER MUST DO BUSINESS IN A RURAL COUNTY IN THE STATE.

(e) (I) THE MEMBER REPRESENTING THE DEPARTMENT WHO HAS
 EXPERTISE IN SUSTAINABILITY AND IS APPOINTED PURSUANT TO
 SUBSECTION (1.5)(c)(I) OF THIS SECTION SHALL CALL THE FIRST MEETING
 OF THE BOARD.

5 (II) THE BOARD SHALL ELECT A CHAIR FROM AMONG ITS MEMBERS
6 TO SERVE FOR A TERM NOT TO EXCEED TWO YEARS.

7 (III) THE BOARD SHALL MEET QUARTERLY, AND THE CHAIR OF THE
8 BOARD MAY CALL ADDITIONAL MEETINGS AS NECESSARY FOR THE BOARD
9 TO COMPLETE ITS DUTIES.

(IV) THE TERM OF OFFICE FOR A BOARD MEMBER IS THREE YEARS;
EXCEPT THAT FOUR OF THE SIX MEMBERS APPOINTED PURSUANT TO
SUBSECTION (1.5)(c)(III) OF THIS SECTION SERVE INITIAL TERMS OF TWO
YEARS. A BOARD MEMBER MAY SERVE UNLIMITED TERMS.

(f) (I) A MEMBER OF THE BOARD OF DIRECTORS, EXCEPT FOR
MEMBERS APPOINTED PURSUANT TO SUBSECTIONS (1.5)(c)(I) AND
(1.5)(c)(II) OF THIS SECTION, MAY RECEIVE A PER DIEM STIPEND WHILE ON
OFFICIAL ENTERPRISE BUSINESS.

(II) THE PER DIEM STIPEND SHALL BE AT LEAST EQUAL TO THE
COLORADO STATE EMPLOYEE PER DIEM FOR INTRA-STATE TRAVEL AS
ESTABLISHED BY THE DEPARTMENT OF PERSONNEL.

21 (III) ALL MEMBERS OF THE BOARD OF DIRECTORS MAY RECEIVE
22 REIMBURSEMENT FOR ACTUAL AND NECESSARY EXPENSES INCURRED
23 WHILE ON OFFICIAL ENTERPRISE BUSINESS.

(IV) THE ENTERPRISE MAY USE MONEY IN THE WASTE TIRE
MANAGEMENT ENTERPRISE FUND, CREATED IN SECTION 30-20-1404, TO
PAY THE PER DIEM STIPEND TO A BOARD MEMBER AND TO REIMBURSE A
BOARD MEMBER FOR ACTUAL AND NECESSARY EXPENSES INCURRED AS

1 PART OF THE ENTERPRISE'S OPERATING EXPENSES.

2 (g) THE DEPARTMENT SHALL PROVIDE OFFICE SPACE AND 3 ADMINISTRATIVE STAFF TO THE ENTERPRISE, IF REQUESTED BY THE BOARD. 4 IN ACCORDANCE WITH SUBSECTION (1.5)(b)(VI)(B) OF THIS SECTION, THE 5 ENTERPRISE SHALL PAY THE DEPARTMENT A FAIR MARKET RATE FOR ANY 6 OFFICE SPACE OR ADMINISTRATIVE STAFF USED BY THE BOARD IN 7 PERFORMANCE OF THE ENTERPRISE'S DUTIES. 8 (h) (I) THE DEPARTMENT MAY TRANSFER MONEY FROM ANY 9 LEGALLY AVAILABLE SOURCE TO THE ENTERPRISE FOR THE PURPOSE OF 10 DEFRAYING EXPENSES INCURRED BY THE ENTERPRISE BEFORE IT RECEIVES 11 FEE REVENUE. THE ENTERPRISE MAY ACCEPT AND EXPEND ANY MONEY SO 12 TRANSFERRED, AND, NOTWITHSTANDING ANY STATE FISCAL RULE OR 13 GENERALLY ACCEPTED ACCOUNTING PRINCIPLE THAT COULD OTHERWISE 14 BE INTERPRETED TO REQUIRE A CONTRARY CONCLUSION, SUCH A 15 TRANSFER IS A LOAN FROM THE DEPARTMENT TO THE ENTERPRISE THAT IS 16 REQUIRED TO BE REPAID AND IS NOT A GRANT FOR PURPOSES OF SECTION 17 <u>20 (2)(d) OF ARTICLE X OF THE STATE CONSTITUTION OR AS DEFINED IN</u> 18 SECTION 24-77-102 (7). 19 (II) ALL MONEY TRANSFERRED AS A LOAN TO THE ENTERPRISE 20 MUST BE CREDITED TO THE WASTE TIRE ADMINISTRATION, ENFORCEMENT, 21 MARKET DEVELOPMENT, AND CLEANUP FUND, CREATED IN SECTION 22 30-20-1404 (1)(a). LOAN LIABILITIES THAT ARE RECORDED IN THE WASTE 23 TIRE ADMINISTRATION, ENFORCEMENT, MARKET DEVELOPMENT, AND 24 CLEANUP FUND BUT THAT ARE NOT REQUIRED TO BE PAID IN THE CURRENT 25 STATE FISCAL YEAR SHALL NOT BE CONSIDERED WHEN CALCULATING 26 SUFFICIENT STATUTORY FUND BALANCE FOR PURPOSES OF SECTION 27 24-75-109.

1	(III) As the enterprise receives sufficient revenue in excess
2	OF EXPENSES, IT SHALL REIMBURSE THE DEPARTMENT FOR THE PRINCIPAL
3	AMOUNT OF ANY LOAN MADE BY THE DEPARTMENT, PLUS INTEREST AT A
4	RATE AGREED UPON BY THE DEPARTMENT AND THE ENTERPRISE.
5	(i) (I) TO ENSURE TRANSPARENCY AND ACCOUNTABILITY, THE
6	ENTERPRISE SHALL PREPARE AND ADOPT AN ANNUAL BUDGET FOR EACH
7	FISCAL YEAR IN ACCORDANCE WITH THE REQUIREMENTS OF PART 1 OF
8	<u>ARTICLE 1 OF TITLE 29 AS IF THE ENTERPRISE WERE A LOCAL</u>
9	GOVERNMENT.
10	(II) The enterprise shall provide a copy of the adopted
11	BUDGET TO LEGISLATIVE COUNCIL STAFF AND THE JOINT BUDGET
12	COMMITTEE OF THE GENERAL ASSEMBLY NO LATER THAN THIRTY DAYS
13	AFTER THE ENTERPRISE ADOPTS ITS ANNUAL BUDGET.
14	(III) THE ENTERPRISE SHALL POST A COPY OF THE ENTERPRISE'S
15	ADOPTED BUDGET ON THE ENTERPRISE'S PUBLIC WEBSITE.
16	(2) (c) This subsection (2) is repealed, effective July 1, 2025.
17	(2.5) Waste tire enterprise fee and waste tire administration
18	fee. (a) (I) Effective July 1, 2025, retailers of New Motor Vehicle
19	TIRES AND NEW TRAILER TIRES SHALL COLLECT A <u>WASTE TIRE ENTERPRISE</u>
20	$\underline{\text{FEE}}$ IN AN AMOUNT TO BE SET BY THE ENTERPRISE, IN COORDINATION WITH
21	THE COMMISSION. THE <u>WASTE TIRE ENTERPRISE FEE</u> AMOUNT MUST NOT
22	EXCEED <u>TWO DOLLARS AND FIFTY CENTS ON THE SALE OF EACH NEW TIRE.</u>
23	THE MAXIMUM PER TIRE ENTERPRISE FEE AMOUNT MAY BE ADJUSTED BY
24	THE ENTERPRISE EVERY TWO YEARS IN ACCORDANCE WITH ANY ANNUAL
25	PERCENTAGE CHANGE IN THE UNITED STATES DEPARTMENT OF LABOR'S
26	BUREAU OF LABOR STATISTICS CONSUMER PRICE INDEX FOR THE
27	DENVER-AURORA-LAKEWOOD METROPOLITAN AREA FOR ALL ITEMS PAID

1 BY ALL URBAN CONSUMERS, OR ITS APPLICABLE SUCCESSOR INDEX. 2 (II) EFFECTIVE JULY 1, 2025, THE BOARD OF DIRECTORS MAY 3 REVIEW THE WASTE TIRE ENTERPRISE FEE ON AN ANNUAL BASIS AND, IN 4 ACCORDANCE WITH THE FEE AMOUNT LIMIT SET FORTH IN SUBSECTION 5 (2.5)(a)(I) of this section, adjust the waste tire fee amount so 6 THAT THE WASTE TIRE ENTERPRISE FEE IS IMPOSED IN AN AMOUNT THAT 7 IS: 8 (A) REASONABLY RELATED TO THE DIRECT AND INDIRECT COSTS 9 OF OPERATING THE ENTERPRISE IN ACCORDANCE WITH THIS PART 14 AND 10 THE SERVICES PROVIDED BY THE ENTERPRISE, WHICH COSTS MUST NOT 11 EXCEED THE EQUIVALENT OF ONE-HALF OF THE WASTE TIRE ENTERPRISE 12 FEE COLLECTED FOR EACH NEW TIRE SOLD PURSUANT TO THIS SUBSECTION 13 (2.5);14 (B) SUFFICIENT TO PAY COSTS ASSOCIATED WITH PROVIDING 15 REBATES AS DESCRIBED IN SECTION 30-20-1405; AND 16 (C) SUFFICIENT TO PROVIDE GRANTS TO ELIGIBLE ENTITIES 17 PURSUANT TO THE WASTE TIRE MANAGEMENT GRANT PROGRAM 18 ESTABLISHED IN SECTION 30-20-1418. 19 (b) (I) EFFECTIVE JULY 1, 2025, RETAILERS OF NEW MOTOR 20 VEHICLE TIRES AND NEW TRAILER TIRES SHALL COLLECT A WASTE TIRE 21 ADMINISTRATION FEE IN AN AMOUNT TO BE SET BY THE COMMISSION, IN 22 COORDINATION WITH THE DEPARTMENT. 23 THE COMMISSION MAY REVIEW THE WASTE TIRE (II)24 ADMINISTRATION FEE ON AN ANNUAL BASIS AND ADJUST THE 25 ADMINISTRATION FEE AMOUNT SO THAT IT COVERS THE DIRECT AND 26 INDIRECT COSTS OF CONDUCTING THE REGULATORY AND ADMINISTRATIVE 27 FUNCTIONS OF THE DEPARTMENT IN IMPLEMENTING THIS PART 14.

1	(III) THE WASTE TIRE ADMINISTRATION FEE AMOUNT MUST NOT
2	EXCEED HALF OF THE AMOUNT OF THE WASTE TIRE ENTERPRISE FEE;
3	EXCEPT THAT THE MINIMUM AMOUNT OF THE WASTE TIRE
4	ADMINISTRATION FEE ON THE SALE OF EACH NEW TIRE MUST BE FIFTY
5	<u>CENTS OR MORE.</u>
6	(c) (I) ON AND AFTER JULY 1, 2025, RETAILERS OF NEW MOTOR
7	VEHICLE TIRES AND NEW TRAILER TIRES SHALL COLLECT BOTH THE
8	ENTERPRISE FEE AND THE ADMINISTRATION FEE FROM THE CONSUMER AT
9	THE POINT OF SALE.
10	(II) The receipt from the retailer to the consumer for
11	EVERY NEW MOTOR VEHICLE OR NEW TRAILER TIRE PURCHASED MUST
12	CONTAIN THE FOLLOWING STATEMENT IN THE LARGEST BOLD-FACED TYPE
13	CAPABLE BASED ON POINT-OF-SALE SOFTWARE AND ON EXISTING INVOICE
14	PRINTERS, NOT TO EXCEED FIFTEEN POINTS: "SECTION 30-20-1403,
15	COLORADO REVISED STATUTES, REQUIRES RETAILERS TO COLLECT A
13	
15 16	WASTE TIRE ENTERPRISE FEE SET BY THE WASTE TIRE MANAGEMENT
16	WASTE TIRE ENTERPRISE FEE SET BY THE WASTE TIRE MANAGEMENT
16 17	WASTE TIRE ENTERPRISE FEE SET BY THE WASTE TIRE MANAGEMENT ENTERPRISE, WHICH IS A GOVERNMENT-OWNED BUSINESS WITHIN THE
16 17 18	WASTE TIRE ENTERPRISE FEE SET BY THE WASTE TIRE MANAGEMENT ENTERPRISE, WHICH IS A GOVERNMENT-OWNED BUSINESS WITHIN THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, AND A WASTE
16 17 18 19	WASTE TIRE ENTERPRISE FEE SET BY THE WASTE TIRE MANAGEMENT ENTERPRISE, WHICH IS A GOVERNMENT-OWNED BUSINESS WITHIN THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, AND A WASTE TIRE ADMINISTRATION FEE SET BY THE SOLID AND HAZARDOUS WASTE
16 17 18 19 20	WASTE TIRE ENTERPRISE FEE SET BY THE WASTE TIRE MANAGEMENT ENTERPRISE, WHICH IS A GOVERNMENT-OWNED BUSINESS WITHIN THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, AND A WASTE TIRE ADMINISTRATION FEE SET BY THE SOLID AND HAZARDOUS WASTE COMMISSION ON THE SALE OF EACH NEW MOTOR VEHICLE TIRE AND
16 17 18 19 20 21	WASTE TIRE ENTERPRISE FEE SET BY THE WASTE TIRE MANAGEMENT ENTERPRISE, WHICH IS A GOVERNMENT-OWNED BUSINESS WITHIN THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, AND A WASTE TIRE ADMINISTRATION FEE SET BY THE SOLID AND HAZARDOUS WASTE COMMISSION ON THE SALE OF EACH NEW MOTOR VEHICLE TIRE AND EACH NEW TRAILER TIRE."
16 17 18 19 20 21 22	WASTE TIRE ENTERPRISE FEE SET BY THE WASTE TIRE MANAGEMENT ENTERPRISE, WHICH IS A GOVERNMENT-OWNED BUSINESS WITHIN THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, AND A WASTE TIRE ADMINISTRATION FEE SET BY THE SOLID AND HAZARDOUS WASTE COMMISSION ON THE SALE OF EACH NEW MOTOR VEHICLE TIRE AND EACH NEW TRAILER TIRE." (III) THE RETAILER SHALL SUBMIT TO THE ENTERPRISE BY THE
16 17 18 19 20 21 22 23	WASTE TIRE ENTERPRISE FEE SET BY THE WASTE TIRE MANAGEMENT ENTERPRISE, WHICH IS A GOVERNMENT-OWNED BUSINESS WITHIN THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, AND A WASTE TIRE ADMINISTRATION FEE SET BY THE SOLID AND HAZARDOUS WASTE COMMISSION ON THE SALE OF EACH NEW MOTOR VEHICLE TIRE AND EACH NEW TRAILER TIRE." (III) THE RETAILER SHALL SUBMIT TO THE ENTERPRISE BY THE TWENTIETH DAY OF EACH QUARTER OF EACH CALENDAR YEAR THE
16 17 18 19 20 21 22 23 24	WASTE TIRE ENTERPRISE FEE SET BY THE WASTE TIRE MANAGEMENT ENTERPRISE, WHICH IS A GOVERNMENT-OWNED BUSINESS WITHIN THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, AND A WASTE TIRE ADMINISTRATION FEE SET BY THE SOLID AND HAZARDOUS WASTE COMMISSION ON THE SALE OF EACH NEW MOTOR VEHICLE TIRE AND EACH NEW TRAILER TIRE." (III) THE RETAILER SHALL SUBMIT TO THE ENTERPRISE BY THE TWENTIETH DAY OF EACH QUARTER OF EACH CALENDAR YEAR THE ENTERPRISE FEE COLLECTED PURSUANT TO THIS SECTION IN THE

1	THEM IN ACCORDANCE WITH SUBSECTION (3)(a) OF THIS SECTION OR AS
2	SPECIFIED IN RULES PROMULGATED BY THE COMMISSION.
3	(IV) THE RETAILER SHALL SUBMIT TO THE DEPARTMENT BY THE
4	TWENTIETH DAY OF EACH QUARTER OF EACH CALENDAR YEAR THE
5	ADMINISTRATION FEE COLLECTED PURSUANT TO THIS SECTION IN THE
6	PRECEDING QUARTER OF THE CALENDAR YEAR, TOGETHER WITH ANY
7	<u>report required by the department. The department shall</u>
8	TRANSMIT THE ADMINISTRATION FEES TO THE STATE TREASURER, WHO
9	SHALL CREDIT THEM IN ACCORDANCE WITH SUBSECTION (3)(b) OF THIS
10	SECTION OR AS SPECIFIED IN RULES PROMULGATED BY THE COMMISSION.
11	(3) (a) BEGINNING ON JULY 1, 2025, THE STATE TREASURER SHALL
12	DISTRIBUTE THE REVENUE FROM THE WASTE TIRE ENTERPRISE FEE
13	ASSESSED IN SUBSECTION (2.5)(a) OF THIS SECTION AS FOLLOWS:
14	(I) The portion of the enterprise fee collected to cover
15	THE COSTS DESCRIBED IN SUBSECTION $(2.5)(a)(II)(A)$ of this section to
16	THE WASTE TIRE MANAGEMENT ENTERPRISE FUND CREATED IN SECTION
17	<u>30-20-1404;</u>
18	(II) THE PORTION OF THE ENTERPRISE FEE COLLECTED TO COVER
19	THE COSTS DESCRIBED IN SUBSECTION (2.5)(a)(II)(B) OF THIS SECTION TO
20	THE END USERS FUND CREATED IN SECTION 30-20-1405;
21	(III) All interest earned on the investment of money in the
22	WASTE TIRE MANAGEMENT ENTERPRISE FUND TO THE WASTE TIRE
23	MANAGEMENT ENTERPRISE FUND. ANY UNEXPENDED AND UNENCUMBERED
24	MONEY IN THE WASTE TIRE MANAGEMENT ENTERPRISE FUND AT THE END
25	OF ANY FISCAL YEAR SHALL REMAIN IN THE WASTE TIRE MANAGEMENT
26	ENTERPRISE FUND.
27	(IV) All interest earned on the investment of money in the

1	END USERS FUND TO THE END USERS FUND. ANY UNEXPENDED AND
2	UNENCUMBERED MONEY IN THE END USERS FUND AT THE END OF ANY
3	FISCAL YEAR SHALL REMAIN IN THE END USERS FUND.
4	(b) (I) BEGINNING ON JULY 1, 2025, THE STATE TREASURER SHALL
5	DISTRIBUTE THE REVENUE FROM THE WASTE TIRE ADMINISTRATION FEE
6	ASSESSED IN SUBSECTION (2.5)(b) OF THIS SECTION TO THE WASTE TIRE
7	ADMINISTRATION FUND CREATED IN SECTION 30-20-1405.5.
8	(II) ALL INTEREST EARNED ON THE INVESTMENT OF MONEY IN THE
9	WASTE TIRE ADMINISTRATION FUND SHALL BE CREDITED TO THE WASTE
10	TIRE ADMINISTRATION FUND. ANY UNEXPENDED AND UNENCUMBERED
11	MONEY IN THE WASTE TIRE ADMINISTRATION FUND IN EXCESS OF SIXTEEN
12	AND ONE-HALF PERCENT OF THE PREVIOUS STATE FISCAL YEAR'S
13	EXPENDITURES AT THE END OF ANY FISCAL YEAR SHALL REMAIN IN THE
14	WASTE TIRE ADMINISTRATION FUND.
15	_
16	SECTION 4. In Colorado Revised Statutes, 30-20-1404, amend
17	(1), (2) introductory portion, (2)(a), (2)(o), (5), (6), and (7); repeal
18	(2)(b), (2)(c), (2)(d), (2)(i), (2)(j), (2)(k), (2)(l), (2)(p), (3), (4), and (8);
19	and <b>add</b> (2)(q), (2)(r), (2)(s), (2)(t), and (2)(u) as follows:
20	<b>30-20-1404. Waste tire management enterprise fund - creation</b>
21	- rules. (1) (a) There is hereby created in the state treasury the waste tire
22	administration, enforcement, market development, and cleanup
23	MANAGEMENT ENTERPRISE fund, referred to in this section as the "fund",
24	consisting of the fee revenue credited pursuant to section 30-20-1403
25	(2.5)(a) and any other money appropriated OR TRANSFERRED to it. The
26	general assembly shall annually appropriate the money in the fund to the
77	demontment for its direct and indirect administrative and enforcement

27 department for its direct and indirect administrative and enforcement

costs in administering and enforcing this part 14 MONEY CREDITED TO
 THE FUND IS CONTINUOUSLY APPROPRIATED TO THE ENTERPRISE FOR THE
 PURPOSES SET FORTH IN THIS <u>SECTION</u> AND TO PAY THE ENTERPRISE'S
 REASONABLE AND NECESSARY OPERATING EXPENSES.

- 5 (b) The state treasurer shall credit all interest earned on the 6 investment of money in the fund to the fund. Any unexpended and 7 unencumbered money in the fund in excess of sixteen and one-half 8 percent of the previous fiscal year's expenditures at the end of any fiscal 9 year shall be credited: REMAIN IN THE FUND.
- (a) Through December 31, 2025, to the end users fund created in
   section 30-20-1405; and

(b) On and after January 1, 2026, to the general fund.

12

13 (2) The department shall ENTERPRISE MAY, IN CONSULTATION
14 WITH THE DEPARTMENT, use the money in the fund for:

- 15 (a) Collecting the WASTE TIRE ENTERPRISE fee assessed in section
  30-20-1403 (1) (2.5)(a);
- 17 (b) <u>Inspecting retailers to determine whether all fees are being</u>
   18 collected;
- (c) Enforcing the requirements of this part 14 pursuant to existing
   authority, including sections 30-20-113 and 30-20-114;
- 21 (d) <u>Developing a system to address the receipt by registered</u>
   22 persons of unmanifested waste tires from unregistered haulers;
- 23 (i) Providing grants to law enforcement, fire departments, local
- 24 <u>health departments, state agencies, and any other applicable entities for</u>
- 25 <u>purchasing equipment and supplies to implement this part 14;</u>
- 26 (j) Training of and enforcement by entities that enforce this part
  27 14;
  - -17-

1	(k) Awarding grants and developing educational programs for
2	enforcement, fire prevention and suppression, proper waste tire
3	management and disposal, training, and customer technical assistance;
4	(1) Maintaining an online complaint form and processes for law
5	enforcement, fire departments, and citizens to report potential waste tire
6	<u>violations;</u>
7	(o) Encouraging waste tire market development; and
8	(p) Reimbursing the division of fire prevention and control in the
9	department of public safety for:
10	(I) Inspections of facilities where waste tires are present
11	conducted by the division to determine whether the waste tire collection
12	facilities, waste tire processors, and waste tire monofills are in
13	compliance with the rules promulgated by the director of the division
14	pursuant to section 24-33.5-1203.5 (2); and
15	(II) Technical and other assistance the division provides to the
16	department or the public related to waste tires, including assistance
17	related to:
18	(A) The development of fire prevention education materials; and
19	(B) Review of fire prevention plans.
20	(q) The payment of any bonds issued pursuant to section
21	30-20-1403 <u>(1.5)(b);</u>
22	(r) REIMBURSEMENT OF <u>ANY CONTRACTORS USED</u> FOR CLEANUP
23	AND REMEDIATION ACTIVITIES ENGAGED IN PURSUANT TO SUBSECTIONS
24	(2)(f) AND $(2)(g)$ OF THIS SECTION;
25	(s) The payment of per diem and the reimbursement of
26	ACTUAL AND NECESSARY EXPENSES FOR BOARD MEMBERS WHILE ON
27	OFFICIAL ENTERPRISE BUSINESS;

1	(t) Funding grants in accordance with the waste tire
2	MANAGEMENT GRANT PROGRAM ESTABLISHED IN SECTION 30-20-1418;
3	AND
4	(u) ANY OTHER ACTIVITY NECESSARY TO IMPLEMENT <u>SECTION</u>
5	<u>30-20-1403,</u> as determined by the board of directors.
6	(3) If the department is denied access or if consent to access has
7	not been given to clean up a site where the department reasonably
8	believes waste tires exist illegally, the department may obtain from the
9	district court for the judicial district in which the property is located a
10	warrant to enter the property and remove the waste tires.
11	(4) (a) In addition to any penalties assessed, the department may
12	issue an order requiring the owner or operator to compensate the
13	department for the cost of remediation of the site, and the department may
14	request the attorney general to bring suit for compensation from the
15	owner or operator for money expended remediating the site. The
16	department shall use the recovered moneys to reimburse the fund for
17	actual costs of remediating the site and of seeking compensation pursuant
18	to this section. The state treasurer shall credit all additional moneys to the
19	<u>general fund.</u>
20	(b) The department may place a lien on a property on which the
21	department funds the remediation of waste tires pursuant to this section
22	until the costs of remediation have been repaid to the department. If
23	<u>complete repayment has not been made before a sale of the property, the</u>
24	department shall be repaid in full, to the extent possible, from proceeds
25	<u>of the sale.</u>
26	(5) (a) In providing assistance pursuant to this section, the
27	department ENTERPRISE shall give primary consideration to protection of

-19-

1 public health and the environment.

2 (b) In awarding contracts for services pursuant to this section, the 3 department ENTERPRISE may give preferential bidding treatment to 4 individuals or entities that will recycle, pursuant to rules of the 5 department concerning recycling, and reuse, rather than dispose of, the 6 waste tires.

7 (6) The department ENTERPRISE shall, either itself or through a
8 contractor, create a priority abatement list of illegal waste tire disposal
9 sites.

10 (7) The ENTERPRISE, IN COORDINATION WITH THE department and 11 the department of transportation, shall coordinate with one another to 12 systematically investigate and research the use of tire-derived aggregates 13 in technically feasible and economically viable civil applications 14 associated with the department of transportation's roadway mission. The 15 department shall include any findings regarding tire-derived aggregates, 16 as appropriate, in the department's annual report to the general assembly. 17 (8) Notwithstanding any other provision of this section, on June 18 30, 2020, the state treasurer shall transfer five million three hundred

seventy-two thousand four hundred fifteen dollars from the fund to the
 general fund.

SECTION 5. In Colorado Revised Statutes, 30-20-1405, amend
(1), (2)(a) introductory portion, (3), (4)(a), (4)(b) introductory portion, (5)
introductory portion, (5)(c) introductory portion, (5)(d), (5)(e)
introductory portion, (5)(e)(I), (6) introductory portion, (<u>6)(b)(II)</u>, (7), (8)
introductory portion, (9), and (10); and **repeal** (1.5) as follows:

30-20-1405. End users fund - creation - quarterly rebates rules - repeal. (1) (a) There is hereby created in the state treasury the end

-20-

users fund, referred to in this section as the "fund", consisting of the fee
 revenue credited pursuant to section <del>30-20-1403 (2)(a)(II)</del> 30-20-1403
 (3)(a)(II).

(b) The state treasurer shall credit all interest and any other return
on the investment of money in the fund to the fund. The fund is subject
to annual appropriation by the general assembly to the department for the
purposes specified in this section MONEY CREDITED TO THE FUND IS
CONTINUOUSLY APPROPRIATED TO THE ENTERPRISE FOR THE PURPOSES SET
FORTH IN THIS SECTION.

10 (1.5) Notwithstanding any other provision of this section, on June
 30, 2020, the state treasurer shall transfer one million four hundred
 thousand dollars from the fund to the general fund.

(2) (a) The department ENTERPRISE, IN CONSULTATION WITH THE
 DEPARTMENT, shall use the money in the fund to provide quarterly rebates
 to in-state:

16

(3) The rebate is subject to the following conditions:

17 (a) The department ENTERPRISE shall pay the rebate amount
18 quarterly, on a per-ton basis; and

(b) Once the department ENTERPRISE has paid a rebate on a
particular quantity of tire-derived product, every part of that particular
quantity of tire-derived product is no longer eligible for payment of the
rebate.

(4) (a) The commission ENTERPRISE, IN CONSULTATION WITH THE
COMMISSION, shall annually set the amount of the rebate, by rule, on a
per-ton basis, and the department ENTERPRISE shall pay the set rebate
amount for each ton of qualified tire-derived product. The commission
ENTERPRISE shall calculate the rebate to equal, but not exceed, the amount

of the anticipated income transferred into the fund during each
 succeeding twelve-month period.

3 (b) Each year, the department ENTERPRISE shall continue to 4 provide the rebate in accordance with the tiered structure set forth in 5 subsection (5)(e) of this section until:

6 (5) The commission shall promulgate rules governing 7 administration of the rebate. which ON AND AFTER THE EFFECTIVE DATE 8 OF THIS SECTION, AS AMENDED, THE COMMISSION SHALL CONSULT WITH 9 THE ENTERPRISE IN ADOPTING RULES GOVERNING ADMINISTRATION OF THE 10 REBATE. THE COMMISSION'S rules must include the following:

(c) If the balance of the fund is anticipated to be insufficient to
pay out all of the rebates applied for, a requirement that the department
ENTERPRISE:

14 (d) A requirement that an end user that qualifies for a rebate by15 utilizing waste tires for:

16 (I) Alternative daily cover must verify with the department 17 ENTERPRISE that the alternative daily cover meets all specification 18 standards for all type-B tire-derived aggregate, as established by the 19 ASTM standard D6270; and

(II) Tire-derived aggregate must verify with the department
ENTERPRISE that the tire-derived aggregate meets all specification
standards for all type-A <u>AND TYPE-B</u> tire-derived aggregate, as established
by the ASTM standard D6270; and

(e) Three tiers of rebate amounts that the department ENTERPRISE
may pay out based on the amount of the waste tire that was used and
destroyed as follows:

27

(I) Tier 1: Full rebates going to crumbed rubber end uses and end

uses that completely destroy the waste tire for the purpose of energy
 recovery or other clean technologies as defined and approved by the
 commission by rule;

4

(6) The <del>department</del> ENTERPRISE:

- (b) May deny:
- 6

(II) All future rebates pursuant to this section and grants of money
from the waste tire administration, enforcement, market development, and
cleanup MANAGEMENT ENTERPRISE fund created in section 30-20-1404 to
an applicant that knowingly or intentionally provides false information to
the department ENTERPRISE when applying for a rebate or for a grant of
money from the waste tire administration, enforcement, market
development, and cleanup MANAGEMENT ENTERPRISE fund.

14 (7) Waste tires obtained from rural counties are eligible for an 15 additional rebate amount of twenty-five dollars per ton; however, the 16 additional rebate amount must not exceed the rebate amount for tier 3 17 rebates as determined by the commission by rule pursuant to subsection 18 (5)(e)(III) of this section. To qualify for the additional rebate amount set 19 forth in this subsection (7), an end user must provide evidence to the 20 department ENTERPRISE documenting the county of origin for each waste 21 tire.

(8) The department ENTERPRISE shall require that an end user
submit an application for a rebate that contains self-certifications
provided by the end user regarding:

(9) (a) ON OR AFTER JANUARY 1, 2026, AND UNTIL DECEMBER 31,
 <u>2041.</u> the department ENTERPRISE may issue rebates after January 1, 2026,
 only for end uses occurring and rebates applied for on or before

-23-

1 December 31, 2025 PURSUANT TO THIS SECTION. 2 (b) The commission, IN CONSULTATION WITH THE ENTERPRISE, 3 shall repeal any rules concerning the fund and implementation of this 4 section once the department ENTERPRISE has issued the final rebates 5 pursuant to subsection (9)(a) of this section. 6 (c) On July 1, 2026 JULY 1, 2042, the state treasurer shall transfer 7 any money left in the fund to the general fund. 8 (10) This section is repealed, effective July 1, 2026 DECEMBER 31, 9 2042. 10 SECTION 6. In Colorado Revised Statutes, add 30-20-1405.5 as 11 follows: 12 30-20-1405.5. Waste tire administration fund - creation - clean 13 up - reimbursement - penalties - rules. (1) (a) THERE IS CREATED IN 14 THE STATE TREASURY THE WASTE TIRE ADMINISTRATION FUND, REFERRED 15 TO IN THIS SECTION AS THE "FUND". 16 (b) THE FUND CONSISTS OF THE WASTE TIRE ADMINISTRATION FEE 17 <u>REVENUE CREDITED TO THE FUND PURSUANT TO SECTION 30-20-1403</u> 18 (3)(b) AND ANY OTHER MONEY APPROPRIATED OR TRANSFERRED TO IT. 19 MONEY CREDITED TO THE FUND IS CONTINUOUSLY (c) 20 APPROPRIATED TO THE DEPARTMENT FOR THE PURPOSES SET FORTH IN 21 SUBSECTION (2) OF THIS SECTION. 22 (2) THE DEPARTMENT MAY USE THE MONEY IN THE FUND FOR THE 23 REASONABLE DIRECT AND INDIRECT COSTS OF CONDUCTING THE 24 REGULATORY AND ADMINISTRATIVE FUNCTIONS OF THE DEPARTMENT IN 25 **IMPLEMENTING THIS PART 14, INCLUDING:** 26 (a) INSPECTING NEW MOTOR VEHICLE TIRE AND NEW TRAILER TIRE 27 RETAILERS TO DETERMINE WHETHER ALL FEES ARE BEING COLLECTED;

-24-

1	(b) Enforcing the requirements of this part 14 pursuant to
2	EXISTING AUTHORITY, INCLUDING SECTIONS 30-20-113 AND 30-20-114;
3	(c) DEVELOPING A SYSTEM TO ADDRESS THE RECEIPT BY
4	REGISTERED PERSONS OF UNMANIFESTED WASTE TIRES FROM
5	UNREGISTERED WASTE TIRE HAULERS;
6	(d) MAINTAINING AN ONLINE COMPLAINT FORM AND PROCESS FOR
7	LAW ENFORCEMENT, FIRE DEPARTMENTS, AND CITIZENS TO REPORT
8	POTENTIAL WASTE TIRE VIOLATIONS;
9	(e) REIMBURSING THE DIVISION OF FIRE PREVENTION AND CONTROL
10	IN THE DEPARTMENT OF PUBLIC SAFETY FOR:
11	(I) INSPECTIONS OF FACILITIES WHERE WASTE TIRES ARE PRESENT
12	CONDUCTED BY THE DIVISION OF FIRE PREVENTION AND CONTROL TO
13	DETERMINE WHETHER THE WASTE TIRE COLLECTION FACILITIES, WASTE
14	TIRE PROCESSORS, AND WASTE TIRE MONOFILLS ARE IN COMPLIANCE WITH
15	THE RULES PROMULGATED BY THE DIRECTOR OF THE DIVISION PURSUANT
16	<u>TO SECTION 24-33.5-1203.5 (2); AND</u>
17	(II) TECHNICAL AND OTHER ASSISTANCE THE DIVISION OF FIRE
18	PREVENTION AND CONTROL PROVIDES TO THE DEPARTMENT OR THE PUBLIC
19	RELATED TO WASTE TIRES, INCLUDING ASSISTANCE RELATED TO:
20	(A) THE DEVELOPMENT OF FIRE PREVENTION EDUCATION
21	MATERIALS; AND
22	(B) REVIEW OF FIRE PREVENTION PLANS;
23	(f) REGISTERING AND REGULATING WASTE TIRE HAULERS, WASTE
24	TIRE GENERATORS, USED TIRE MANAGERS, WASTE TIRE COLLECTION
25	FACILITIES, WASTE TIRE PROCESSORS, MOBILE PROCESSORS, WASTE TIRE
26	MONOFILLS, AND END USERS IN ACCORDANCE WITH SECTIONS 30-20-1408
27	<u>то 30-20-1417;</u>

-25-

1	(g) <b>P</b> ROVIDING GRANTS TO LAW ENFORCEMENT, FIRE
2	DEPARTMENTS, LOCAL HEALTH DEPARTMENTS, STATE AGENCIES, AND ANY
3	OTHER APPLICABLE ENTITIES FOR PURCHASING EQUIPMENT AND SUPPLIES
4	<u>to implement this part 14;</u>
5	(h) TRAINING OF AND ENFORCEMENT BY ENTITIES THAT ENFORCE
6	<u>THIS PART 14;</u>
7	(i) Awarding grants and developing educational
8	PROGRAMS FOR ENFORCEMENT, FIRE PREVENTION AND SUPPRESSION,
9	PROPER WASTE TIRE MANAGEMENT AND DISPOSAL, TRAINING, AND
10	CUSTOMER TECHNICAL ASSISTANCE; AND
11	(j) ANY OTHER REGULATORY OR ADMINISTRATIVE COSTS RELATED
12	TO THE DEPARTMENT'S AUTHORITY AND DUTIES IN IMPLEMENTING THIS
13	<u>PART 14.</u>
14	(3) IF THE DEPARTMENT IS DENIED ACCESS OR IF CONSENT TO
15	ACCESS HAS NOT BEEN GIVEN TO CLEAN UP A SITE WHERE THE
16	DEPARTMENT REASONABLY BELIEVES WASTE TIRES EXIST ILLEGALLY, THE
17	DEPARTMENT MAY OBTAIN FROM THE DISTRICT COURT FOR THE JUDICIAL
18	DISTRICT IN WHICH THE PROPERTY IS LOCATED A WARRANT TO ENTER THE
19	PROPERTY AND REMOVE THE WASTE TIRES.
20	(4) (a) IN ADDITION TO ANY PENALTIES ASSESSED, THE
21	DEPARTMENT MAY ISSUE AN ORDER REQUIRING THE OWNER OR OPERATOR
22	TO COMPENSATE THE DEPARTMENT FOR THE COST OF REMEDIATION OF THE
23	SITE, AND THE DEPARTMENT MAY REQUEST THE ATTORNEY GENERAL TO
24	BRING SUIT FOR COMPENSATION FROM THE OWNER OR OPERATOR FOR
25	MONEY EXPENDED REMEDIATING THE SITE. THE DEPARTMENT SHALL USE
26	THE RECOVERED MONEY TO REIMBURSE THE FUND FOR ACTUAL COSTS OF
27	REMEDIATING THE SITE AND OF SEEKING COMPENSATION PURSUANT TO

1	THIS SECTION. THE STATE TREASURER SHALL CREDIT ALL ADDITIONAL
2	MONEY TO THE GENERAL FUND.
3	(b) The department may place a lien on a property on
4	WHICH THE DEPARTMENT FUNDS THE REMEDIATION OF WASTE TIRES
5	PURSUANT TO THIS SECTION UNTIL THE COSTS OF REMEDIATION HAVE BEEN
6	<u>REPAID TO THE DEPARTMENT. IF COMPLETE REPAYMENT HAS NOT BEEN</u>
7	MADE BEFORE A SALE OF THE PROPERTY, THE DEPARTMENT SHALL BE
8	REPAID IN FULL, TO THE EXTENT POSSIBLE, FROM PROCEEDS OF THE SALE.
9	SECTION 7. In Colorado Revised Statutes, 30-20-1415, amend
10	(1)(k) as follows:
11	<u>30-20-1415. Waste tire monofills - requirements. (1) An owner</u>
12	or operator of a waste tire monofill shall, as specified by the commission
13	<u>by rule:</u>
14	(k) Not place any waste tires into monofill storage after January
15	1, 2018, and SHALL close, or cause to be closed, the waste tire monofill
16	<u>by July 1, <del>2024</del> 2034.</u>
17	SECTION 8. In Colorado Revised Statutes, add 30-20-1418 as
18	<u>follows:</u>
19	<u>30-20-1418. Waste tire management grant program -</u>
20	definitions - repeal. (1) As used in this section, unless the context
21	OTHERWISE REQUIRES:
22	(a) "Eligible entity" means the following entities that
23	PROVIDE SERVICES RELATED TO WASTE TIRE RECYCLING, BENEFICIAL
24	<u>REUSE, AND MANAGEMENT IN COLORADO:</u>
25	(I) MUNICIPALITIES, COUNTIES, AND CITIES AND COUNTIES;
26	(II) NONPROFIT AND FOR-PROFIT BUSINESSES INVOLVED IN WASTE
27	TIRE RECYCLING, BENEFICIAL REUSE, AND MANAGEMENT; AND

1	(III) INSTITUTIONS OF HIGHER EDUCATION AND PUBLIC OR PRIVATE
2	<u>SCHOOLS.</u>
3	(b) "GRANT PROGRAM" MEANS THE WASTE TIRE MANAGEMENT
4	GRANT PROGRAM CREATED IN THIS SECTION.
5	(2) (a) THERE IS CREATED THE WASTE TIME MANAGEMENT GRANT
6	PROGRAM, WHICH SHALL BE ADMINISTERED BY THE ENTERPRISE.
7	(b) The enterprise shall, subject to available
8	APPROPRIATIONS AND REVENUES, AWARD GRANTS FROM THE WASTE TIRE
9	MANAGEMENT ENTERPRISE FUND, CREATED IN SECTION 30-20-1404, IN
10	ACCORDANCE WITH THIS SECTION.
11	(3) (a) THE PURPOSE OF THE GRANT PROGRAM IS TO:
12	(I) PROMOTE THE DEVELOPMENT OF WASTE TIRE RECYCLING,
13	BENEFICIAL REUSE, AND MANAGEMENT STRATEGIES IN ACCORDANCE WITH
14	<u>THIS PART 14;</u>
15	(II) DEVELOP WASTE TIRE RECYCLING, BENEFICIAL REUSE, AND
16	MANAGEMENT FACILITIES AND INFRASTRUCTURE; AND
17	(III) EXPAND WASTE TIRE RECYCLING, BENEFICIAL REUSE, AND
18	MANAGEMENT SERVICES TO FEE PAYERS.
19	(b) The grant program is intended to provide economic and
20	TECHNICAL ASSISTANCE TO ELIGIBLE ENTITIES IN THEIR EFFORTS RELATED
21	TO THE RECYCLING, BENEFICIAL REUSE, AND MANAGEMENT OF WASTE
22	<u>TIRES.</u>
23	(4) (a) AN ELIGIBLE ENTITY MAY SUBMIT AN APPLICATION TO THE
24	ENTERPRISE FOR A GRANT PURSUANT TO THE APPLICATION POLICIES AND
25	PROCEDURES ESTABLISHED BY THE BOARD.
26	(b) AT A MINIMUM, AN APPLICATION SUBMITTED TO THE BOARD
27	MUST INCLUDE THE FOLLOWING INFORMATION:

1	(I) AN APPLICATION NARRATIVE THAT DESCRIBES HOW THE
2	ELIGIBLE ENTITY WILL USE THE GRANT, INCLUDING HOW THE GRANT WILL
3	PROMOTE THE RECYCLING, BENEFICIAL REUSE, AND MANAGEMENT OF
4	WASTE TIRES;
5	(II) AN ESTIMATE OF THE COST OF THE EQUIPMENT,
6	INFRASTRUCTURE, OR PROJECT THE ELIGIBLE ENTITY IS INTENDING TO
7	FUND WITH THE GRANT AND WHETHER THE EQUIPMENT, INFRASTRUCTURE,
8	OR PROJECT MEETS THE REQUIREMENTS SPECIFIED IN SUBSECTION (5) OF
9	THIS SECTION;
10	(III) THE AMOUNT OF IN-KIND CONTRIBUTIONS OR MATCHING
11	FUNDS, IF ANY, TO THE PROJECT BUDGET FROM THE APPLICANT OR OTHER
12	SOURCES OUTSIDE OF THE GRANT; AND
13	(IV) WHETHER THERE IS LOCAL COMMUNITY SUPPORT FOR THE
14	GRANT APPLICATION.
15	(5)(a) The board may award grants to eligible entities for
16	THE FOLLOWING PURPOSES:
17	(I) THE PURCHASE OF WASTE TIRE RECYCLING, BENEFICIAL REUSE,
18	AND MANAGEMENT EQUIPMENT OR INFRASTRUCTURE;
19	(II) STAFFING OF WASTE TIRE RECYCLING, BENEFICIAL REUSE, AND
20	MANAGEMENT FACILITIES;
21	(III) MARKETING AND COMMUNICATIONS FOR WASTE TIRE
22	RECYCLING, BENEFICIAL REUSE, AND MANAGEMENT SERVICES;
23	(IV) POLICY AND RESEARCH DEVELOPMENT RELATED TO WASTE
24	TIRE RECYCLING, BENEFICIAL REUSE, AND MANAGEMENT STRATEGIES;
25	(V) Community engagement regarding waste tire
26	RECYCLING, BENEFICIAL REUSE, AND MANAGEMENT; AND
27	(VI) OTHER PROJECTS OR USES AS DETERMINED BY THE BOARD.

1	(b) (I) THE BOARD MAY AWARD GRANTS TO AN ELIGIBLE ENTITY
2	FOR THE PURCHASE OF EQUIPMENT OR INFRASTRUCTURE, BUT NO MORE
3	THAN FIFTY PERCENT OF THE COST OF ANY EQUIPMENT OR
4	INFRASTRUCTURE CAN BE FUNDED THROUGH THE GRANT PROGRAM.
5	(II) THE BOARD MAY AWARD GRANTS TO AN ELIGIBLE ENTITY THAT
6	FUND ONE HUNDRED PERCENT OF THE COST OF A PROJECT THAT DOES NOT
7	INVOLVE THE PURCHASE OF EQUIPMENT OR INFRASTRUCTURE.
8	(c) IN AWARDING GRANTS TO ELIGIBLE ENTITIES, THE BOARD IS
9	SUBJECT TO THE FOLLOWING CONDITIONS:
10	(I) UP TO FORTY PERCENT OF THE ENTERPRISE'S ANNUAL GRANT
11	FUNDING MAY GO TO A SINGLE AWARD; AND
12	(II) IF THE BOARD AWARDS A GRANT TO AN ELIGIBLE ENTITY FOR
13	THE PURCHASE OF INFRASTRUCTURE OR EQUIPMENT, THE ELIGIBLE ENTITY
14	IS INELIGIBLE TO RECEIVE A GRANT FOR THE FOLLOWING FIVE YEARS.
15	(6) (a) (I) THE BOARD SHALL ESTABLISH CRITERIA AND POLICIES TO
16	DETERMINE WHICH GRANTS TO AWARD FROM THE GRANT APPLICATIONS,
17	WHICH CRITERIA AND POLICIES IT SHALL MAKE AVAILABLE TO APPLICANTS.
18	(II) THE BOARD SHALL GIVE PRIORITY TO PROJECTS THAT ADVANCE
19	SUSTAINABLE DESIGN, PRODUCTION, RECOVERABILITY, REUSE, REPAIR, OR
20	RECYCLING OF WASTE TIRES, WITH THE HIGHEST PRIORITY GIVEN TO
21	PROJECTS THAT WOULD KEEP WASTE TIRE MATERIAL AVAILABLE FOR
22	REMANUFACTURING.
23	(b) The board shall establish policies for the grant
24	PROGRAM, WHICH MUST INCLUDE:
25	(I) AN APPLICATION FORM AND APPLICATION PROCEDURES;
26	(II) A DEADLINE EACH YEAR FOR WHEN GRANT PROGRAM
27	APPLICATIONS MUST BE SUBMITTED;

1	(III) A POLICY THAT REQUIRES A GRANT RECIPIENT TO ENTER INTO
2	A GRANT AGREEMENT WITH THE BOARD THAT INCLUDES A SCOPE OF WORK
3	AND DEADLINES FOR THE ACHIEVEMENT OF THAT WORK;
4	(IV) CRITERIA FOR MEASURING PROGRESS OF THE PROJECTS THAT
5	RECEIVE FUNDING THROUGH THE GRANT PROGRAM;
6	(V) A POLICY THAT REQUIRES ANNUAL REPORTING BY GRANT
7	RECIPIENTS ON THE PROGRESS OF THE PROJECT FINANCED BY THE GRANT;
8	AND
9	(VI) A POLICY REGARDING A GRANT RECIPIENT'S NONCOMPLIANCE
10	WITH THE GRANT AGREEMENT ENTERED INTO BY THE GRANT RECIPIENT'S
11	AND THE BOARD, WHICH POLICY MAY INCLUDE A MECHANISM FOR THE
12	BOARD TO CONVERT THE GRANT RECIPIENT'S GRANT TO A LOAN WITH
13	INTEREST.
14	(7) (a) The grant program is funded by the waste tire
15	ENTERPRISE FEE. THE BOARD MAY DESIGNATE UP TO TEN PERCENT OF THE
16	REVENUE GENERATED FROM THE ENTERPRISE FEE TO THE GRANT PROGRAM
17	<u>IN ANY GIVEN YEAR.</u>
18	(b) The board shall not award any grants to eligible
19	ENTITIES THROUGH THE GRANT PROGRAM AFTER DECEMBER 31, 2040.
20	(8) THIS SECTION IS REPEALED EFFECTIVE DECEMBER 31, 2042.
21	SECTION 9. Appropriation. (1) For the 2024-25 state fiscal
22	year, \$60,208 is appropriated to the department of public health and
23	environment. This appropriation is from the waste tire administration,
24	enforcement, market development, and cleanup fund created in section
25	30-20-1404 (1), C.R.S. To implement this act, the department may use
26	this appropriation as follows:
27	(a) \$9,000 for use by the hazardous materials and waste

1	management division for the solid waste control program; and
2	(b) \$51,208 for the purchase of legal services.
3	(2) For the 2024-25 state fiscal year, \$51,208 is appropriated to
4	the department of law. This appropriation is from reappropriated funds
5	received from the department of public health and environment under
6	subsection (1)(b) of this section and is based on an assumption that the
7	department of law will require an additional 0.2 FTE. To implement this
8	act, the department of law may use this appropriation to provide legal
9	services for the department of public health and environment.
10	SECTION 10. Effective date. This act takes effect upon passage;
11	except that section 30-20-1403 (2.5), Colorado Revised Statutes, as added
12	in section 3 of this act, takes effect on July 1, 2025; section 30-20-1404,
13	Colorado Revised Statutes, as amended in section 4 of this act, takes
14	effect on July 1, 2025; section 30-20-1405, Colorado Revised Statutes, as
15	amended in section of 5 of this act, takes effect on July 1, 2025; section
16	30-20-1405.5, as added in section 6 of this act, takes effect on July 1,
17	2025; and section 30-20-1418, as added in section 8 of this act, takes
18	effect on July 1, 2025.
19	SECTION 11. Safety clause. The general assembly finds,
20	determines, and declares that this act is necessary for the immediate
21	preservation of the public peace, health, or safety or for appropriations for
22	the support and maintenance of the departments of the state and state
23	institutions.