

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 20-0311.01 Jennifer Berman x3286

HOUSE BILL 20-1047

HOUSE SPONSORSHIP

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Energy & Environment
Appropriations

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A BILL FOR AN ACT

101 **CONCERNING THE DEVELOPMENT OF A STATEWIDE ORGANICS**
102 **MANAGEMENT PLAN TO PROMOTE COMPOST USE ON COLORADO**
103 **SOILS TO ADVANCE CARBON REDUCTION THROUGH CARBON**
104 **STORAGE, AND, IN CONNECTION THEREWITH, MAKING AN**
105 **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. The bill tasks the executive director of the department of public health and

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
3rd Reading Unamended
February 28, 2020

HOUSE
Amended 2nd Reading
February 27, 2020

environment (executive director) or the executive director's designee and the commissioner of agriculture (commissioner) or the commissioner's designee with developing an organics management plan (plan) on or before September 1, 2022. The department of public health and environment may incorporate the plan into the department's existing work regarding organics management if its existing work meets the standards established for the organics management plan.

In developing the plan, the executive director and the commissioner are required to study and make recommendations regarding organic waste management practices to encourage compost use on soil to promote carbon storage.

The executive director and the commissioner must also complete 2 statewide surveys as part of the plan, with one survey examining end uses for the major categories of organic waste feedstock generated within the state and the other survey examining existing organic waste generation facilities and processing capacity.

On or before February 1, 2023, the executive director, in collaboration with the commissioner, shall submit a report summarizing the plan to the legislative committees with jurisdiction over energy or agricultural matters.

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

SECTION 1. In Colorado Revised Statutes, **add** article 17.5 to title 25 as follows:

ARTICLE 17.5

Organics Management for Compost

25-17.5-101. Definitions. AS USED IN THIS ARTICLE 17.5, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "CARBON STORAGE" MEANS, WITH RESPECT TO THE AGRICULTURE SECTOR, THE CAPACITY OF AGRICULTURAL LANDS AND FORESTS TO REMOVE CARBON DIOXIDE FROM THE ATMOSPHERE THROUGH PHOTOSYNTHESIS WHEREBY THE CARBON DIOXIDE IS ABSORBED BY, AND STORED AS CARBON IN, BIOMASS WITHIN TREE TRUNKS, BRANCHES, FOLIAGE, ROOTS, AND SOILS.

(2) "COMMISSIONER" MEANS THE COMMISSIONER OF AGRICULTURE

1 OR THE COMMISSIONER'S DESIGNEE.

2 (3) "COMPOST" HAS THE SAME MEANING AS SET FORTH IN SECTION
3 35-12-103 (6).

4 (4) "DEPARTMENT" MEANS THE DEPARTMENT OF PUBLIC HEALTH
5 AND ENVIRONMENT.

6 (5) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF
7 THE DEPARTMENT OR THE EXECUTIVE DIRECTOR'S DESIGNEE.

8 (6) "GREENHOUSE GAS" MEANS CARBON DIOXIDE, METHANE,
9 NITROUS OXIDE, HYDROFLUOROCARBONS, PERFLUOROCARBONS, NITROGEN
10 TRIFLUORIDE, AND SULFUR HEXAFLUORIDE, EXPRESSED AS CARBON
11 DIOXIDE EQUIVALENT.

12 **25-17.5-102. Organics management plan - surveys - study -**
13 **collaboration with health department - reporting.** (1) (a) (I) ON OR
14 BEFORE SEPTEMBER 1, 2022, THE EXECUTIVE DIRECTOR, IN
15 COLLABORATION WITH THE COMMISSIONER, SHALL DEVELOP AN ORGANICS
16 MANAGEMENT PLAN TO STUDY AND MAKE RECOMMENDATIONS
17 REGARDING ORGANIC WASTE MANAGEMENT PRACTICES TO ENCOURAGE
18 COMPOST USE ON COLORADO SOILS TO PROMOTE CARBON STORAGE. IN
19 DEVELOPING THE PLAN, THE EXECUTIVE DIRECTOR AND COMMISSIONER
20 SHALL WORK WITH A DIVERSE GROUP OF STAKEHOLDERS.

21 (II) AS USED IN SUBSECTION (1)(a)(I) OF THIS SECTION, DIVERSE
22 STAKEHOLDERS MAY INCLUDE, BUT ARE NOT LIMITED TO,
23 REPRESENTATIVES OF:

24 (A) A STATEWIDE ORGANIZATION REPRESENTING FARMERS;

25 (B) A STATEWIDE ORGANIZATION REPRESENTING CHEMISTS;

26 (C) GROUPS REPRESENTING THE FOUR MAJOR CATEGORIES OF
27 ORGANIC WASTE FEEDSTOCK GENERATED WITHIN THE STATE, AS LISTED IN

1 SUBSECTION (2)(a)(I) OF THIS SECTION, INCLUDING FEDERAL
2 LABORATORIES, MUNICIPALITIES, RESTAURANTS, GROCERY STORES,
3 UNIVERSITIES, AND COLLEGES;

4 (D) FINISHED COMPOST END USERS;

5 (E) STATE AGENCIES INCLUDING THE DEPARTMENT OF
6 TRANSPORTATION AND THE DEPARTMENT OF LOCAL AFFAIRS;

7 (F) THE AGRICULTURAL SECTOR;

8 (G) LAND MANAGERS;

9 (H) ZERO WASTE ADVOCATES;

10 (I) SOIL HEALTH ADVOCATES;

11 (J) COMPOSTABLE PRODUCT MANUFACTURERS, CERTIFIERS, AND
12 DISTRIBUTORS;

13 (K) THE STATE CONSERVATION BOARD CREATED IN SECTION
14 35-70-103; AND

15 (L) THE STATE PURCHASING AND CONTRACTS OFFICE IN THE
16 DEPARTMENT OF PERSONNEL.

17 (b) THE DEPARTMENT MAY INCORPORATE THE PLAN DESCRIBED IN
18 SUBSECTION (1)(a)(I) OF THIS SECTION INTO THE WORK THE DEPARTMENT
19 IS ALREADY DOING WITH REGARD TO ORGANICS MANAGEMENT IF THE
20 DEPARTMENT'S EXISTING WORK REGARDING ORGANICS MANAGEMENT
21 MEETS THE STANDARDS SET FORTH IN THIS ARTICLE 17.5.

22 (2) THE PLAN DEVELOPED PURSUANT TO SUBSECTION (1) OF THIS
23 SECTION MUST INCLUDE THE FOLLOWING COMPONENTS:

24 (a) THE COMPLETION OF THE FOLLOWING COMPREHENSIVE,
25 STATEWIDE SURVEYS:

26 (I) AN END-MARKET SURVEY TO EXAMINE THE COSTS, REVENUES,
27 AND GREENHOUSE GAS IMPACTS ASSOCIATED WITH CURRENT END USES

1 FOR THE MAJOR CATEGORIES OF ORGANIC WASTE FEEDSTOCK GENERATED
2 WITHIN THE STATE, WHICH CATEGORIES ARE:

- 3 (A) SOURCE-SEPARATED MUNICIPAL SOLID WASTE ORGANICS;
- 4 (B) BIOSOLIDS;
- 5 (C) DAIRY AND FEEDLOT MANURE; AND
- 6 (D) FOREST WASTE INCLUDING URBAN FOREST WASTE.

7 (II) A SURVEY OF EXISTING ORGANIC WASTE GENERATION
8 FACILITIES AND PROCESSING CAPACITY;

9 (b) A STATEWIDE ORGANICS MANAGEMENT STUDY TO EXAMINE
10 AND ADDRESS THE NEED FOR ORGANICS PROCESSING INFRASTRUCTURE
11 EXPANSION AND INCREASED COMPOST UTILIZATION BY VARIOUS END
12 USERS INCLUDING END USE FOR AGRICULTURAL PURPOSES. THE STUDY
13 MUST INCLUDE AN EXAMINATION OF THE FOLLOWING:

14 (I) WITH REGARD TO THE DEVELOPMENT OF NEW OR EXPANDED
15 ORGANICS PROCESSING INFRASTRUCTURE AND COMPOST UTILIZATION
16 THROUGHOUT THE STATE:

17 (A) THE CLIMATE CHANGE IMPACTS ARISING FROM SUCH NEW OR
18 EXPANDED INFRASTRUCTURE AND UTILIZATION; AND

19 (B) A COST-BENEFIT ANALYSIS;

20 (II) AN EXPLORATION OF VARIOUS MECHANISMS TO INCREASE AND
21 PROMOTE INFRASTRUCTURE EXPANSION, INCLUDING:

22 (A) THE IDENTIFICATION OF NEW AND EXISTING COMPOST
23 FACILITIES AS ENTERPRISE ZONE PROJECTS THAT ARE ELIGIBLE FOR
24 INVESTMENT TAX CREDIT UNDER SECTION 39-30-104 AS COLORADO
25 INCOME TAXPAYER CONTRIBUTIONS UNDER THE COLORADO OFFICE OF
26 ECONOMIC DEVELOPMENT'S ENTERPRISE ZONE CONTRIBUTION PROJECT
27 PROGRAM;

1 (B) POTENTIAL POLICY CHANGES THAT MAKE IT EASIER TO BUILD
2 NEW COMPOST FACILITIES;

3 (C) POTENTIAL SOURCES OF FUNDING TO PROVIDE TECHNICAL
4 SUPPORT FOR RURAL COMPOST FACILITIES THAT SERVE AGRICULTURE; AND

5 (D) SUSTAINABLE FUNDING OPTIONS THAT MAY BE USED TO
6 PROMOTE THE DEVELOPMENT OF INFRASTRUCTURE;

7 (c) RECOMMENDATIONS REGARDING:

8 (I) HOW TO INCREASE THE END-MARKET DEMAND AND
9 UTILIZATION OF COMPOST FROM VARIOUS FEEDSTOCKS. THE
10 RECOMMENDATIONS MAY INCLUDE:

11 (A) INNOVATIVE WAYS TO CREATE FINANCIAL INCENTIVES OR
12 OTHER INCENTIVES TO ENCOURAGE THE VOLUNTARY USE OF COMPOST IN
13 AGRICULTURE TO PROMOTE CARBON STORAGE IN SOIL AND INCENTIVES
14 FOR OTHER END USES, INCLUDING CONDUCTING A STUDY OF CARBON
15 STORAGE POTENTIAL IN COLORADO SOILS, DEVELOPING GOALS, MANAGING
16 DATA, IDENTIFYING GRANT OPPORTUNITIES, AND PROVIDING TECHNICAL
17 ASSISTANCE;

18 (B) A STATE PROCUREMENT STANDARD ESTABLISHING A
19 REQUIREMENT THAT A STATE-FUNDED PUBLIC PROJECT THAT SPECIFIES A
20 SOIL AMENDMENT USE COMPOST THAT IS SOURCED FROM A
21 STATE-PERMITTED COMPOST FACILITY AND CERTIFIED BY A NATIONALLY
22 RECOGNIZED THIRD PARTY; AND

23 (C) THE DEVELOPMENT OF SAMPLE PROCUREMENT LANGUAGE
24 THAT A LOCAL GOVERNMENT COULD USE IN ITS PROCUREMENT PROCESS,
25 SUCH AS LANGUAGE REQUIRING A MINIMUM OF FIVE PERCENT ORGANIC
26 MATTER IN CONSTRUCTION AND LANDSCAPING PROJECTS.

27 (II) STRATEGIES THAT MUNICIPAL AND COMMERCIAL

1 SOURCE-SEPARATED POST-CONSUMER ORGANIC WASTE COLLECTORS AND
2 PROCESSORS COULD UTILIZE TO REDUCE CONTAMINATION, SUCH AS
3 EDUCATIONAL OUTREACH PROGRAMS.

4 (3) (a) ON OR BEFORE FEBRUARY 1, 2023, THE EXECUTIVE
5 DIRECTOR, IN COLLABORATION WITH THE COMMISSIONER, SHALL SUBMIT
6 A REPORT SUMMARIZING THE PLAN DEVELOPED PURSUANT TO SUBSECTION
7 (2) OF THIS SECTION TO:

8 (I) THE ENERGY AND ENVIRONMENT COMMITTEE AND RURAL
9 AFFAIRS AND AGRICULTURE COMMITTEE OF THE HOUSE OF
10 REPRESENTATIVES, OR THEIR SUCCESSOR COMMITTEES; AND

11 (II) THE AGRICULTURE AND NATURAL RESOURCES COMMITTEE AND
12 THE TRANSPORTATION AND ENERGY COMMITTEE OF THE SENATE, OR THEIR
13 SUCCESSOR COMMITTEES.

14 (b) THE EXECUTIVE DIRECTOR SHALL PUBLISH THE REPORT
15 CREATED PURSUANT TO SUBSECTION (3)(a) OF THIS SECTION ON THE
16 DEPARTMENT'S PUBLIC WEBSITE.

17 **25-17.5-103. Repeal of article.** THIS ARTICLE 17.5 IS REPEALED,
18 EFFECTIVE SEPTEMBER 1, 2023.

19 **SECTION 2. Appropriation.** For the 2020-21 state fiscal year,
20 \$150,000 is appropriated to the department of public health and
21 environment for use by the solid waste control program. This
22 appropriation is from the solid waste management fund created in section
23 30-20-118 (1), C.R.S. To implement this act, the division may use this
24 appropriation to develop an organics management plan.

25 **SECTION 3. Act subject to petition - effective date.** This act
26 takes effect at 12:01 a.m. on the day following the expiration of the
27 ninety-day period after final adjournment of the general assembly (August

1 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
2 referendum petition is filed pursuant to section 1 (3) of article V of the
3 state constitution against this act or an item, section, or part of this act
4 within such period, then the act, item, section, or part will not take effect
5 unless approved by the people at the general election to be held in
6 November 2020 and, in such case, will take effect on the date of the
7 official declaration of the vote thereon by the governor.