Second Regular Session Seventy-second General Assembly STATE OF COLORADO

PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 20-0311.01 Jennifer Berman x3286

HOUSE BILL 20-1047

HOUSE SPONSORSHIP

Cutter and Froelich,

SENATE SPONSORSHIP

Priola,

House Committees

Senate Committees

Energy & Environment Appropriations

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102

A BILL FOR AN ACT CONCERNING THE DEVELOPMENT OF A STATEWIDE ORGANICS MANAGEMENT PLAN TO PROMOTE COMPOST USE, AND, IN

103 CONNECTION 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. The bill tasks the executive director of the department of public health and 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.

1 Be it enacted by the General Assembly of the State of Colorado: 2 **SECTION 1.** In Colorado Revised Statutes, add article 17.5 to 3 title 25 as follows: 4 **ARTICLE 17.5** 5 **Organics Management for Compost** 6 **25-17.5-101. Definitions.** As used in this article 17.5, unless 7 THE CONTEXT OTHERWISE REQUIRES: 8 "CARBON STORAGE" MEANS, WITH RESPECT TO THE **(1)** 9 AGRICULTURE SECTOR, THE CAPACITY OF AGRICULTURAL LANDS AND 10 FORESTS TO REMOVE CARBON DIOXIDE FROM THE ATMOSPHERE THROUGH 11 PHOTOSYNTHESIS WHEREBY THE CARBON DIOXIDE IS ABSORBED BY, AND 12 STORED AS CARBON IN, BIOMASS WITHIN TREE TRUNKS, BRANCHES, 13 FOLIAGE, ROOTS, AND SOILS. 14 (2) "COMMISSIONER" MEANS THE COMMISSIONER OF AGRICULTURE 15 OR THE COMMISSIONER'S DESIGNEE. (3) "COMPOST" HAS THE SAME MEANING AS SET FORTH IN SECTION 16

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1	35-12-103 (6).
2	(4) "DEPARTMENT" MEANS THE DEPARTMENT OF PUBLIC HEALTH
3	AND ENVIRONMENT.
4	(5) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF
5	THE DEPARTMENT OR THE EXECUTIVE DIRECTOR'S DESIGNEE.
6	(6) "Greenhouse gas" means carbon dioxide, methane,
7	NITROUS OXIDE, HYDROFLUOROCARBONS, PERFLUOROCARBONS, NITROGEN
8	TRIFLUORIDE, AND SULFUR HEXAFLUORIDE, EXPRESSED AS CARBON
9	DIOXIDE EQUIVALENT.
10	25-17.5-102. Organics management plan - surveys - study -
11	collaboration with health department - reporting. (1) (a) $\overline{\text{(I)}}$ ON OR
12	BEFORE SEPTEMBER 1, 2022, THE EXECUTIVE DIRECTOR, IN
13	COLLABORATION WITH THE COMMISSIONER, SHALL DEVELOP AN ORGANICS
14	MANAGEMENT PLAN TO STUDY AND MAKE RECOMMENDATIONS
15	REGARDING ORGANIC WASTE MANAGEMENT PRACTICES TO ENCOURAGE
16	COMPOST USE ON COLORADO SOILS TO PROMOTE CARBON STORAGE. IN
17	DEVELOPING THE PLAN, THE EXECUTIVE DIRECTOR AND COMMISSIONER
18	SHALL WORK WITH A DIVERSE GROUP OF STAKEHOLDERS.
19	(II) As used in subsection (1)(a)(I) of this section, diverse
20	STAKEHOLDERS MAY INCLUDE, BUT ARE NOT LIMITED TO,
21	REPRESENTATIVES OF:
22	(A) A STATEWIDE ORGANIZATION REPRESENTING FARMERS;
23	(B) A STATEWIDE ORGANIZATION REPRESENTING CHEMISTS;
24	(C) Groups representing the four major categories of
25	ORGANIC WASTE FEEDSTOCK GENERATED WITHIN THE STATE, AS LISTED IN
26	SUBSECTION (2)(a)(I) OF THIS SECTION, INCLUDING FEDERAL
27	LABORATORIES, MUNICIPALITIES, RESTAURANTS, GROCERY STORES,

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1	UNIVERSITIES, AND COLLEGES;
2	(D) FINISHED COMPOST END USERS;
3	(E) STATE AGENCIES INCLUDING THE DEPARTMENT OF
4	TRANSPORTATION AND THE DEPARTMENT OF LOCAL AFFAIRS;
5	(F) THE AGRICULTURAL SECTOR;
6	(G) LAND MANAGERS;
7	(H) ZERO WASTE ADVOCATES;
8	(I) SOIL HEALTH ADVOCATES;
9	(J) COMPOSTABLE PRODUCT MANUFACTURERS, CERTIFIERS, AND
10	DISTRIBUTORS;
11	(K) THE STATE CONSERVATION BOARD CREATED IN SECTION
12	35-70-103; AND
13	(L) THE STATE PURCHASING AND CONTRACTS OFFICE IN THE
14	DEPARTMENT OF PERSONNEL.
15	(b) THE DEPARTMENT MAY INCORPORATE THE PLAN DESCRIBED IN
16	SUBSECTION $(1)(a)(I)$ OF THIS SECTION INTO THE WORK THE DEPARTMENT
17	IS ALREADY DOING WITH REGARD TO ORGANICS MANAGEMENT IF THE
18	DEPARTMENT'S EXISTING WORK REGARDING ORGANICS MANAGEMENT
19	MEETS THE STANDARDS SET FORTH IN THIS ARTICLE 17.5.
20	(2) THE PLAN DEVELOPED PURSUANT TO SUBSECTION (1) OF THIS
21	SECTION MUST INCLUDE THE FOLLOWING COMPONENTS:
22	(a) THE COMPLETION OF THE FOLLOWING COMPREHENSIVE,
23	STATEWIDE SURVEYS:
24	(I) AN END-MARKET SURVEY TO EXAMINE THE COSTS, REVENUES,
25	AND GREENHOUSE GAS IMPACTS ASSOCIATED WITH CURRENT END USES
26	FOR THE MAJOR CATEGORIES OF ORGANIC WASTE FEEDSTOCK GENERATED
27	WITHIN THE STATE, WHICH CATEGORIES ARE:

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1	(A) SOURCE-SEPARATED MUNICIPAL SOLID WASTE ORGANICS;
2	(B) BIOSOLIDS;
3	(C) DAIRY AND FEEDLOT MANURE; AND
4	(D) FOREST WASTE INCLUDING URBAN FOREST WASTE.
5	(II) A SURVEY OF EXISTING ORGANIC WASTE GENERATION
6	FACILITIES AND PROCESSING CAPACITY;
7	(b) A STATEWIDE ORGANICS MANAGEMENT STUDY TO EXAMINE
8	AND ADDRESS THE NEED FOR ORGANICS PROCESSING INFRASTRUCTURE
9	EXPANSION AND INCREASED COMPOST UTILIZATION BY VARIOUS END
10	USERS INCLUDING END USE FOR AGRICULTURAL PURPOSES. THE STUDY
11	MUST INCLUDE AN EXAMINATION OF THE FOLLOWING:
12	(I) WITH REGARD TO THE DEVELOPMENT OF NEW OR EXPANDED
13	ORGANICS PROCESSING INFRASTRUCTURE AND COMPOST UTILIZATION
14	THROUGHOUT THE STATE:
15	(A) THE CLIMATE CHANGE IMPACTS ARISING FROM SUCH NEW OR
16	EXPANDED INFRASTRUCTURE AND UTILIZATION; AND
17	(B) A COST-BENEFIT ANALYSIS;
18	(II) AN EXPLORATION OF VARIOUS MECHANISMS TO INCREASE AND
19	PROMOTE INFRASTRUCTURE EXPANSION, INCLUDING:
20	(A) THE IDENTIFICATION OF NEW AND EXISTING COMPOST
21	FACILITIES AS ENTERPRISE ZONE PROJECTS THAT ARE ELIGIBLE FOR
22	INVESTMENT TAX CREDIT UNDER SECTION 39-30-104 AS COLORADO
23	INCOME TAXPAYER CONTRIBUTIONS UNDER THE COLORADO OFFICE OF
24	ECONOMIC DEVELOPMENT'S ENTERPRISE ZONE CONTRIBUTION PROJECT
25	PROGRAM;
26	(B) POTENTIAL POLICY CHANGES THAT MAKE IT EASIER TO BUILD
27	NEW COMPOST FACILITIES;

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1	(C) POTENTIAL SOURCES OF FUNDING TO PROVIDE TECHNICAL
2	SUPPORT FOR RURAL COMPOST FACILITIES THAT SERVE AGRICULTURE; AND
3	(D) SUSTAINABLE FUNDING OPTIONS THAT MAY BE USED TO
4	PROMOTE THE DEVELOPMENT OF INFRASTRUCTURE;
5	(c) RECOMMENDATIONS REGARDING:
6	(I) HOW TO INCREASE THE END-MARKET DEMAND AND
7	UTILIZATION OF COMPOST FROM VARIOUS FEEDSTOCKS. THE
8	RECOMMENDATIONS MAY INCLUDE:
9	(A) INNOVATIVE WAYS TO CREATE FINANCIAL INCENTIVES OR
10	OTHER INCENTIVES TO ENCOURAGE THE VOLUNTARY USE OF COMPOST IN
11	AGRICULTURE TO PROMOTE CARBON STORAGE IN SOIL AND INCENTIVES
12	FOR OTHER END USES, INCLUDING CONDUCTING A STUDY OF CARBON
13	STORAGE POTENTIAL IN COLORADO SOILS, DEVELOPING GOALS, MANAGING
14	DATA, IDENTIFYING GRANT OPPORTUNITIES, AND PROVIDING TECHNICAL
15	ASSISTANCE;
16	(B) A STATE PROCUREMENT STANDARD ESTABLISHING A
17	REQUIREMENT THAT A STATE-FUNDED PUBLIC PROJECT THAT SPECIFIES A
18	SOIL AMENDMENT USE COMPOST THAT IS SOURCED FROM A
19	STATE-PERMITTED COMPOST FACILITY AND CERTIFIED BY A NATIONALLY
20	RECOGNIZED THIRD PARTY; AND
21	(C) THE DEVELOPMENT OF SAMPLE PROCUREMENT LANGUAGE
22	THAT A LOCAL GOVERNMENT COULD USE IN ITS PROCUREMENT PROCESS,
23	SUCH AS LANGUAGE REQUIRING A MINIMUM OF FIVE PERCENT ORGANIC
24	MATTER IN CONSTRUCTION AND LANDSCAPING PROJECTS.
25	(II) STRATEGIES THAT MUNICIPAL AND COMMERCIAL
26	SOURCE-SEPARATED POST-CONSUMER ORGANIC WASTE COLLECTORS AND
27	PROCESSORS COULD UTILIZE TO REDUCE CONTAMINATION, SUCH AS

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1	EDUCATIONAL OUTREACH PROGRAMS.
2	(3) (a) On or before February 1, 2023, the executive
3	DIRECTOR, IN COLLABORATION WITH THE COMMISSIONER, SHALL SUBMIT
4	A REPORT SUMMARIZING THE PLAN DEVELOPED PURSUANT TO SUBSECTION
5	(2) OF THIS SECTION TO:
6	(I) THE ENERGY AND ENVIRONMENT COMMITTEE AND RURAL
7	AFFAIRS AND AGRICULTURE COMMITTEE OF THE HOUSE OF
8	REPRESENTATIVES, OR THEIR SUCCESSOR COMMITTEES; AND
9	(II) THE AGRICULTURE AND NATURAL RESOURCES COMMITTEE AND
10	THE TRANSPORTATION AND ENERGY COMMITTEE OF THE SENATE, OR THEIR
11	SUCCESSOR COMMITTEES.
12	(b) The executive director shall publish the report
13	CREATED PURSUANT TO SUBSECTION (3)(a) OF THIS SECTION ON THE
14	DEPARTMENT'S PUBLIC WEBSITE.
15	25-17.5-103. Repeal of article. This article 17.5 is repealed,
16	EFFECTIVE SEPTEMBER 1, 2023.
17	SECTION 2. Appropriation. For the 2020-21 state fiscal year,
18	\$150,000 is appropriated to the department of public health and
19	environment for use by the solid waste control program. This
20	appropriation is from the solid waste management fund created in section
21	30-20-118 (1), C.R.S. To implement this act, the division may use this
22	appropriation to develop an organics management plan.
23	SECTION 3. Act subject to petition - effective date. This act
24	takes effect at 12:01 a.m. on the day following the expiration of the
25	ninety-day period after final adjournment of the general assembly (August
26	5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
27	referendum petition is filed pursuant to section 1 (3) of article V of the

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- state constitution against this act or an item, section, or part of this act
- within such period, then the act, item, section, or part will not take effect
- 3 unless approved by the people at the general election to be held in
- 4 November 2020 and, in such case, will take effect on the date of the
- official declaration of the vote thereon by the governor.

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