



Legislative
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FISCAL NOTE

Drafting Number:	LLS 20-0611	Date:	February 21, 2020
Prime Sponsors:	Rep. Cutter; Singer Sen. Foote; Story	Bill Status:	House Energy & Environment
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Bill Topic: **PROHIBIT FOOD ESTABLISHMENTS' USE OF POLYSTYRENE**

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill prohibits a retail food establishment from distributing an expanded polystyrene product for use as a container for ready-to-eat food beginning January 1, 2022. This will increase state and local expenditures beginning in FY 2021-22.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

**Table 1
State Fiscal Impacts Under HB 20-1162**

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	-	\$33,730
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

This bill prohibits a retail food establishment from distributing an expanded polystyrene product for use as a container for ready-to-eat food beginning January 1, 2022. A retail food establishment that has an inventory of expanded polystyrene products purchased prior to January 1, 2022, may exhaust their supply but may be required to prove that the products were purchased prior to January 1, 2022. The Executive Director of the Department of Public Health and Environment (CDPHE) may, through the Attorney General, seek injunctive relief against a retail food establishment that violates the prohibition.

Assumptions

The fiscal note assumes that the CDPHE executive director will not seek injunctions until July 1, 2022.

State Expenditures

This bill will increase state expenditures and workload beginning in FY 2021-22 as described below.

Department of Corrections. The Department of Corrections is subject to the bill and currently uses expanded polystyrene in their food service operations. The increased cost to replace the expanded polystyrene products with paper products is estimated to be \$67,460 per year, prorated for half a year to \$33,730 in FY 2021-22, which will be paid from the General Fund.

Other agencies. The CDPHE will have an increase in workload to respond to inquiries about the prohibition and once the prohibition is in effect, to investigate alleged violations. Beginning in FY 2022-23, the Attorney General's Office will have an increase in workload to seek injunctions against retail food establishments. The Judicial Department will have an increase in workload from district civil court filings from the Attorney General's Office. These workload increases can be addressed within existing appropriations.

School Districts

This bill is expected to increase costs for school districts that currently use expanded polystyrene trays for food service beginning in FY 2021-22. The amount of the increase will depend on the type of food service facility each school has, the number of student meals served per day, and the cost of alternative solutions.

Effective Date

The bill takes effect August 5, 2020, if the General Assembly adjourns on May 6, 2020, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Corrections
Judicial
Public Health and Environment

Information Technology
Law
School Districts