

2019

Report to the Colorado General Assembly



Zero Waste and Recycling Interim Study Committee



Prepared by Legislative Council Staff
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December 2019

Zero Waste and Recycling Interim Study Committee

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December 2019

To Members of the Seventy-second General Assembly:

Submitted herewith is the final report of the Zero Waste and Recycling Interim Study Committee. This committee was created pursuant to Interim Committee Request Letter 2019-02. The purpose of this committee is to study waste and recycling infrastructure, composting, and public awareness of moving toward zero waste in Colorado.

At its meeting on November 15, 2019, the Legislative Council reviewed the report of this committee. A motion to forward this report and the bills therein for consideration in the 2020 session was approved.

Sincerely,

/s/ Senator Leroy Garcia
Chair

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The text of each bill is included as Attachments A through B after the resource materials page(s).

This report is also available online at:

<http://leg.colorado.gov/committees/zero-waste-and-recycling-interim-study-committee/2019-regular-session>

Committee Charge

Pursuant to Interim Committee Request Letter 2019-2, the Zero Waste and Recycling Interim Study Committee was formed to study waste and recycling infrastructure, composting, and public awareness of moving toward zero waste in Colorado. In conducting its study, the Zero Waste and Recycling Interim Study Committee consulted with the Colorado Department of Agriculture (CDA), the Colorado Department of Public Health and Environment (CDPHE), the Governor's Office of Economic Development and International Trade (OEDIT), and other private and nonprofit entities concerned with waste and recycling in Colorado. The committee was allowed to meet up to four times during the interim to study the issue issues related to zero waste and recycling. It was also authorized to travel outside the Denver metropolitan area to study the issues in the committee's charge.

Committee Activities

During the 2019 interim, the Zero Waste and Recycling Interim Study Committee held four meetings at the State Capitol and took two field trips. The committee heard presentations and briefings from both public and private sector representatives who are involved in recycling, waste management, composting, end markets for recyclables, carbon sequestration, and soil health.

Field trips. In August, the committee made a two-day field trip to southern Colorado. On the first day, the committee visited Lamar and Granada where committee members met with local officials and toured two local landfills. While in Lamar and Granada, the committee heard about the challenges of waste management in rural Colorado, such as landfill tipping fees, space constraints, and illegal dumping. On the second day, the committee visited the Southwest and East Central Recycling Association, Clean Valley Recycling, and Roots Recycling where the committee discussed how recycling rates can be increased in rural areas. The field trip concluded with visits to EVRAZ Rocky Mountain Steel and Applegate Insulation where the committee observed how recycled materials are being used to make new products.

In September, the committee made a one-day field trip to northern Colorado. The committee toured the Owens-Illinois Glass Manufacturing plant in Windsor. At the Boulder County Recycling Center, the committee met with local officials and toured the recycling center. While in Boulder, the committee also toured the Center for Hard to Recycle Materials, which recycles mattresses, computers, and other hard-to-recycle items. The field trip concluded with a tour of Momentum Recycling, which is a glass recycling plant. During the field trip, the committee saw how various facilities recycle different materials depending on the facilities infrastructure and discussed how to increase recycling in urban areas.

The following sections further discuss the committee's activities during the 2019 interim.

Overview of Zero Waste and Recycling

The committee heard a number of presentations on zero waste and recycling. Recycling is the process of converting waste materials into new materials and objects. Zero waste is the concept of composting, reusing, and recycling all materials so no waste is sent to landfills, incinerators, or the ocean. The goal of zero waste is to prevent unnecessary pollution in order to improve human and environmental health by reducing greenhouse gas emissions and conserving energy. This concept also aims to minimize excess natural resource consumption by maximizing the recovery of resources.

The National Conference of State Legislatures provided a presentation on zero waste and recycling polices around the country and recent legislation in other states on the topic. The CDPHE, the Department of Personnel and Administration, and OEDIT presented information to the committee on how these departments are addressing zero waste and recycling in Colorado. Legislative Council Staff presented to the committee on recycling and zero waste programs around the country, as well as state programs related to waste management, recycling, and composting. This included information about the programs that CDPHE administers as part of solid waste management, such as the Architectural Paint Stewardship Program, Colorado NextCycle Program, the Recycling Resources Economic Opportunity (RREO) Program, and the waste tire program. Also discussed was the State Capitol earning the Leadership in Energy and Environmental Design (LEED) Gold Certification, which included a waste audit.

Waste Management

The committee heard presentations from a variety of Colorado communities, including Logan and Pitkin Counties and the City and County of Denver, about waste management and landfill operations. Waste management is the process of how a community collects, transports, and disposes of waste. The presentations included information about how waste management programs vary across the state, including: collection fees, service areas, allowable materials, and whether or not recycling is included. The committee also heard about the challenges of waste management in rural Colorado during its August field trip.

Recycling

The committee heard presentations about recycling from a number of perspectives, including from representatives of nonprofit organizations, local municipalities, private businesses, agricultural organizations, construction professionals, and research institutions. Representatives from Eco-Cycle, the City and County of Denver, and the City of Loveland provided the committee with information about recycling policies and programs. A representative from AMP Robotics presented to the committee on how the company is creating robotics to sort recycling materials. Representatives from Waste Management and Rocky Mountain Recycling, Inc. presented to the committee on recycling from a business perspective. Representatives from the CDA, Colorado Farm Bureau, Mad Agriculture, and the Shavano Conservation District discussed how recycling and zero waste practices are incorporated into agricultural activities. Representatives from Allied Recycled Aggregates, the Colorado Department of Transportation, Repurposed Materials, Inc., and Rocky Mountain Recycling,

Inc., discussed how the construction sector recycles and reuses materials. Additionally, the committee heard a presentation from representatives from the Colorado School of Mines and National Renewable Energy Laboratory about the various projects and partnerships those entities are collaborating on to address recycling and zero waste.

The committee also toured a number recycling facilities throughout the state, including facilities in Boulder, Las Animas, Pueblo, and Swink, which allowed the committee to observe how different community recycling programs operate.

Committee recommendations. As a result of its discussions, the committee requested, but did not approve, a bill draft to require a 10-cent deposit on beverage containers and a system for redeeming those deposits. Another requested bill draft would have created a statewide recycling education campaign conditioned on the passage of the beverage container deposit and redemption bill. Bill A, which is described below, was amended to include a similar education campaign.

Composting

The committee heard presentations on composting from several private, public, and nonprofit organizations. Composting is the act of collecting and storing organic material so it can decay and be added to soil to improve its quality. A representative from the City and County of Denver discussed the Denver Composts program. The committee heard a presentation from Eco-Cycle on policies that can increase composting rates in Colorado. The committee also heard a presentation from A1 Organics about the benefits of composting. A1 Organics also discussed the differences between commercial composting and agriculture composting, the costs and benefits of composting in agriculture, and about possible changes to the tax code to increase the use of compost as fertilizer in the state.

Committee recommendations. As a result of its discussions, the committee recommends Bill B, which requires the CDPHE and the CDA to develop an organics management plan to study and make recommendations on organic waste management practices to encourage compost use on Colorado soil to promote carbon storage.

End Markets for Recycled Materials

The committee learned about end markets for recyclables from a number of presentations and tours. Representative from the CDPHE and the Colorado NextCycle Program discussed the program, which is a business incubator designed to improve the end markets for recovered commodities and organic materials in Colorado. NextCycle is under the oversight of the CDPHE. Additionally, representatives from 9Fiber and Direct Polymers each discussed their businesses and the benefits they have received from being grantees of the Colorado NextCycle Program.

A representative from Eco-Cycle provided the committee with information about the best practices for recycling end-markets. A representative from Momentum Recycling discussed the benefits of creating glass from recycled materials, as well as the difficulties facing Momentum Recycling due to

the state's low recycling rates. The committee heard information about how South Carolina has stimulated the demand for recycled materials in the state and the resulting increases in employment and revenue from those efforts from a representative from the South Carolina Department of Commerce.

Additionally, the committee observed how new products are being made out of recycled materials by touring Applegate Insulation, EVRAZ Rocky Mountain Steel, Momentum Recycling, and Owens-Illinois Glass Manufacturing.

Committee recommendations. As a result of its discussions, the committee recommends Bill A, which addresses the study, development, expansion, and promotion of market mechanisms to increase recycling. Bill A also requires the CDPHE to conduct a statewide campaign to educate Coloradans about recycling and directs the Pollution Prevention Advisory Board to develop a formula for reimbursing locally assessed personal property taxes for businesses that reclaim or recycle materials.

Carbon Sequestration

A research associate at Colorado State University (CSU) presented to the committee on carbon sequestration and reducing trace gases in Colorado agriculture. Carbon sequestration is the process of transferring carbon dioxide in the air back into the earth as carbon for long-term storage. Carbon sequestration can be accomplished through different methods, including capturing carbon dioxide and injecting it underground or by increasing the environment's ability to capture carbon dioxide by planting trees or reducing crop burning. The committee heard about managing the carbon cycle and the carbon footprint of agriculture operations. CSU also presented about how to increase carbon sequestration in agricultural operations by techniques such as composting, promoting minimum tillage, using cover crops, and reducing the use of synthetic fertilizers.

Soil Health

The committee heard presentations that addressed soil health from organizations including A1 Organics and Mad Agriculture. Soil health, also known as soil quality, is the ability for soil to be a sustainable resource for plants, animals, and humans. The presentations included information about other states that have developed soil health policies, how improving soil health can increase the amount of carbon the soil can absorb, and collaborative statewide efforts to promote composting and healthy soil. The committee also received an update from CDA about the department's role in promoting soil health.

Summary of Recommendations

As a result of committee discussion and deliberation, the Zero Waste and Recycling Interim Study Committee recommends the following two bills for consideration in the 2020 legislative session. At its meeting on November 15, 2019, the Legislative Council approved both recommended bills for introduction. The approved bills are described below.

Bill A — Incentivize Development Recycling End Markets

Bill A creates several incentives and strategies to promote recycling and to develop recycling end markets. It requires the Pollution Prevention Advisory Board (advisory board) in consultation with a broad range of stakeholders to make recommendations to the CDPHE on the structure and governance of a recycling market development center. The purpose of the center is to support the development of end-market businesses in the state by providing research and analysis of existing markets, identifying potential business development and funding opportunities, and integrating its efforts with the State Solid Waste Plan. The advisory board is required to report on its recommendations to the General Assembly's committees with jurisdiction over solid waste by July 1, 2021.

Under the bill, the CDPHE is required to conduct a literature review of current practices and 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. The CDPHE is required to report on its findings to the General Assembly's committees with jurisdiction over solid waste by July 1, 2021.

In consultation with the Pollution Prevention Advisory Board Assistance Committee, the advisory board is required to develop a formula for reimbursing locally assessed personal property taxes for businesses that reclaim or recycle materials. Businesses in the Front Range may be reimbursed from the Front Range Waste Diversion Cash Fund, while businesses in other locations may be reimbursed from the Recycling Resources Economic Opportunity Fund.

Finally, beginning October 1, 2020, the CDPHE is required to administer a statewide recycling education campaign. The CDPHE is required to consult with local governments and private agencies that operate recycling programs in administering the program. The CDPHE may contract with one or more public or private entities in preparation of campaign materials.

Bill B — Develop a Statewide Organics Management Plan

Bill B requires the CDPHE and the CDA to develop an organics management plan to study and make recommendations on organic waste management practices to encourage compost use on Colorado soil to promote carbon storage. The departments are required to work with a diverse group of stakeholders and include certain components specified in the bill. The CDPHE may incorporate its existing work regarding organics management in the plan. The departments are required to report on the plan to the General Assembly by February 1, 2023.

Resource Materials

Meeting summaries are prepared for each meeting of the committee and contain all handouts provided to the committee. The summaries of meetings and attachments are available at the Division of Archives, 1313 Sherman Street, Denver (303-866-2055). The listing below contains the dates of committee meetings and the topics discussed at those meetings. Meeting summaries are also available on our website at:

<https://leg.colorado.gov/content/committees>

Meeting Date and Topics Discussed

July 10, 2019

- ◆ Recent zero waste legislation
- ◆ Overview of zero waste and recycling
- ◆ Current state zero waste and recycling programs
- ◆ Waste management
- ◆ Recycling and composting
- ◆ Public testimony

August 14, 2019

- ◆ Business challenges of recycling
- ◆ Scrap metal recycling and its benefits
- ◆ The Colorado NextCycle Program
- ◆ End-markets for recycled products

September 10, 2019

- ◆ Carbon sequestration
- ◆ Composting
- ◆ Agricultural recycling, composting, and waste management
- ◆ Construction recycling
- ◆ Recycling partnerships between the Colorado School of Mines and the National Renewable Energy Laboratory
- ◆ Public testimony
- ◆ Requests for interim committee legislation

October 22, 2019

- ◆ Public testimony
- ◆ Committee discussion and final approval of committee legislation

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

BILL A

LLS NO. 20-0309.02 Thomas Morris x4218

SENATE BILL

SENATE SPONSORSHIP

Priola and Story,

HOUSE SPONSORSHIP

Cutter and Arndt,

Senate Committees

House Committees

A BILL FOR AN ACT

101 CONCERNING THE EXPANSION OF MARKET MECHANISMS FOR THE
102 FURTHER DEVELOPMENT OF RECYCLING.

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 end-market businesses within the state. Section 1 also directs the

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.

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 ADVISORY BOARD SHALL RECOMMEND TO
6 THE DEPARTMENT A STRUCTURE AND GOVERNING GUIDANCE FOR A
7 RECYCLING MARKET DEVELOPMENT CENTER, REFERRED TO IN THIS
8 SECTION AS THE "CENTER", TO SUPPORT THE DEVELOPMENT OF
9 END-MARKET BUSINESSES WITHIN THE STATE BY ACHIEVING THE GOALS OF
10 THE CENTER AS SPECIFIED IN SUBSECTION (3) OF THIS SECTION. IN

1 DEVELOPING ITS RECOMMENDATION, THE ADVISORY BOARD SHALL WORK
2 WITH A BROAD RANGE OF STAKEHOLDERS, 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 ADVISORY BOARD, 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 AS A
21 CONDITION OF SALE.

22 (2) BY JULY 1, 2021, THE DEPARTMENT SHALL REPORT TO THE
23 GENERAL ASSEMBLY'S COMMITTEES WITH JURISDICTION OVER SOLID
24 WASTE REGARDING ITS POLICY AND LEGISLATIVE RECOMMENDATIONS
25 BASED ON THE LITERATURE REVIEW.

26 (3) THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2022.

27 **SECTION 2.** In Colorado Revised Statutes, 25-16.5-105, **add**

1 (1)(n) as follows:

2 **25-16.5-105. Powers and duties of advisory board - definitions.**

3 (1) The advisory board has the following powers and duties:

4 (n) (I) IN CONSULTATION WITH THE POLLUTION PREVENTION
5 ADVISORY BOARD ASSISTANCE COMMITTEE CREATED IN SECTION
6 25-16.5-105.5 (2), TO DEVELOP A FORMULA FOR REIMBURSING A NEW OR
7 EXISTING BUSINESS, OR A PORTION OF A BUSINESS, THAT RECLAIMS OR
8 RECYCLES RECYCLABLE MATERIALS FOR LOCALLY ASSESSED PERSONAL
9 PROPERTY TAXES THE BUSINESS PAID ON PERSONAL PROPERTY ASSOCIATED
10 WITH NEW OR EXISTING WASTE DIVERSION OPERATIONS. THE ADVISORY
11 BOARD MAY SET CRITERIA OR LIMITS FOR REIMBURSEMENT BUT NEED NOT
12 ACTUALLY MAKE A REIMBURSEMENT. REIMBURSEMENTS ARE PAYABLE
13 ONLY FROM THE FOLLOWING SOURCES:

14 (A) FOR AN ELIGIBLE RECYCLING BUSINESS THAT PAID LOCALLY
15 ASSESSED PERSONAL PROPERTY TAX ON PERSONAL PROPERTY LOCATED
16 OUTSIDE THE FRONT RANGE, FROM MONEY APPROPRIATED TO THE
17 RECYCLING RESOURCES ECONOMIC OPPORTUNITY FUND PURSUANT TO
18 SECTION 25-16.5-106.5 (1)(a)(II); AND

19 (B) FOR AN ELIGIBLE RECYCLING BUSINESS THAT PAID LOCALLY
20 ASSESSED PERSONAL PROPERTY TAX ON PERSONAL PROPERTY LOCATED IN
21 THE FRONT RANGE, FROM MONEY IN THE FRONT RANGE WASTE DIVERSION
22 CASH FUND PURSUANT TO SECTION 25-16.5-111 (4)(b)(IV).

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

24 (A) "FRONT RANGE" HAS THE MEANING SET FORTH IN SECTION
25 25-16.5-111 (2)(f).

26 (B) "RECYCLABLE MATERIALS" MEANS ANY TYPE OF DISCARDED
27 OR WASTE MATERIAL THAT IS NOT REGULATED UNDER SECTION 25-8-205

1 (1)(e) AND CAN BE REUSED, REMANUFACTURED, RECLAIMED, OR
2 RECYCLED, INCLUDING COMPOSTABLE ORGANIC MATERIAL AND
3 CONSTRUCTION AND DEMOLITION MATERIALS. "RECYCLABLE MATERIALS"
4 DOES NOT INCLUDE INDUSTRIAL MATERIALS, PAINT, OR A WASTE TIRE AS
5 DEFINED IN SECTION 30-20-1402 (12).

6 **SECTION 3.** In Colorado Revised Statutes, 25-16.5-106.5,
7 **amend** (1)(a) introductory portion and (1)(a)(II) as follows:

8 **25-16.5-106.5. Recycling resources economic opportunity fund**
9 **- creation - repeal.** (1) (a) The recycling resources economic opportunity
10 fund, ~~is hereby created in the state treasury,~~ referred to in this section as
11 the "fund", IS HEREBY CREATED IN THE STATE TREASURY. The fund ~~shall~~
12 ~~consist~~ CONSISTS of:

13 (II) Any ~~moneys~~ MONEY appropriated to the fund by the general
14 assembly, INCLUDING MONEY APPROPRIATED FOR PERSONAL PROPERTY
15 TAX REIMBURSEMENTS FOR ELIGIBLE RECYCLING BUSINESSES PURSUANT
16 TO SECTION 26-16.5-105 (1)(n); and

17 **SECTION 4.** In Colorado Revised Statutes, 25-16.5-106.7, **add**
18 (6.5) as follows:

19 **25-16.5-106.7. Recycling resources economic opportunity**
20 **program - grants - definitions - repeal.** (6.5) IN ADDITION TO
21 AWARDED GRANTS PURSUANT TO SUBSECTION (4) OF THIS SECTION, THE
22 ADVISORY BOARD MAY USE MONEY IN THE FUND TO REIMBURSE, IN
23 ACCORDANCE WITH SECTION 25-16.5-105 (1)(n), ELIGIBLE RECYCLING
24 BUSINESSES FOR LOCALLY ASSESSED PERSONAL PROPERTY TAXES PAID IN
25 THE CURRENT TAX YEAR IN THIS STATE ON PERSONAL PROPERTY THAT IS
26 LOCATED OUTSIDE THE FRONT RANGE, AS DEFINED IN SECTION 25-16.5-111
27 (2)(f).

1 **SECTION 5.** In Colorado Revised Statutes, 25-16.5-111, **amend**
2 (4)(b)(II) and (4)(b)(III); and **add** (4)(b)(IV) as follows:

3 **25-16.5-111. Front range waste diversion enterprise -**
4 **legislative declaration - fund - goals - grant program - personal**
5 **property tax reimbursements - gifts, grants, or donations - definitions**
6 **- repeal.** (4) **Fund.** (b) Money in the fund is continuously appropriated
7 to the enterprise to:

8 (II) Award grants in accordance with this section; **and**
9 (III) Provide technical assistance to eligible entities to promote
10 diversion, including through the development and implementation of
11 policy; AND

12 (IV) REIMBURSE, AT THE BOARD'S DISCRETION, ELIGIBLE
13 RECYCLING BUSINESSES FOR LOCALLY ASSESSED PERSONAL PROPERTY
14 TAXES PAID IN THE CURRENT TAX YEAR IN THIS STATE ON PERSONAL
15 PROPERTY THAT IS LOCATED IN THE FRONT RANGE.

16 **SECTION 6.** In Colorado Revised Statutes, **add** 25-17-108 as
17 follows:

18 **25-17-108. Statewide education campaign concerning**
19 **recycling - repeal.** (1) ON AND AFTER OCTOBER 1, 2020, THE
20 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, REFERRED TO IN THIS
21 SECTION AS THE "DEPARTMENT", SHALL ADMINISTER A STATEWIDE
22 CAMPAIGN TO EDUCATE COLORADO RESIDENTS CONCERNING RECYCLING.

23 THE OBJECTIVES OF THE STATEWIDE CAMPAIGN ARE TO:
24 (a) INCREASE RECYCLING AMONG RESIDENTS; AND
25 (b) EDUCATE RESIDENTS ABOUT SPECIFIC RECYCLABLE MATERIALS
26 AND SPECIFIC RECYCLING HABITS THAT CAN INCREASE THE EFFICIENCY OF
27 RECYCLING EFFORTS IN COLORADO.

1 (2) THE DEPARTMENT SHALL ENSURE THE STATEWIDE CAMPAIGN
2 INCLUDES:

- 3 (a) COMMUNICATIONS DELIVERED VIA SOCIAL MEDIA;
- 4 (b) TELEVISION AND RADIO PUBLIC SERVICE ANNOUNCEMENTS;
- 5 AND
- 6 (c) THE PLACEMENT OF WRITTEN MATERIALS IN PUBLIC
7 LOCATIONS, SUCH AS COMMUNITY CENTERS, RECREATION CENTERS, AND
8 SHOPPING CENTERS.

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

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

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

18 **SECTION 7. Act subject to petition - effective date -**
19 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
20 the expiration of the ninety-day period after final adjournment of the
21 general assembly (August 5, 2020, if adjournment sine die is on May 6,
22 2020); except that, if a referendum petition is filed pursuant to section 1
23 (3) of article V of the state constitution against this act or an item, section,
24 or part of this act within such period, then the act, item, section, or part
25 will not take effect unless approved by the people at the general election
26 to be held in November 2020 and, in such case, will take effect on the
27 date of the official declaration of the vote thereon by the governor.

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

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

BILL B

LLS NO. 20-0311.01 Jennifer Berman x3286

HOUSE BILL

HOUSE SPONSORSHIP

Cutter and Froelich,

SENATE SPONSORSHIP

Priola,

House Committees

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE DEVELOPMENT OF A STATEWIDE ORGANICS**
102 **MANAGEMENT PLAN TO PROMOTE COMPOST USE.**

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

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.

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 (1) "CARBON STORAGE" MEANS, WITH RESPECT TO THE
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.

16 (3) "COMPOST" HAS THE SAME MEANING AS SET FORTH IN SECTION

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

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

26 (a) THE COMPLETION OF THE FOLLOWING COMPREHENSIVE,
27 STATEWIDE SURVEYS:

1 (I) AN END-MARKET SURVEY TO EXAMINE THE COSTS, REVENUES,
2 AND GREENHOUSE GAS IMPACTS ASSOCIATED WITH CURRENT END USES
3 FOR THE MAJOR CATEGORIES OF ORGANIC WASTE FEEDSTOCK GENERATED
4 WITHIN THE STATE, WHICH CATEGORIES ARE:

5 (A) SOURCE-SEPARATED MUNICIPAL SOLID WASTE ORGANICS;

6 (B) BIOSOLIDS;

7 (C) DAIRY AND FEEDLOT MANURE; AND

8 (D) FOREST WASTE INCLUDING URBAN FOREST WASTE.

9 (II) A SURVEY OF EXISTING ORGANIC WASTE GENERATION
10 FACILITIES AND PROCESSING CAPACITY;

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

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

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

21 (B) A COST-BENEFIT ANALYSIS;

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

24 (A) THE IDENTIFICATION OF NEW AND EXISTING COMPOST
25 FACILITIES AS ENTERPRISE ZONE PROJECTS THAT ARE ELIGIBLE FOR
26 INVESTMENT TAX CREDIT UNDER SECTION 39-30-104 AS COLORADO
27 INCOME TAXPAYER CONTRIBUTIONS UNDER THE COLORADO OFFICE OF

1 ECONOMIC DEVELOPMENT'S ENTERPRISE ZONE CONTRIBUTION PROJECT
2 PROGRAM;

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

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

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

9 (c) RECOMMENDATIONS REGARDING:

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

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

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

25 (C) THE DEVELOPMENT OF SAMPLE PROCUREMENT LANGUAGE
26 THAT A LOCAL GOVERNMENT COULD USE IN ITS PROCUREMENT PROCESS,
27 SUCH AS LANGUAGE REQUIRING A MINIMUM OF FIVE PERCENT ORGANIC

1 MATTER IN CONSTRUCTION AND LANDSCAPING PROJECTS.

2 (II) STRATEGIES THAT MUNICIPAL AND COMMERCIAL
3 SOURCE-SEPARATED POST-CONSUMER ORGANIC WASTE COLLECTORS AND
4 PROCESSORS COULD UTILIZE TO REDUCE CONTAMINATION, SUCH AS
5 EDUCATIONAL OUTREACH PROGRAMS.

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

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

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

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

19 **25-17.5-103. Repeal of article.** THIS ARTICLE 17.5 IS REPEALED,
20 EFFECTIVE SEPTEMBER 1, 2023.

21 **SECTION 2. Act subject to petition - effective date.** This act
22 takes effect at 12:01 a.m. on the day following the expiration of the
23 ninety-day period after final adjournment of the general assembly (August
24 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
25 referendum petition is filed pursuant to section 1 (3) of article V of the
26 state constitution against this act or an item, section, or part of this act
27 within such period, then the act, item, section, or part will not take effect

1 unless approved by the people at the general election to be held in
2 November 2020 and, in such case, will take effect on the date of the
3 official declaration of the vote thereon by the governor.