# First Regular Session Seventy-third General Assembly STATE OF COLORADO

### **PREAMENDED**

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

LLS NO. 21-0597.01 Richard Sweetman x4333

**SENATE BILL 21-180** 

#### SENATE SPONSORSHIP

Priola, Zenzinger

#### **HOUSE SPONSORSHIP**

Bird and Titone, Soper

**Senate Committees** 

101

**House Committees** 

Business, Labor, & Technology Finance

#### A BILL FOR AN ACT

## CONCERNING EFFORTS TO INCREASE RECYCLING IN COLORADO.

### **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 <a href="http://leg.colorado.gov">http://leg.colorado.gov</a>.)

The bill creates the Colorado recycling and composting infrastructure enterprise (enterprise) within the department of public health and environment (department) to develop and modernize the recycling and composting infrastructure in the state. The enterprise is authorized to issue revenue bonds.

The bill creates the Colorado recycling and composting infrastructure enterprise grant program (grant program) within the department to provide grants to eligible entities to:

- Create new or expand existing recycling, recovery, and composting operations;
- Create markets for recycled materials, including the use of food service packaging as feedstock in the production of new products; and
- Facilitate recycling, composting, litter cleanup, and education efforts concerning recycling and composting practices.

The bill creates the Colorado recycling and composting infrastructure enterprise board (enterprise board) to administer the grant program and submit an annual report concerning the grant program.

The bill creates the Colorado recycling and composting infrastructure enterprise grant program cash fund (cash fund) and requires the enterprise board to award grants from the cash fund.

The bill allows the executive board to promulgate rules to implement the grant program and requires the solid and hazardous waste commission (commission) to promulgate rules establishing a process for calculating the rates at which common types of food service packaging are being recycled or composted in the state, based on recently available data. On or before January 1, 2025, the commission must use the process to calculate such rates. Thereafter, the commission must recalculate each rate at least every 2 years. The enterprise board must evaluate the rates and advise the commission regarding their accuracy.

The bill requires the enterprise to determine and impose a fee on food service packaging that is initially sold or offered for sale in the state, as follows:

- On and after January 1, 2022, and until January 1, 2030, the enterprise shall impose a fee in an amount to be determined by the enterprise but which may not exceed three-tenths of a cent on each unit of the food service packaging;
- On and after January 1, 2030, and until January 1, 2035, if the food service packaging is a type of food service packaging for which the commission has calculated a recycling or composting rate that is less than 50%, the enterprise shall impose a fee in an amount to be determined by the enterprise but which may not exceed six-tenths of a cent on each unit of the food service packaging; and
- On and after January 1, 2035, if the food service packaging is a type of food service packaging for which the commission has calculated a recycling or composting rate that is less than 75%, the enterprise shall impose a fee in an amount to be determined by the enterprise but which may not exceed one cent on each unit of the food service packaging.

The enterprise shall collect the fee from the distributor that initially

-2-

sells the food service packaging into the state. All money collected as fees must be deposited into the cash fund.

The bill requires the commission to conduct an assessment of the state's recycling and composting infrastructure on or before January 1, 2022, including examining the types of food service packaging being collected, processed, recycled, or composted in the state.

1	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. In Colorado Revised Statutes, add part 5 to article
3	17 of title 25 as follows:
4	PART 5
5	COLORADO RECYCLING AND COMPOSTING
6	INFRASTRUCTURE ENTERPRISE
7	25-17-501. Legislative declaration. (1) The General Assembly
8	FINDS THAT:
9	(a) COLORADO HAS ONE OF THE LOWEST RATES OF WASTE
10	DIVERSION IN THE UNITED STATES, RECYCLING ONLY ABOUT FIFTEEN
11	PERCENT OF ITS WASTE WHILE THE NATIONAL RATE IS THIRTY-FIVE
12	PERCENT;
13	(b) THERE IS NO STATEWIDE OVERSIGHT OF THE RECYCLING AND
14	COMPOSTING OF FOOD SERVICE PACKAGING, WHICH COULD BE RECYCLED
15	AND COMPOSTED IN COLORADO, THEREBY CREATING LOCAL JOBS AND
16	STRENGTHENING ECONOMIES;
17	(c) An enterprise that serves the purpose of collecting
18	FUNDS AND DISTRIBUTING GRANTS TO EXPAND RECYCLING AND
19	COMPOSTING PROGRAMS, CREATE MARKETS FOR MATERIALS, AND
20	FACILITATE RECYCLING EDUCATION EFFORTS WILL YIELD ECONOMIC,
21	ENVIRONMENTAL, AND SOCIAL BENEFITS FOR ALL COLORADANS; AND
22	(d) There is no other state enterprise and no local

-3-

1	ENTERPRISE THAT PRIMARILY SERVES THE PURPOSE OF FOSTERING SUCH A
2	STATEWIDE PROGRAM AND YIELDING SUCH STATEWIDE BENEFITS.
3	(2) THE GENERAL ASSEMBLY, THEREFORE, DECLARES THAT:
4	(a) PROVIDING A RECYCLING AND COMPOSTING INFRASTRUCTURE
5	GRANT PROGRAM CONSTITUTES A VALUABLE SERVICE AND BENEFIT, AND
6	THE GRANT PROGRAM WILL SERVE A CRITICAL GOAL IN DEVELOPING THE
7	FINANCIAL MEANS TO PROMOTE EFFICIENT, EFFECTIVE RECYCLING AND
8	COMPOSTING;
9	(b) It is necessary, appropriate, and in the best interest of
10	THE STATE FOR THE BUSINESS SERVICES DESCRIBED IN THIS PART 5 TO BE
11	PROVIDED THROUGH AN ENTERPRISE, AS THAT TERM IS USED IN SECTION
12	20 of article $X$ of the state constitution and construed by the
13	COURTS OF THE STATE;
14	(c) THE FEES COLLECTED BY THE ENTERPRISE CREATED IN THIS
15	PART 5 ARE FEES, NOT TAXES, BECAUSE THEY ARE:
16	(I) IMPOSED FOR THE PURPOSE OF ALLOWING THE ENTERPRISE TO
17	DEFRAY THE COSTS OF PROVIDING CERTAIN BUSINESS SERVICES; AND
18	(II) REASONABLY CALCULATED TO ALLOW THE ENTERPRISE TO
19	PROVIDE SERVICES TO OR FOR THE BENEFIT OF AFFECTED PARTIES;
20	(d) SO LONG AS THE ENTERPRISE QUALIFIES AS AN ENTERPRISE FOR
21	purposes of section $20\text{of}$ article $X\text{of}$ the state constitution, the
22	REVENUES GENERATED FROM THE FEES COLLECTED BY THE ENTERPRISE
23	ARE NOT STATE FISCAL YEAR SPENDING OR STATE REVENUES AND DO NOT
24	COUNT AGAINST EITHER THE STATE FISCAL YEAR SPENDING LIMIT IMPOSED
25	By section $20\text{of}$ article $X$ of the state constitution or the excess
26	STATE REVENUES CAP; AND
27	(e) This part 5 is necessary to provide incentives to

-4-

2	FOR-PROFIT BUSINESSES INVOLVED IN THE COLLECTION, PROCESSING,
3	RECYCLING, OR COMPOSTING OF FOOD SERVICE PACKAGING.
4	<b>25-17-502. Definitions.</b> As used in this part 5, unless the
5	CONTEXT OTHERWISE REQUIRES:
6	(1) "BOARD" MEANS THE COLORADO RECYCLING AND COMPOSTING
7	INFRASTRUCTURE ENTERPRISE BOARD CREATED IN SECTION 25-17-504.
8	(2) "COMMISSION" MEANS THE SOLID AND HAZARDOUS WASTE
9	COMMISSION CREATED IN SECTION 25-15-302.
10	(3) "DEPARTMENT" MEANS THE DEPARTMENT OF PUBLIC HEALTH
11	AND ENVIRONMENT.
12	(4) "DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF THE
13	DEPARTMENT.
14	(5) "DISTRIBUTOR" MEANS A PERSON THAT OFFERS FOR SALE,
15	SELLS, OR DISTRIBUTES FOOD SERVICE PACKAGING IN THE STATE.
16	"DISTRIBUTOR" INCLUDES A FOOD SERVICE PACKAGING MANUFACTURER
17	THAT OFFERS FOR SALE OR SELLS FOOD SERVICE PACKAGING IN THE STATE
18	AND DOES NOT INCLUDE A RETAIL FOOD ESTABLISHMENT THAT PROVIDES
19	FOOD SERVICE PACKAGING WHEN IT SELLS FOOD.
20	(6) "ELIGIBLE ENTITY" MEANS:
21	(a) A MUNICIPALITY, COUNTY, OR CITY AND COUNTY; OR
22	(b) A NONPROFIT OR FOR-PROFIT BUSINESS THAT IS INVOLVED IN
23	THE COLLECTION, PROCESSING, RECYCLING, OR COMPOSTING OF FOOD
24	SERVICE PACKAGING.
25	(7) "Enterprise" means the Colorado recycling and
26	COMPOSTING INFRASTRUCTURE ENTERPRISE CREATED IN SECTION
27	25-17-503 (1).

VARIOUS ENTITIES INCLUDING LOCAL GOVERNMENTS AND NONPROFIT OR

1

-5-

1	(8) "FOOD" MEANS ANY RAW, COOKED, OR PROCESSED EDIBLE
2	SUBSTANCE, ICE, BEVERAGE, OR INGREDIENT USED OR INTENDED FOR USE
3	OR FOR SALE IN WHOLE OR IN PART FOR HUMAN CONSUMPTION. "FOOD"
4	DOES NOT INCLUDE A DRUG, AS DEFINED IN SECTION 25-5-402 (9).
5	(9) (a) "FOOD SERVICE PACKAGING" MEANS A PRODUCT USED FOR
6	SERVING OR TRANSPORTING READY-TO-EAT FOOD, INCLUDING PLATES,
7	CUPS, BOWLS, TRAYS, AND HINGED OR LIDDED CONTAINERS.
8	(b) "FOOD SERVICE PACKAGING" DOES NOT INCLUDE:
9	(I) Prefilled, sealed beverage containers;
10	(II) SINGLE-USE DISPOSABLE ITEMS SUCH AS STRAWS, CUP LIDS,
11	PLASTIC BAGS, AND UTENSILS; OR
12	(III) SINGLE-USE DISPOSABLE PACKAGING USED TO STORE OR
13	TRANSPORT FROM A POINT OF SALE RAW, UNCOOKED EGGS, BUTCHERED
14	MEAT, FISH, POULTRY, SEAFOOD, OR PRODUCE.
15	(10) "FUND" MEANS THE COLORADO RECYCLING AND COMPOSTING
16	INFRASTRUCTURE ENTERPRISE GRANT PROGRAM CASH FUND CREATED IN
17	SECTION 25-17-503 (3).
18	(11) "GRANT PROGRAM" MEANS THE COLORADO RECYCLING AND
19	COMPOSTING INFRASTRUCTURE ENTERPRISE GRANT PROGRAM CREATED IN
20	SECTION 25-17-503 (2).
21	(12) "READY-TO-EAT FOOD" MEANS FOOD THAT IS COOKED OR
22	OTHERWISE PREPARED FOR IMMEDIATE CONSUMPTION EITHER ON OR OFF
23	A RETAIL FOOD ESTABLISHMENT'S PREMISES. "READY-TO-EAT FOOD" DOES
24	NOT INCLUDE FOOD OR BEVERAGES THAT HAVE BEEN PREPACKAGED OR
25	PREFILLED BY A THIRD PARTY BEFORE A RETAIL FOOD ESTABLISHMENT
26	RECEIVES THEM.
27	(13) "RETAIL FOOD ESTABLISHMENT" HAS THE MEANING SET

-6-

1	FORTH IN SECTION 25-4-1602 (14).
2	(14) "SOLID WASTE INDUSTRY" MEANS BUSINESSES ACTIVELY
3	ENGAGED IN THE COLLECTION, TRANSPORT, TREATMENT, OR DISPOSAL OF
4	FOOD SERVICE PACKAGING.
5	(15) "TYPE OF FOOD SERVICE PACKAGING" MEANS THE PHYSICAL
6	MATERIAL OR MATERIALS FROM WHICH A UNIT OF FOOD SERVICE
7	PACKAGING IS FORMED OR CONSTRUCTED.
8	25-17-503. Colorado recycling and composting infrastructure
9	enterprise created - purpose - enterprise status - grant program
10	created - cash fund created - rules. (1) Enterprise. (a) THE
11	COLORADO RECYCLING AND COMPOSTING INFRASTRUCTURE ENTERPRISE
12	IS CREATED IN THE DEPARTMENT FOR THE PURPOSE OF DEVELOPING AND
13	MODERNIZING, CONSISTENT WITH CURRENT COMMERCIAL STANDARDS AND
14	MARKET-BASED NEEDS, THE RECYCLING AND COMPOSTING
15	INFRASTRUCTURE IN THE STATE. THE BOARD SHALL ADMINISTER THE
16	ENTERPRISE IN ACCORDANCE WITH THIS PART 5.
17	(b) (I) The enterprise constitutes an enterprise for
18	PURPOSES OF SECTION $20$ OF ARTICLE $X$ OF THE STATE CONSTITUTION SO
19	LONG AS IT RETAINS THE AUTHORITY TO ISSUE REVENUE BONDS AND
20	RECEIVES LESS THAN TEN PERCENT OF ITS TOTAL REVENUES IN GRANTS, AS
21	DEFINED IN SECTION 24-77-102 (7), FROM ALL COLORADO STATE AND
22	LOCAL GOVERNMENTS COMBINED. SO LONG AS IT CONSTITUTES AN
23	ENTERPRISE, THE ENTERPRISE IS NOT A DISTRICT FOR PURPOSES OF SECTION
24	20 of article X of the state constitution.
25	(II) THE ENTERPRISE IS AUTHORIZED TO ISSUE REVENUE BONDS FOR
26	THE EXPENSES OF THE ENTERPRISE, SECURED BY REVENUE OF THE
27	ENTERPRISE.

-7-

1	(2) Grant program. (a) The Colorado recycling and
2	$COMPOSTING INFRASTRUCTURE\ ENTERPRISE\ GRANT\ PROGRAM\ IS\ CREATED.$
3	THE BOARD SHALL ADMINISTER THE GRANT PROGRAM AND, ON AND AFTER
4	July 1, 2023, award grants to eligible entities for the following
5	PURPOSES:
6	(I) TO CREATE NEW OR EXPAND EXISTING RECYCLING, RECOVERY,
7	AND COMPOSTING OPERATIONS, INCLUDING RECYCLING, RECOVERY, AND
8	COMPOSTING OF FOOD SERVICE PACKAGING;
9	(II) TO CREATE MARKETS FOR RECYCLED MATERIALS, INCLUDING
10	THE USE OF FOOD SERVICE PACKAGING AS FEEDSTOCK IN THE PRODUCTION
11	OF NEW PRODUCTS; AND
12	(III) TO FACILITATE RECYCLING, COMPOSTING, LITTER CLEANUP,
13	AND EDUCATION EFFORTS CONCERNING RECYCLING AND COMPOSTING
14	PRACTICES.
15	(b) TO RECEIVE A GRANT, AN ELIGIBLE ENTITY MUST SUBMIT AN
16	APPLICATION TO THE ENTERPRISE IN A FORM AND MANNER SPECIFIED BY
17	THE BOARD.
18	(c) The board shall review applications received pursuant
19	TO THIS SECTION. IN AWARDING GRANTS, THE BOARD SHALL CONSIDER THE
20	EXTENT TO WHICH:
21	(I) AN APPLICANT'S PROJECT WILL ACHIEVE A CLEAR, MEASURABLE
22	REDUCTION IN WASTE THROUGH PREVENTION, REUSE, AND RECYCLING;
23	(II) AN APPLICANT'S PROJECT ADDRESSES A SPECIFIC WASTE
24	PREVENTION, REUSE, RECYCLING INFRASTRUCTURE, COMPOSTING
25	INFRASTRUCTURE, OR MARKET NEED IN THE STATE;
26	(III) AN APPLICANT'S PROJECT WILL REMAIN ECONOMICALLY
27	VIABLE AND SUSTAINABLE AFTER ALL AWARDED GRANT MONEY IS

-8-

1	EXHAUSTED; AND
2	(IV) AN APPLICANT POSSESSES SUFFICIENT BUSINESS PLANNING
3	AND MANAGEMENT EXPERIENCE TO ESTABLISH A HIGH PROBABILITY OF
4	THE PROJECT'S SUCCESS.
5	(d) AN ENTITY THAT RECEIVES A GRANT MAY USE THE GRANT
6	MONEY ONLY TO PAY FOR:
7	(I) OPERATION COSTS;
8	(II) EQUIPMENT COSTS; OR
9	(III) CAPITAL IMPROVEMENTS.
10	(3) Cash fund. (a) The Colorado recycling and composting
11	INFRASTRUCTURE ENTERPRISE GRANT PROGRAM CASH FUND IS CREATED
12	IN THE STATE TREASURY. THE FUND CONSISTS OF:
13	(I) Money received as fees pursuant to section 25-17-506;
14	(II) ANY MONEY RECEIVED FROM THE ISSUANCE OF REVENUE
15	BONDS, AS DESCRIBED IN SUBSECTION $(1)(b)(II)$ OF THIS SECTION; AND
16	(III) ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY
17	APPROPRIATE OR TRANSFER TO THE FUND.
18	(b) The state treasurer shall credit all interest and
19	INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
20	FUND TO THE FUND. ANY UNEXPENDED AND UNENCUMBERED MONEY
21	REMAINING IN THE FUND AT THE END OF A FISCAL YEAR REMAINS IN THE
22	FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL
23	FUND.
24	(c) Subject to annual appropriation by the general
25	ASSEMBLY, THE BOARD MAY EXPEND MONEY FROM THE FUND FOR THE
26	PURPOSES DESCRIBED IN THIS SECTION.
2.7	(d) THE BOARD MAY TRANSFER UP TO FOUR PERCENT OF THE

-9-

1	MONEY ANNUALLY <u>DEPOSITED INTO</u> THE FUND TO THE DEPARTMENT TO
2	PAY THE DIRECT AND INDIRECT COSTS THAT THE COMMISSION INCURS IN
3	FULFILLING ITS DUTIES UNDER THIS PART 5.
4	(e) THE BOARD MAY SEEK, ACCEPT, AND EXPEND GIFTS, GRANTS,
5	OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE PURPOSES OF
6	THIS PART 5. THE BOARD SHALL TRANSMIT ALL MONEY RECEIVED AS GIFTS,
7	GRANTS, OR DONATIONS TO THE STATE TREASURER, WHO SHALL CREDIT
8	THE MONEY TO THE FUND.
9	(4) THE BOARD MAY PROMULGATE RULES AS NECESSARY TO:
10	(a) ESTABLISH THE FORM AND MANNER BY WHICH AN ELIGIBLE
11	ENTITY MAY APPLY FOR A GRANT FROM THE GRANT PROGRAM;
12	(b) ESTABLISH CRITERIA AND PROCEDURES FOR THE REVIEW AND
13	APPROVAL OF APPLICATIONS;
14	(c) FACILITATE THE DISTRIBUTION OF GRANT MONEY; AND
15	(d) Establish accounting and reporting requirements for
16	GRANT RECIPIENTS IN ORDER TO ENSURE ACCOUNTABILITY IN THE USE OF
17	GRANT MONEY.
18	25-17-504. Colorado recycling and composting infrastructure
19	enterprise board - created - membership - compensation - duties -
20	rules. (1) (a) The Colorado recycling and composting
21	INFRASTRUCTURE ENTERPRISE BOARD IS CREATED TO ADMINISTER THE
22	ENTERPRISE. THE BOARD'S PURPOSE IS TO INCREASE RECYCLING AND
23	COMPOSTING IN THE STATE BY:
24	(I) DIVERTING MATERIALS FROM DISPOSAL;
25	(II) Assisting in the establishment of end-use markets for
26	RECOVERED MATERIALS; AND
2.7	(III) REDUCING LITTER AND MARINE DEBRIS.

-10-

1	(b) The board includes the director, or the director's
2	DESIGNEE, AND EIGHT OTHER MEMBERS APPOINTED BY THE GOVERNOR AS
3	FOLLOWS:
4	(I) ONE MEMBER REPRESENTING THE SOLID WASTE INDUSTRY;
5	(II) TWO MEMBERS REPRESENTING LOCAL GOVERNMENT, ONE OF
6	WHOM IS AN ELECTED OFFICIAL OR EMPLOYEE OF A CITY OR TOWN, AND
7	ONE OF WHOM IS AN ELECTED OFFICIAL OR EMPLOYEE OF A COUNTY OR A
8	CITY AND COUNTY;
9	(III) ONE MEMBER REPRESENTING A RECYCLING-RELATED
10	BUSINESS;
11	(IV) ONE MEMBER REPRESENTING A COMPOSTING-RELATED
12	BUSINESS;
13	(V) One member representing the public who has scientific
14	EXPERTISE AND TRAINING IN ENVIRONMENTAL PROTECTION; AND
15	(VI) TWO MEMBERS REPRESENTING DISTRIBUTORS.
16	(2) (a) The governor shall appoint four board members to
17	Two-year terms beginning July 1, 2021, and four board members
18	FOR THREE-YEAR TERMS BEGINNING JULY 1, 2021.
19	(b) UPON THE EXPIRATION OF THE TERM OF ANY BOARD MEMBER
20	Who is appointed to serve beginning July 1, 2021, the governor
21	SHALL APPOINT A BOARD MEMBER TO SERVE A TWO-YEAR TERM.
22	THEREAFTER, NO BOARD MEMBER MAY SERVE MORE THAN THREE
23	CONSECUTIVE TERMS; EXCEPT THAT THE DIRECTOR OR THE DIRECTOR'S
24	DESIGNEE SHALL SERVE SO LONG AS THE DIRECTOR HOLDS THE POSITION
25	OF DIRECTOR.
26	(3) THE GOVERNOR SHALL APPOINT AN INDIVIDUAL TO FILL ANY
27	VACANCY THAT OCCURS ON THE BOARD, IN ACCORDANCE WITH

-11-

1	SUBSECTION (1)(b) OF THIS SECTION. AN INDIVIDUAL APPOINTED TO FILL
2	A VACANCY SERVES FOR THE REMAINDER OF THE UNEXPIRED TERM, WHICH
3	COUNTS AS THAT INDIVIDUAL'S FIRST TERM FOR THE PURPOSES OF
4	SUBSECTION (2)(b) OF THIS SECTION.
5	(4) BOARD MEMBERS SERVE WITHOUT COMPENSATION BUT ARE
6	ENTITLED TO REIMBURSEMENT FOR ACTUAL AND NECESSARY EXPENSES
7	INCURRED IN THE PERFORMANCE OF THEIR DUTIES.
8	(5) THE BOARD SHALL:
9	$(a) \ Promulgate  rules  for  the  regulation  of  its  affairs  and $
10	THE CONDUCT OF ITS BUSINESS CONSISTENT WITH THIS SECTION;
11	(b) Engage the services of contractors, consultants, the
12	DEPARTMENT, AND LEGAL COUNSEL, INCLUDING THE ATTORNEY GENERAL,
13	FOR PROFESSIONAL AND TECHNICAL ASSISTANCE AND ADVICE AND TO
14	SUPPLY OTHER SERVICES RELATED TO THE AFFAIRS OF THE ENTERPRISE.
15	THE BOARD SHALL ENCOURAGE DIVERSITY IN APPLICANTS FOR CONTRACTS
16	AND, TO THE EXTENT PRACTICABLE, AVOID USING SINGLE-SOURCE BIDS.
17	THE DEPARTMENT SHALL PROVIDE OFFICE SPACE AND ADMINISTRATIVE
18	STAFF TO THE ENTERPRISE PURSUANT TO A CONTRACT EXECUTED
19	PURSUANT TO THIS SUBSECTION (5)(b).
20	(c) USE ITS BEST EFFORTS TO AWARD GRANTS WITHIN NINETY DAYS
21	AFTER RECEIVING AN APPLICATION FROM AN ELIGIBLE ENTITY THAT IS
22	AWARDED A GRANT.
23	(d) EVALUATE RECYCLING AND COMPOSTING RATES CALCULATED
24	BY THE COMMISSION FOR TYPES OF FOOD SERVICE PACKAGING, AND
25	ADVISE THE COMMISSION CONCERNING THE ACCURACY OF SUCH RATES, AS
26	DESCRIBED IN SECTION $25-17-506$ (6); AND
27	(e) Prepare and submit an annual report concerning the

-12-

1	GRANT PROGRAM, AS DESCRIBED IN SECTION 25-17-505.
2	<b>25-17-505. Annual report.</b> (1) NOTWITHSTANDING SECTION
3	24-1-136 (11)(a), on or before September 1, 2023, and on or before
4	EACH SEPTEMBER 1 THEREAFTER, THE BOARD SHALL PREPARE AND SUBMIT
5	TO THE GOVERNOR, THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE
6	HOUSE OF REPRESENTATIVES, AND THE MINORITY LEADERS OF THE SENATE
7	AND THE HOUSE OF REPRESENTATIVES A REPORT CONCERNING THE GRANT
8	PROGRAM THAT INCLUDES:
9	(a) THE UNOBLIGATED BALANCE OF THE FUND;
10	(b) THE NUMBER OF GRANT APPLICATIONS RECEIVED DURING THE
11	PRECEDING FISCAL YEAR, INCLUDING THE NAME OF EACH ELIGIBLE ENTITY
12	THAT APPLIED FOR A GRANT; AND
13	(c) A RECORD OF EACH GRANT AWARDED DURING THE PRECEDING
14	FISCAL YEAR, INCLUDING:
15	(I) THE NAME OF THE ELIGIBLE ENTITY THAT RECEIVED THE
16	GRANT;
17	(II) THE AMOUNT OF GRANT MONEY AWARDED;
18	(III) THE NATURE OF THE PROJECT THAT IS THE SUBJECT OF THE
19	GRANT; AND
20	(IV) THE ACTIONS OR OUTCOMES RESULTING FROM THE AWARD OF
21	THE GRANT.
22	(2) THE REPORT DESCRIBED IN SUBSECTION (1) OF THIS SECTION IS
23	A PUBLIC DOCUMENT, AND THE DEPARTMENT SHALL PUBLISH THE REPORT
24	ON ITS WEBSITE.
25	25-17-506. Food service packaging recycling and composting
26	rates - calculations - fees - rules. (1) The enterprise shall determine
27	AND IMPOSE A FEE ON DISTRIBUTORS OF FOOD SERVICE PACKAGING THAT

-13-

1	IS INITIALLY SOLD IN THE STATE, AS FOLLOWS:
2	(a) On and after January 1,2022, an

(a) ON AND AFTER JANUARY 1, 2022, AND UNTIL JANUARY 1, 2030,
THE ENTERPRISE SHALL IMPOSE A FEE IN AN AMOUNT TO BE DETERMINED
BY THE ENTERPRISE BUT WHICH MAY NOT EXCEED THREE-TENTHS OF A
CENT ON EACH UNIT OF FOOD SERVICE PACKAGING;

- (b) ON AND AFTER JANUARY 1, 2030, AND UNTIL JANUARY 1, 2035, IF FOOD SERVICE PACKAGING IS A TYPE OF FOOD SERVICE PACKAGING FOR WHICH THE COMMISSION HAS CALCULATED A RECYCLING OR COMPOSTING RATE PURSUANT TO SUBSECTION (5) OF THIS SECTION, AND THE RATE IS LESS THAN FIFTY PERCENT, THE ENTERPRISE SHALL IMPOSE A FEE IN AN AMOUNT TO BE DETERMINED BY THE ENTERPRISE BUT WHICH MAY NOT EXCEED SIX-TENTHS OF A CENT ON EACH UNIT OF THE FOOD SERVICE PACKAGING; AND
- (c) On and after January 1, 2035, if the food service packaging is a type of food service packaging for which the commission has calculated a recycling or composting rate pursuant to subsection (5) of this section, and the rate is less than seventy-five percent, the enterprise shall impose a fee in an amount to be determined by the enterprise but which may not exceed one cent on each unit of the food service packaging.
- (2) THE ENTERPRISE SHALL COLLECT THE FEE DESCRIBED IN SUBSECTION (1) OF THIS SECTION FROM THE DISTRIBUTOR THAT INITIALLY SELLS THE FOOD SERVICE PACKAGING IN THE STATE. NOTWITHSTANDING ANY PROVISION OF PART 2 OF ARTICLE 72 OF TITLE 24 TO THE CONTRARY, INFORMATION COLLECTED BY THE COMMISSION PURSUANT TO THIS SECTION IS NOT A PUBLIC RECORD AND THE COMMISSION IS NOT REQUIRED TO DISCLOSE SUCH INFORMATION.

-14- 180

1	(3) THE ENTERPRISE SHALL TRANSMIT ALL MONEY COLLECTED AS
2	FEES PURSUANT TO THIS SECTION TO THE STATE TREASURER FOR DEPOSIT
3	IN THE FUND.
4	(4) On or before January 1, 2024, the commission shall
5	PROMULGATE RULES ESTABLISHING A PROCESS FOR CALCULATING THE
6	RATES AT WHICH COMMON TYPES OF FOOD SERVICE PACKAGING ARE BEING
7	RECYCLED OR COMPOSTED IN THE STATE, BASED ON RECENTLY AVAILABLE
8	DATA. IN ESTABLISHING THE CALCULATION PROCESS, THE COMMISSION
9	SHALL SEEK INPUT AND FEEDBACK FROM THE BOARD AND FROM
10	STAKEHOLDERS, INCLUDING DISTRIBUTORS AND REPRESENTATIVES OF THE
11	SOLID WASTE, RECYCLING, AND COMPOSTING INDUSTRIES.
12	(5) On or before January 1, 2025, the commission shall use
13	THE PROCESS ESTABLISHED BY RULES PROMULGATED PURSUANT TO
14	SUBSECTION (4) OF THIS SECTION TO CALCULATE THE RATES AT WHICH
15	COMMON TYPES OF FOOD SERVICE PACKAGING ARE BEING RECYCLED OR
16	COMPOSTED IN THE STATE. THEREAFTER, THE COMMISSION SHALL
17	RECALCULATE EACH SUCH RATE AT LEAST EVERY TWO YEARS. THE
18	DEPARTMENT SHALL PUBLISH THE CALCULATED RATES ON ITS WEBSITE.
19	(6) On or before September 1, 2029, and on or before
20	SEPTEMBER 1 OF EACH YEAR THEREAFTER, THE BOARD SHALL EVALUATE
21	EACH RECYCLING AND COMPOSTING RATE CALCULATED BY THE
22	COMMISSION FOR A TYPE OF FOOD SERVICE PACKAGING PURSUANT TO
23	SUBSECTION (5) OF THIS SECTION. THE BOARD SHALL ADVISE THE
24	COMMISSION AS NECESSARY REGARDING THE ACCURACY OF EACH SUCH
25	RATE.
26	25-17-507. Statewide assessment - recycling and composting
27	infrastructure - repeal. (1) On or before July 1, 2023, the

-15-

1	COMMISSION SHALL CONDUCT AN ASSESSMENT OF THE STATE'S RECYCLING
2	AND COMPOSTING INFRASTRUCTURE, INCLUDING EXAMINING THE TYPES OF
3	FOOD SERVICE PACKAGING BEING COLLECTED, PROCESSED, RECYCLED, OR
4	COMPOSTED IN THE STATE. AT A MINIMUM, THE ASSESSMENT MUST:
5	(a) Identify opportunities to improve and expand waste
6	COLLECTION AND PROCESSING CAPABILITIES, INCLUDING THE USE OF
7	INNOVATIVE NEW TECHNOLOGIES;
8	(b) Analyze the variations between local waste
9	PROGRAMS, RECYCLING PROGRAMS, AND COMPOSTING PROGRAMS AND
10	IDENTIFY OPPORTUNITIES FOR STATEWIDE HARMONIZATION, INCLUDING
11	IDENTIFYING BARRIERS TO COOPERATION AND STANDARDIZATION AND
12	IMPROVING PUBLIC EDUCATION PROGRAMS AND MESSAGING;
13	(c) EVALUATE END-USE MARKETS FOR COLLECTED MATERIALS AND
14	IDENTIFY POLICIES THAT MAY BE NEEDED TO STIMULATE DOMESTIC
15	MARKETS; AND
16	(d) ANALYZE ECONOMIC INCENTIVES AND POLICIES TO MAXIMIZE
17	AND ENCOURAGE IN-STATE PROCESSING OF COLLECTED MATERIAL AND
18	THE USE OF RECYCLED MATERIAL IN FOOD SERVICE PACKAGING.
19	(2) IN COMPLETING THE ASSESSMENT DESCRIBED IN SUBSECTION
20	(1) OF THIS SECTION, THE COMMISSION SHALL SOLICIT INPUT FROM
21	STAKEHOLDERS INCLUDING:
22	(a) CONSUMERS;
23	(b) LOCAL GOVERNMENTS;
24	(c) Representatives of the solid waste, recycling, and
25	COMPOSTING INDUSTRIES;
26	(d) DISTRIBUTORS;
27	(e) Material suppliers;

-16-

1	(f) END-USERS OF RECYCLED AND COMPOSTED MATERIALS;
2	(g) ENVIRONMENTAL ORGANIZATIONS; AND
3	(h) RETAIL FOOD ESTABLISHMENTS.
4	(3) THE ASSESSMENT DESCRIBED IN SUBSECTION (1) OF THIS
5	SECTION IS A PUBLIC RECORD, AND THE COMMISSION SHALL POST THE
6	ASSESSMENT ON ITS PUBLIC WEBSITE AND DELIVER THE ASSESSMENT TO
7	THE GOVERNOR, THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE
8	HOUSE OF REPRESENTATIVES, AND THE MINORITY LEADERS OF THE SENATE
9	AND THE HOUSE OF REPRESENTATIVES, AS WELL AS TO EACH MEMBER OF
10	THE BOARD.
11	(4) Pursuant to Section 25-17-503 (3)(d), the enterprise
12	SHALL TRANSFER MONEY FROM THE FUND TO THE DEPARTMENT TO PAY
13	THE DIRECT AND INDIRECT COSTS THAT THE COMMISSION INCURS IN
14	FULFILLING ITS DUTIES PURSUANT TO THIS SECTION.
15	(5) This section is repealed, effective <u>January 1, 2024.</u>
16	SECTION 2. In Colorado Revised Statutes, 25-15-302, amend
17	(2) introductory portion; and add (2)(m) as follows:
18	25-15-302. Solid and hazardous waste commission - creation
19	- membership - rules - fees - administration - definition. (2) The
20	commission shall promulgate rules pertaining to hazardous waste in
21	accordance with this part 3 and in accordance with the procedures and
22	other provisions of article 4 of title 24. C.R.S. Such THE rules shall
23	provide protection of MUST PROTECT public health and the environment
24	and shall include:
25	(m) Rules establishing a process for calculating the
26	RATES AT WHICH COMMON TYPES OF FOOD SERVICE PACKAGING ARE BEING
27	RECYCLED OR COMPOSTED IN THE STATE, AS DESCRIBED IN SECTION

-17-

- 1 25-17-506 (4).
- 2 **SECTION 3. Safety clause.** The general assembly hereby finds,
- determines, and declares that this act is necessary for the immediate
- 4 preservation of the public peace, health, or safety.

-18-