Second Regular Session Seventy-third General Assembly STATE OF COLORADO

UNREVISE REDRAFT 1.13.22

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LLS NO. 22-0075.02 Sarah Lozano x3858

HOUSE BILL

HOUSE SPONSORSHIP

Cutter,

SENATE SPONSORSHIP

Priola and Gonzales,

BILL TOPIC: "Producer Responsibility For Recycling Program" **DEADLINES:** Finalize by: JAN 13, 2022 File by: JAN 18, 2022

A BILL FOR AN ACT

101	CONCERNING THE CREATION OF THE PRODUCER RESPONSIBILITY FOR
102	RECYCLING PROGRAM <u>TO IMPLEMENT A STATEWIDE RECYCLING</u>
103	SYSTEM TO REDUCE WASTE.

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.)

On or before March 1, 2023, the executive director (executive director) of the Colorado department of public health and environment (department) must select a nonprofit organization (organization) to implement and manage a program that provides recycling services to covered entities in the state, which are defined as residences, businesses,

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educational institutions, government buildings, and public places (program). The program is funded by annual dues (producer responsibility dues) paid by producers of covered materials, which are defined as packaging materials, paper products, and single-use food serviceware that are sold or distributed in the state.

Prior to the implementation of the program, the organization must:

- On or before May 1, 2023, hire an independent third party approved by the executive director to conduct an assessment of recycling needs in the state (needs assessment);
- On or before November 30, 2023, report the results of the needs assessment to the advisory board and the executive director; and
- On or before June 1, 2024, after soliciting input from the advisory board and interested parties, submit a plan proposal for the program (plan proposal) to the advisory board and executive director;

The plan proposal must:

- Describe how the organization will meet the recycling needs of the state set forth in the needs assessment;
- Establish a funding mechanism that covers the costs of the program and the department through producer responsibility dues;
- Set standard rates to reimburse the costs of public and private recycling service providers performing services under the program;
- Provide a list of covered materials (minimum recyclable list) that private and public service providers performing services under the program must collect to be eligible for reimbursement under the program; and
- <u>Set minimum recycling rates, recovery rates, and post-consumer content rates that the state will meet by January 1, 2030 and January 1, 2035.</u>

As part of the program, the organization must:

- Provide statewide recycling services to covered entities for all covered materials on the minimum recyclable list through public and private recycling service providers;
- Develop and implement a statewide education and outreach program on the recycling and reuse of covered materials;
- Conduct an annual audit of the program; and
- <u>Submit an annual report to the executive director describing the progress of the program (annual report).</u>

Effective July 1, 2025, a producer of covered materials may not sell or distribute any products that use covered materials in the state unless the producer is participating in the program or an alternative

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program that has been approved by the executive director.

The bill establishes the producer responsibility for recycling cash fund (fund). On June 30, 2026, and on June 30 of every year, the department will notify the organization of its costs in overseeing the program, and the organization will transmit a portion of the producer responsibility dues to the fund for the purposes of reimbursing the department for its costs.

The bill creates a producer responsibility for recycling advisory board (advisory board) that consists of members that have expertise in recycling programs and are representative of a variety of geographic areas in the state. The advisory board has the following duties:

- Advise the organization on the needs assessment;
- Review the needs assessment;
- <u>Review the plan proposal and make recommendations to</u> the executive director regarding its approval or rejection;
- Review any necessary amendments to the program and make recommendations to the executive director regarding its approval or rejection;
- Review the annual report submitted by the organization;
 and
- Consult with the organization on the development and updating of the minimum recyclable list.

The bill establishes an administrative penalty for the organization's or a producer's violation of the relevant statutes and rules. The collected penalties are deposited into the recycling resources economic opportunity fund.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** part 6 to article

3 17 of title 25 as follows:

4 PART 6

5 PRODUCER RESPONSIBILITY <u>FOR</u> RECYCLING PROGRAM

6 **25-17-601. Short title.** The short title of this part 6 is the

- 7 "PRODUCER RESPONSIBILITY FOR RECYCLING ACT".
- 8 **25-17-602. Legislative declaration.** (1) The General Assembly
- 9 HEREBY FINDS AND DECLARES THAT:
- 10 (a) RECYCLING HAS A POSITIVE IMPACT ON THE ENVIRONMENT AND

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2	AND REDUCING GREENHOUSE GAS EMISSIONS;
3	(b) As of January 1, 2022, Colorado only recycles fifteen
4	PERCENT OF ITS WASTE, WHICH IS LESS THAN HALF OF THE NATIONAL
5	AVERAGE; <{ What date is the data current through? I think because
6	this language is going in statute, the bill needs to say what time perido
7	the data is from.}>
8	(c) Colorado is not on track to meet the statewide
9	RECYCLING AND WASTE DIVERSION GOALS ADOPTED BY THE POLLUTION
10	PREVENTION ADVISORY BOARD ASSISTANCE COMMITTEE IN 2016 AND SET
11	FORTH IN THE INTEGRATED SOLID WASTE AND MATERIALS MANAGEMENT
12	<u>PLAN;</u>
13	(d) There can be negative environmental, social,
14	ECONOMIC, AND HEALTH IMPACTS IN THE PRODUCTION, CONSUMPTION,
15	AND END-OF-USE MANAGEMENT OF PRODUCTS AND PACKAGING ACROSS
16	THEIR LIFE CYCLE;
17	(e) It is the obligation of producers to share in the
18	RESPONSIBILITY TO REDUCE THOSE NEGATIVE IMPACTS BY PROMOTING THE

PUBLIC HEALTH BY SAVING ENERGY, CONSERVING NATURAL RESOURCES,

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RECYCLABLE MATERIALS;

PACKAGING; AND

(f) A PRODUCER RESPONSIBILITY PROGRAM IN COLORADO WOULD:

(I) ESTABLISH A CENTRALIZED SYSTEM FOR MANAGING RECYCLING

IN THE STATE THAT IS FUNDED BY ANNUAL DUES PAID BY THE PRODUCERS

OF RECYCLABLE MATERIALS;

(II) ESTABLISH A CLEAR AND UNIFORM STATEWIDE LIST OF

(III) PROVIDE SUBSTANTIAL SAVINGS TO LOCAL GOVERNMENTS

1	FOR THE COSTS OF PROVIDING RECYCLING SERVICES TO THEIR
2	COMMUNITIES;
3	(IV) Increase the use of recyclable materials in New
4	PRODUCTS AND PACKAGING;
5	(V) Encourage the producers of recyclable materials to
6	DESIGN AND MANAGE THOSE MATERIALS TO PREVENT AND MINIMIZE THEIR
7	NEGATIVE ENVIRONMENTAL, SOCIAL, ECONOMIC, AND HEALTH IMPACTS;
8	(VI) BEMANAGED BY AN INDEPENDENT NONPROFIT ORGANIZATION
9	WITH OVERSIGHT BY AN ADVISORY BOARD OF RECYCLING EXPERTS AND
10	THE COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT;
11	(VII) INVEST IN END-MARKET DEVELOPMENT AND INNOVATIONS
12	THAT ATTRACT NEW BUSINESSES TO COLORADO AND CREATE A MORE
13	RESILIENT DOMESTIC SUPPLY CHAIN; AND
14	(VIII) LEVERAGE EXISTING RECYCLING SYSTEMS AND
15	INFRASTRUCTURE BY WORKING WITH BOTH PUBLIC AND PRIVATE SERVICE
16	PROVIDERS.
17	(2) The general assembly therefore declares that it is in
18	THE PUBLIC INTEREST OF COLORADO TO REQUIRE PRODUCERS OF
19	RECYCLABLE MATERIALS SOLD OR DISTRIBUTED IN COLORADO TO FINANCE
20	A PRODUCER RESPONSIBILITY PROGRAM THAT PROVIDES STATEWIDE
21	RECYCLING SERVICES.
22	25-17-603. Definitions - rules. As used in this part 6, unless
23	THE CONTEXT OTHERWISE REQUIRES:
24	(1) "ADVISORY BOARD" MEANS THE PRODUCER RESPONSIBILITY
25	FOR RECYCLING ADVISORY BOARD CREATED IN SECTION 25-17-604 (1).
26	(2) "ALTERNATIVE COLLECTION PROGRAM" MEANS A PROGRAM
27	PROVIDING RECYCLING SERVICES FOR SOME OR ALL COVERED MATERIALS

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WHICH A PLAN PROPOSAL IS SUBMITTED TO THE EXECUTIVE DIRECTOR AND

- 3 ADVISORY BOARD AND APPROVED BY THE EXECUTIVE DIRECTOR IN
- 4 ACCORDANCE WITH SECTION 25-17-608 (2).
- 5 (3) "Amended Plan Proposal" means the amended Plan
- 6 PROPOSAL FOR THE IMPLEMENTATION OF THE PROGRAM SUBMITTED TO
- 7 THE ADVISORY BOARD AFTER THE ADVISORY BOARD'S INITIAL REVIEW OF
- 8 THE PLAN PROPOSAL IN ACCORDANCE WITH SECTION 25-17-605 (5).
- 9 (4) "COLLECTION" MEANS THE GATHERING OF SOURCE SEPARATED
- 10 <u>COVERED MATERIALS</u>, INCLUDING THE PRELIMINARY SORTING AND
- STORAGE OF WASTE, FOR THE PURPOSES OF TRANSPORTATION TO A
- 12 MATERIALS RECOVERY FACILITY.
- 13 $(\underline{5})$ "Convenience standards" mean the standards for the
- 14 PROGRAM SET FORTH IN SECTION 25-17-606 (3).
- 15 (6) "COVERED ENTITY" MEANS:
- 16 (a) ALL SINGLE OR MULTI-FAMILY RESIDENCES IN THE STATE; AND
- 17 (b) Nonresidential locations, <u>including businesses</u>,
- 18 EDUCATIONAL INSTITUTIONS, STATE AND LOCAL GOVERNMENT BUILDINGS,
- 19 <u>AND PUBLIC PLACES</u>, USING COVERED MATERIALS THAT ARE PROCESSED BY
- 20 A MATERIALS RECOVERY FACILITY.
- 21 $(\underline{7})$ (a) "COVERED MATERIALS" INCLUDES:
- 22 (I) PACKAGING MATERIAL;
- 23 (II) PAPER PRODUCTS; AND
- 24 (III) SINGLE-USE FOOD SERVICEWARE.
- (b) "COVERED MATERIALS" DOES NOT INCLUDE:
- 26 (I) Materials used for long-term storage or protection of
- 27 A PRODUCT AND THAT CAN BE EXPECTED TO BE USABLE FOR THAT PURPOSE

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- 2 (II) MATERIALS THAT ARE UNSAFE OR UNSANITARY TO RECYCLE
- 3 BECAUSE OF THEIR INTENDED USE, AS DETERMINED BY THE EXECUTIVE
- 4 DIRECTOR BY RULE;
- 5 (III) BOUND BOOKS;
- 6 (IV) BEVERAGE CONTAINERS SUBJECT TO A RETURNABLE
- 7 CONTAINER DEPOSIT, IF APPLICABLE;
- 8 (V) MATERIALS THAT ARE REGULATED AS A DRUG, MEDICAL
- 9 DEVICE, OR DIETARY SUPPLEMENT BY THE FEDERAL FOOD AND DRUG
- 10 ADMINISTRATION UNDER THE "FEDERAL FOOD, DRUG, AND COSMETIC
- 11 ACT", 21 U.S.C. SEC. 301 ET SEQ., AS AMENDED, OR ANY FEDERAL
- 12 REGULATION PROMULGATED UNDER THE ACT, OR ANY EQUIPMENT AND
- 13 MATERIALS USED TO MANUFACTURE SUCH PRODUCTS;
- 14 (VI) ANIMAL BIOLOGICS, INCLUDING VACCINES, BACTERINS,
- 15 ANTISERA, DIAGNOSTIC KITS, AND OTHER PRODUCTS OF BIOLOGICAL
- ORIGIN AND ANY OTHER MATERIALS THAT ARE REGULATED UNDER THE
- "Virus-Serum-Toxin Act", 21 U.S.C. sec. 151 et seq., as amended;
- 18 (VII) TOXIC OR HAZARDOUS MATERIALS THAT ARE REGULATED
- 19 UNDER THE "FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT",
- 7 U.S.C. SEC. 136, ET SEQ., AS AMENDED; AND
- 21 (VIII) ARCHITECTURAL PAINT COVERED UNDER A PAINT
- STEWARDSHIP PROGRAM IN ACCORDANCE WITH PART 4 OF THIS ARTICLE
- 23 17.
- 24 (8) "DEPARTMENT" MEANS THE DEPARTMENT OF PUBLIC HEALTH
- 25 AND ENVIRONMENT CREATED IN SECTION 24-1-119.
- 26 (9) "EDUCATIONAL INSTITUTIONS" INCLUDE:
- 27 (a) SCHOOLS, AS DEFINED IN SECTION 22-1-132 (2)(c);

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1	(b) Private colleges or universities, as defined in section
2	<u>23-2-102 (11);</u>
3	(c) Private nonprofit colleges or universities, as defined
4	<u>IN SECTION 23-2-102 (12);</u>
5	(d) PRIVATE OCCUPATIONAL SCHOOLS, AS DEFINED IN SECTION
6	<u>23-2-102 (13);</u>
7	(e) Seminaries or religious training institutions, as defined
8	<u>IN SECTION 23-2-102 (14); AND</u>
9	(f) State colleges or universities, as defined in section
10	<u>23-2-102 (15).</u>
11	$(\underline{10})$ "Environmentally sound management practices"
12	MEANS POLICIES THAT ENSURE COMPLIANCE WITH ALL APPLICABLE
13	ENVIRONMENTAL LAWS, INCLUDING LAWS ADDRESSING:
14	(a) RECORD KEEPING;
15	(b) Tracking and documenting the disposal of covered
16	MATERIALS WITHIN AND OUTSIDE THE STATE; AND
17	(c) Environmental liability coverage for professional
18	SERVICES AND CONTRACTOR OPERATIONS.
19	$(\underline{11})$ "Executive director" means the executive director of
20	THE DEPARTMENT OR THE EXECUTIVE DIRECTOR'S DESIGNEE.
21	$(\underline{12})$ "Final plan" means the <u>amended plan</u> , including any
22	AMENDMENTS, THAT HAS BEEN APPROVED AND FINALIZED BY THE
23	EXECUTIVE DIRECTOR PURSUANT TO SECTION 25-17-605 (5).
24	$(\underline{13})$ "Front range" means the counties of Adams,
25	Arapahoe, Boulder, Douglas, Elbert, El Paso, Jefferson,
26	LARIMER, PUEBLO, TELLER, AND WELD AND THE CITIES AND COUNTIES OF
27	Broomfield and Denver.

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1	(<u>14</u>)	"Fund"	MEANS	THE P	PRODUCER	RESPONS	IBILITY	FOR
2	RECYCLING	PROGRAM	ADMINIS	STRATIO	ON FUND	CREATED	IN SEC	TION

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25-17-610.

- 4 (15) "INDUSTRIAL RECYCLING" MEANS THE PROCESS OF

 5 COLLECTING, AGGREGATING, SIZE-REDUCING, AND OTHER OPERATIONS

 6 THAT TURN PRE-CONSUMER MATERIALS, INCLUDING OFF-SPECIFICATION

 7 PRODUCTS, DAMAGED PRODUCTS, AND ITEMS OR BY-PRODUCTS

 8 GENERATED BY THE MANUFACTURE OF A PRODUCT BEFORE THE PRODUCT

 9 REACHES AN END USER, INTO FEEDSTOCK FOR USE IN THE MANUFACTURE

 10 OF NEW PRODUCTS.
- 11 (<u>16</u>) "LOCAL GOVERNMENT" MEANS A HOME RULE OR STATUTORY
 12 COUNTY, MUNICIPALITY, OR CITY AND COUNTY.
- 13 (<u>17</u>) "MATERIALS RECOVERY FACILITY" MEANS A FACILITY FOR
 14 PROCESSING SOURCE-SEPARATED COVERED MATERIALS BEFORE THEY ARE
 15 CONVEYED TO END-MARKET BUSINESSES, AS DEFINED IN SECTION
 16 25-16.5-112 (4)(a).
- 17 (<u>18</u>) "Mechanical recycling" means <u>a form of recycling</u>
 18 <u>That does not change the basic molecular structure of the</u>
 19 <u>Material being recycled.</u>
- 20 (19) "MINIMUM RECYCLABLE LIST" MEANS THE LIST OF COVERED
 21 MATERIALS DEVELOPED UNDER SECTION 25-17-606 (1)(a).
- 22 (<u>20</u>) "Needs assessment" means the assessment of the state's recycling needs conducted pursuant to section 25-17-605 (3).
- 25 (21) "Nonprofit organization" means a tax-exempt 26 Charitable or social welfare organization operating under 26 27 U.S.C. 501(c)(3) or 501(c)(4) of the federal "Internal Revenue

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1	CODE OF 1986", AS AMENDED.
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- 2 $(\underline{22})$ (a) "Packaging material" means any material,
- 3 REGARDLESS OF RECYCLABILITY, THAT IS INTENDED FOR SINGLE OR
- 4 SHORT-TERM USE AND IS USED FOR THE CONTAINMENT, PROTECTION,
- 5 HANDLING, DELIVERY, OR PRESENTATION OF PRODUCTS AT THE POINT OF
- 6 SALE.
- 7 (b) "PACKAGING MATERIAL" INCLUDES PAPER, PLASTIC, GLASS,
- 8 METAL, CARTONS, SECONDARY OR TERTIARY PACKAGING MATERIALS____
- 9 __, FLEXIBLE FOAM,_____ RIGID PACKAGING, <u>OR OTHER MATERIALS USED</u>
- 10 <u>FOR TRANSPORTATION OR DISTRIBUTION DIRECTLY TO A CONSUMER.</u>
- 11 (23) "PAPER PRODUCTS" INCLUDE:
- 12 (a) FLYERS;
- 13 (b) Brochures;
- 14 (c) BOOKLETS;
- 15 (d) CATALOGS;
- 16 (e) TELEPHONE DIRECTORIES;
- 17 (f) Newspapers;
- 18 (g) MAGAZINES; AND
- 19 (h) PAPER USED FOR WRITING OR ANY OTHER PURPOSE.
- $(\underline{24})$ "Plan proposal" means the plan proposal for the
- 21 IMPLEMENTATION OF THE PROGRAM SUBMITTED TO THE ADVISORY BOARD
- 22 IN ACCORDANCE WITH SECTION 25-17-605 (5).
- 23 (25) "POSTCONSUMER-RECYCLED-CONTENT RATE" MEANS THE
- VOLUME OF POSTCONSUMER RECYCLED MATERIALS USED IN THE
- 25 PRODUCTION OF COVERED MATERIALS IN A CALENDAR YEAR DIVIDED BY
- THE VOLUME OF COVERED MATERIALS USED FOR PRODUCTS SOLD, OFFERED
- FOR SALE, OR DISTRIBUTED BY PRODUCERS WITHIN OR INTO THE STATE IN

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1	THE SAME CALENDAR YEAR, EXPRESSED AS A PERCENTAGE.
2	$(\underline{26})$ (a) "Postconsumer recycled material" means only
3	THOSE PRODUCTS THAT HAVE SERVED THEIR INTENDED END USE AS
4	CONSUMER ITEMS AND THAT HAVE BEEN SEPARATED OR DIVERTED FROM
5	THE WASTE STREAM FOR THE PURPOSES OF COLLECTION AND RECYCLING
6	AS A SECONDARY MATERIAL FEEDSTOCK.
7	(b) "Postconsumer recycled material" does not include
8	WASTE MATERIAL GENERATED DURING OR AFTER THE COMPLETION OF A
9	MANUFACTURINGPROCESS.
10	$(\underline{27})$ "Producer" means a person that:
11	(a) Uses a covered material under the person's own name
12	OR BRAND AND THAT SELLS, OFFERS FOR SALE, OR DISTRIBUTES IN THE
13	STATE A PRODUCT THAT USES THE COVERED MATERIAL;
14	(b) IMPORTS A PRODUCT THAT USES A COVERED MATERIAL AS THE
15	OWNER OR LICENSEE OF A TRADEMARK OR BRAND UNDER WHICH THE
16	PRODUCT IS SOLD, OFFERED FOR SALE, OR DISTRIBUTED IN THE STATE; OR
17	(c) Sells, offers for sale, or distributes a product that
18	USES A COVERED MATERIAL IN THE STATE.
19	$(\underline{28})$ "Producer responsibility dues" means $\underline{\text{the}}$ amounts
20	ESTABLISHED IN SECTION $25-17-605$ (4)(f)(II) THAT A PRODUCER
21	PARTICIPATING IN THE PROGRAM PAYS ANNUALLY INTO THE PROGRAM
22	PURSUANT TO SECTION 25-17-609 (1) .
23	$(\underline{29})$ "Producer responsibility $\underline{\text{for}}$ recycling program" or
24	"PROGRAM" MEANS THE PRODUCER RESPONSIBILITY \underline{FOR} RECYCLING
25	PROGRAM CREATED IN ACCORDANCE WITH SECTION 25-17-605.
26	(<u>30</u>) "Producer responsibility organization" or
27	"ORGANIZATION" MEANS THE NONPROFIT ORGANIZATION SELECTED TO

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I IMPLEMENT THE PROGRAM PURSUANT TO SECTION $25-17-605$ (

- 2 $(\underline{31})$ "Proprietary information" means information that, if
- 3 MADE PUBLIC:
- 4 (a) Would divulge competitive business information or 5 TRADE SECRETS OF THE ENTITY THAT DEVELOPED THE INFORMATION; OR
- 6 (b) Would reasonably hinder the entity's competitive 7 Advantage in the market.
- 8 (32) (a) "PUBLIC PLACE" MEANS AN INDOOR OR OUTDOOR
 9 LOCATION IN THE STATE THAT IS OPEN TO AND GENERALLY USED BY THE
- 10 <u>PUBLIC.</u>
- 11 <u>(b) "Public place" includes streets, sidewalks, plazas,</u>
- 12 <u>TOWN SQUARES, STATE-OWNED OR LOCAL GOVERNMENT-OWNED PARKS,</u>
- 13 BEACHES, FORESTS, OR OTHER STATE-OWNED OR LOCAL
- 14 GOVERNMENT-OWNED LAND OPEN FOR RECREATION OR OTHER PUBLIC
- 15 <u>USES, AND TRANSPORTATION FACILITIES, INCLUDING BUS AND TRAIN</u>
- 16 <u>STATIONS, AIRPORTS, AND FERRY TERMINALS.</u>
- 17 (c) "PUBLIC PLACE" DOES NOT INCLUDE INDUSTRIAL, COMMERCIAL,

 18 OR PRIVATELY-OWNED PROPERTY.
- 19 (<u>33</u>) "Readily recyclable material" means a covered 20 material that is included on the minimum recyclable list.
- 21 (<u>34</u>) (a) "RECOVERY" OR "RECOVERED" MEANS THE DIVERSION OF 22 COVERED MATERIALS THAT MIGHT HAVE OTHERWISE BEEN DISPOSED OF AS
- WASTE.
- 24 <u>(b) "Recovery" or "recovered" does not include covered</u>
 25 <u>Materials that have</u> been processed at a materials recovery
- 26 FACILITY.
- 27 $(\underline{35})$ "Recovery rate" means the volume of covered

1	MATERIALS RECOVERED BY THE PROGRAM OVER A CALENDAR YEAR
2	DIVIDED BY THE VOLUME OF COVERED MATERIALS USED FOR PRODUCTS
3	SOLD, OFFERED FOR SALE, OR DISTRIBUTED BY PRODUCERS WITHIN OR INTO

4 THE STATE IN THE SAME CALENDAR YEAR, EXPRESSED AS A PERCENTAGE.

- (36) (a) "RECYCLING" MEANS REPROCESSING, BY MEANS OF A MANUFACTURING PROCESS, OF A USED MATERIAL INTO A PRODUCT OR A 7 SECONDARY RAW MATERIAL.
- 8 (b) "RECYCLING" DOES NOT INCLUDE:
- 9 (I) ENERGY RECOVERY OR ENERGY GENERATION BY MEANS OF
- 10 COMBUSTION;

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- 11 (II) Use as a fuel;
- 12 (III) Use as alternative daily cover;
- 13 (IV) LANDFILL DISPOSAL OF DISCARDED COVERED MATERIALS; OR
- 14 (V) ANY OTHER PROCESS THAT HAS BEEN DETERMINED BY THE
- 15 EXECUTIVE DIRECTOR BY RULE TO NOT QUALIFY AS RECYCLING FOR THE
- 16 PURPOSES OF THIS PART 6.
- 17 (37)"RECYCLING RATE" MEANS THE VOLUME OF COVERED
- 18 MATERIALS THAT ARE RECYCLED UNDER THE PROGRAM IN A
- 19 CALENDAR YEAR DIVIDED BY THE VOLUME OF COVERED MATERIALS USED
- 20 FOR PRODUCTS SOLD, OFFERED FOR SALE, OR DISTRIBUTED BY PRODUCERS
- 21 WITHIN OR INTO THE STATE IN THE SAME CALENDAR YEAR, EXPRESSED AS
- 22 A PERCENTAGE.
- 23 (38) (a) (I) "RECYCLING SERVICES" MEANS SERVICES PROVIDED
- 24 FOR THE RECYCLING OF COVERED MATERIALS, INCLUDING THE
- 25 COLLECTION, TRANSPORTATION, AND PROCESSING OF COVERED
- 26 MATERIALS.
- (II) "RECYCLING SERVICES" INCLUDES CURBSIDE SERVICES AND 27

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2	(b)	"RECYCLING	SERVICES"	DOES	NOT	INCLUDE	SCRAP	METAL
3	RECYCLING	OR INDUSTRIA	AL RECYCLI	NG SER	VICE	S		

- (39) "RESPONSIBLE END MARKET" MEANS A MATERIALS MARKET

 IN WHICH THE RECYCLING OR RECOVERY OF MATERIALS OR THE DISPOSAL

 OF CONTAMINANTS IS CONDUCTED IN A WAY THAT:
- 7 (a) Benefits the environment; and
- 8 (b) Minimizes risks to public health and worker health 9 and safety.
- 10 (<u>40</u>) "RETAILER" MEANS A PERSON THAT SELLS OR OFFERS FOR
 11 SALE TO CONSUMERS WITHIN OR INTO THE STATE, INCLUDING SALES MADE
 12 THROUGH AN INTERNET TRANSACTION, PRODUCTS FOR WHICH COVERED
 13 MATERIALS ARE USED.
- 14 (41) "REUSE" OR "REFILL" MEANS THE RETURN INTO THE
 15 MARKETPLACE OF A PRODUCT THAT HAS ALREADY BEEN USED IN THE SAME
 16 MANNER AS ORIGINALLY INTENDED WITHOUT A CHANGE IN THE PRODUCT'S
 17 PURPOSE.
 - (42) "Service provider" means a public or private entity, other than the producer responsibility organization, that provides recycling services in the state.
- 21 (43) "SINGLE-USE FOOD SERVICEWARE" MEANS A SINGLE-USE ITEM
 22 THAT A RETAIL FOOD ESTABLISHMENT, AS DEFINED IN SECTION 25-4-1602
 23 (14), OR THIRD-PARTY FOOD DELIVERY SERVICE, AS DEFINED IN SECTION
 24 30-11-129 (1)(c), PROVIDES A CUSTOMER TO ASSIST THE CUSTOMER IN
 25 CONSUMING FOOD OR A BEVERAGE THAT THE RETAIL FOOD
 26 ESTABLISHMENT OR THIRD-PARTY FOOD DELIVERY SERVICE PROVIDED THE
 27 CUSTOMER.

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25-17-604.	Producer responsibility <u>for recycling</u> advisory
board. (1) THE PI	RODUCER RESPONSIBILITY <u>FOR RECYCLING</u> ADVISORY

- 3 BOARD IS HEREBY CREATED IN THE DEPARTMENT.
- 4 (2) (a) THE ADVISORY BOARD CONSISTS OF THE FOLLOWING
 5 <u>ELEVEN</u> VOTING MEMBERS AND <u>TWO</u> NONVOTING <u>MEMBERS</u> APPOINTED BY
 6 THE EXECUTIVE DIRECTOR:
- 7 (I) THREE VOTING MEMBERS REPRESENTING LOCAL GOVERNMENTS
 8 IN THE STATE, INCLUDING:
- 9 (A) ONE MEMBER REPRESENTING A <u>COUNTY</u>; <u>AND</u>
- 10 ($\underline{\mathbf{B}}$) One member representing a <u>local government</u> not located in the front range;

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- 13 (II) ONE VOTING MEMBER REPRESENTING A MATERIALS RECOVERY
 14 FACILITY;
- 15 (III) ONE VOTING MEMBER REPRESENTING A PRIVATE OR PUBLIC

 16 SECTOR RECYCLING SERVICES PROVIDER;
- 17 (<u>IV</u>) <u>One voting member representing an environmental or</u>
 18 <u>community-based nonprofit organization;</u>
- 19 (<u>V</u>) One voting member <u>representing a packaging supplier</u>
 20 that is not a producer;
- 21 (<u>VI</u>) One voting member representing <u>a business that is</u>
 22 Headquartered in the state;
- 23 (<u>VII</u>) ONE VOTING MEMBER REPRESENTING <u>A RETAILER'S</u>
 24 <u>ASSOCIATION OR A RETAILER THAT IS NOT A PRODUCER;</u>
- 25 <u>(VIII) One voting member that represents an operator</u>
 26 <u>Performing recycling, composting, or waste reduction services</u>
- 27 <u>IN THE STATE;</u>

1	(IV) ONE VOTING MEMBER WITH RELEVANT KNOWLEDGE OF
2	WASTE REDUCTION AND RECYCLING PROGRAMS IN VARIOUS COMMUNITIES
3	IN THE STATE;
4	(IV) One nonvoting member representing the department;
5	AND
6	$(\underline{\underline{X}})$ One nonvoting member representing the producer
7	RESPONSIBILITY ORGANIZATION.
8	(b) The members of the advisory board must:
9	(I) HAVE RELEVANT KNOWLEDGE AND EXPERTISE IN RECYCLING
10	PROGRAMS OR THE IMPACTS OF COVERED MATERIALS ON THE STATE AND
11	THE ENVIRONMENT; AND
12	(II) BE REPRESENTATIVE OF A WIDE VARIETY OF GEOGRAPHIC
13	AREAS IN THE STATE.
14	(3) ALL APPOINTMENTS TO THE ADVISORY BOARD SHALL BE MADE
15	NO LATER THAN NOVEMBER 30, 2022. THE APPOINTMENTS SHALL BE MADE
16	FOR STAGGERING INITIAL TERMS OF TWO OR THREE YEARS AND
17	SUBSEQUENT TERMS OF THREE YEARS. THE EXECUTIVE DIRECTOR SHALL
18	FILL ANY VACANCY BY APPOINTMENT FOR THE REMAINDER OF THE
19	UNEXPIRED TERM.
20	(4) The advisory board shall convene its first meeting
21	NO LATER THAN <u>JANUARY 31, 2023</u> . At the first meeting, the
22	VOTING MEMBERS SHALL SELECT A CHAIR AND VICE-CHAIR FROM AMONG
23	THE VOTING MEMBERS FOR A TERM NOT TO EXCEED TWO YEARS, AS
24	<u>DETERMINED BY THE ADVISORY BOARD</u> . THE ADVISORY BOARD SHALL
25	CONDUCT ANNUAL MEETINGS AND MAY CONDUCT MEETINGS MORE
26	FREQUENTLY UPON THE REQUEST OF THE CHAIR OR OF AT LEAST <u>SIX</u> OF THE
27	VOTING MEMBERS OF THE ADVISORY BOARD. THE ORGANIZATION MAY

-16-

1	PROVIDE TECHNICAL AND STAFF ASSISTANCE TO THE ADVISORY BOARD.
2	(5) Advisory board members are entitled to be reimbursed
3	AT A RATE CONSISTENT WITH OTHER BOARDS AND COMMISSIONS CREATED
4	WITHIN THE DEPARTMENT FOR NECESSARY TRAVEL AND OTHER
5	REASONABLE EXPENSES INCURRED IN THE PERFORMANCE OF THEIR
6	OFFICIAL DUTIES.
7	(6) THE ADVISORY BOARD SHALL:
8	(a) Advise the organization on the needs assessment in
9	ACCORDANCE WITH SECTION 25-17-605 (3)(b);
10	(b) REVIEW THE NEEDS ASSESSMENT REPORTED TO THE ADVISORY
11	BOARD PURSUANT TO SECTION 25-17-605 (3)(c);
12	(c) REVIEW THE PLAN PROPOSAL SUBMITTED UNDER SECTION
13	25-17-605 (4);
14	(d) RECOMMEND ANY NECESSARY AMENDMENTS TO THE PLAN
15	PROPOSAL OR THE FINAL PLAN TO THE EXECUTIVE DIRECTOR;
16	(e) REVIEW THE ANNUAL REPORT SUBMITTED BY THE
17	ORGANIZATION UNDER SECTION 25-17-609 (2)(a); <u>AND</u>
18	
19	$(\underline{\underline{f}})$ Consult with the organization on the development and
20	UPDATING OF THE MINIMUM RECYCLABLE LIST.
21	(7) In consultation with the organization, the advisory
22	BOARD MAY RECOMMEND <u>AMENDMENTS</u> TO THE FINAL PLAN TO THE
23	EXECUTIVE DIRECTOR IN CONJUNCTION WITH THE SUBMISSION OF THE
24	ANNUAL REPORT PURSUANT TO SECTION 25-17-609 (2)(c).
25	25-17-605. Producer responsibility <u>for</u> recycling program -
26	needs assessment - plan proposal - rules. (1) On or before March 1,
27	2023, THE EXECUTIVE DIRECTOR SHALL SELECT A PRODUCER

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RESPONSIBILITY ORGANIZATION TO IMPLEMENT AND ADMINISTER THE
PRODUCER RESPONSIBILITY <u>FOR</u> RECYCLING PROGRAM STATEWIDE. THE
ORGANIZATION SELECTED BY THE EXECUTIVE DIRECTOR MUST HAVE A
GOVERNING BOARD THAT REPRESENTS A DIVERSE RANGE OF PRODUCERS.

- (2) THE PRODUCER RESPONSIBILITY ORGANIZATION SHALL:
- 6 (a) FACILITATE THE NEEDS ASSESSMENT IN CONSULTATION WITH THE ADVISORY BOARD;
- (b) SUBMIT A PLAN PROPOSAL IN ACCORDANCE WITH SUBSECTION
 (4) OF THIS SECTION THAT COVERS A PERIOD OF FIVE YEARS;
 - (c) CONSULT WITH THE ADVISORY BOARD IN THE DEVELOPMENT OF THE PLAN PROPOSAL PRIOR TO ITS SUBMISSION; AND
- 12 (d) OPERATE AND ADMINISTER THE PROGRAM IN ACCORDANCE
 13 WITH THE FINAL PLAN, THE PROVISIONS OF THIS PART 6, AND THE RULES
 14 ADOPTED BY THE EXECUTIVE DIRECTOR UNDER THIS PART 6.
 - (3) (a) On or before May 1, 2023, the organization shall hire an independent third party approved by the executive director to conduct an assessment of the state's recycling needs. Prior to the commencement of the needs assessment, the organization shall consult with the advisory board on the scope of the needs assessment and provide any necessary recommendations to the third-party consultant conducting the needs assessment. At a minimum, the needs assessment must identify:
 - (I) THE LEVELS OF RECYCLING SERVICES PROVIDED IN THE STATE

 BY GEOGRAPHIC AREA, INCLUDING ANY REUSE OR REFILL SYSTEMS

 UTILIZED, AND ANY ASSOCIATED COSTS;
- 27 (II) ANY ADDITIONAL RECYCLING SERVICES AND INFRASTRUCTURE

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1	NEEDED FOR THE PROGRAM TO MEET OR EXCEED THE CONVENIENCE
2	STANDARDS;
3	(III) A PROPOSED LIST OF COVERED MATERIALS FOR INCLUSION IN
4	A MINIMUM RECYCLABLE LIST;
5	(IV) THE MARKET CONDITIONS AND OPPORTUNITIES FOR THE USE
6	OF RECYCLED COVERED MATERIALS IN THE STATE BY GEOGRAPHIC AREA;
7	(V) Opportunities for the use of innovative new
8	TECHNOLOGIES FOR THE RECYCLING AND REUSE OF COVERED MATERIALS;
9	(VI) EDUCATION NEEDS IN THE STATE WITH RESPECT TO THE
10	RECYCLING AND REUSE OF COVERED MATERIALS; <u>AND</u>
11	(VII) At least three projected scenarios for increasing
12	THE RECYCLING RATE AND RECOVERY RATE OF COVERED MATERIALS IN
13	THE STATE, INCLUDING RECYCLING RATES AND RECOVERY RATES OF FIFTY
14	PERCENT, SIXTY-FIVE PERCENT, AND SEVENTY-FIVE PERCENT BY JANUARY
15	1, 2030 and January 1, 2035.
16	(b) The organization shall consult with the advisory
17	BOARD THROUGHOUT THE NEEDS ASSESSMENT PROCESS.
18	(c) Onor before November 30, 2023, the organization shall
19	REPORT THE RESULTS OF THE NEEDS ASSESSMENT TO THE ADVISORY
20	BOARD AND THE EXECUTIVE DIRECTOR. THE EXECUTIVE DIRECTOR SHALL
21	POST THE RESULTS OF THE NEEDS ASSESSMENT ON THE DEPARTMENT'S
22	WEBSITE AND PROVIDE PUBLIC NOTICE AND AN OPPORTUNITY TO COMMENT
23	ON THE RESULTS OF THE NEEDS ASSESSMENT.
24	(d) On or before May 1. 2028, and every five years
25	THEREAFTER, THE ORGANIZATION SHALL HIRE AN INDEPENDENT THIRD
26	PARTY APPROVED BY THE EXECUTIVE DIRECTOR TO CONDUCT AN UPDATED
27	ASSESSMENT OF THE STATE'S RECYCLING NEEDS TO REEVALUATE THE

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PROGRAM AND IDENTIFY ANY RECYCLING SERVICE NEEDS IN THE STATI

2 THAT ARE NOT BEING MET BY THE PROGRAM. THE ORGANIZATION SHALL

- 3 REPORT THE RESULTS OF THE NEEDS ASSESSMENT TO THE EXECUTIVE
- 4 DIRECTOR IN ACCORDANCE WITH SUBSECTION (3)(c) OF THIS SECTION. THE
- 5 ORGANIZATION SHALL USE THE FINDINGS OF THE UPDATED NEEDS
- 6 ASSESSMENT TO CREATE AN UPDATED PLAN PROPOSAL AND SUBMIT THE
- 7 UPDATED PLAN PROPOSAL TO THE ADVISORY BOARD IN ACCORDANCE WITH
- 8 SUBSECTION (4)(a) OF THIS SECTION. IN CONSULTATION WITH THE
- 9 ADVISORY BOARD AND THE ORGANIZATION, THE EXECUTIVE DIRECTOR
- 10 MAY WAIVE THE REQUIREMENT TO CONDUCT AN UPDATED NEEDS
- 11 ASSESSMENT UNDER THIS SUBSECTION (3)(d).
- 12 (4) On or before <u>June 1, 2024</u>, the organization shall
- 13 SUBMIT A PLAN PROPOSAL FOR THE PROGRAM TO THE ADVISORY BOARD.
- 14 IN DEVELOPING THE PLAN PROPOSAL, THE ORGANIZATION SHALL SOLICIT
- 15 AND CONSIDER INPUT FROM THE ADVISORY BOARD AND FROM INTERESTED
- 16 PARTIES. THE PLAN PROPOSAL MUST COVER A PERIOD OF FIVE YEARS AND
- 17 <u>AN UPDATED PLAN PROPOSAL MUST BE SUBMITTED</u> TO THE ADVISORY
- 18 BOARD EVERY FIVE YEARS THEREAFTER._____ TO BE APPROVED, A PLAN
- 19 PROPOSAL MUST:
- 20 (a) PROVIDE CONTACT INFORMATION FOR THE ORGANIZATION AND
- 21 A REPRESENTATIVE OF THE ORGANIZATION:
- 22 (b) Describe how the plan proposal is addressing and
- 23 IMPLEMENTING THE FINDINGS OF THE NEEDS ASSESSMENT;
- 24 (c) Describe the manner in which the organization
- 25 SOLICITED AND CONSIDERED INPUT FROM INTERESTED PERSONS AND THE
- 26 ADVISORY BOARD IN DEVELOPING THE PLAN PROPOSAL. THE
- ORGANIZATION MUST PROVIDE A SUMMARY OF ANY COMMENTS ABOUT

1	THE PLAN PROPOSAL FROM THE ADVISORY BOARD AND THE PUBLIC AND
2	IDENTIFY ANY SIGNIFICANT CHANGES MADE TO THE PLAN PROPOSAL BASED
3	ON THE COMMENTS;
4	(d) Include a comprehensive list of the covered materials
5	INCLUDED IN THE PROGRAM IN ACCORDANCE WITH THIS PART 6 ;
6	(e) ESTABLISH RECYCLING PRACTICES THAT:
7	(I) MEET OR EXCEED THE CONVENIENCE STANDARDS;
8	(II) USE OPEN, COMPETITIVE, AND FAIR PROCUREMENT PRACTICES
9	WHEN ENTERING INTO CONTRACTS WITH SERVICE PROVIDERS, AND, WHEN
10	ENTERING INTO CONTRACTS WITH PRIVATE SERVICE PROVIDERS, ADOPT A
11	PREFERENCE FOR SERVICE PROVIDERS WITH STRONG LABOR STANDARDS
12	AND WORKER SAFETY PRACTICES;
13	(III) Ensure that any covered materials processed by a
14	METHOD OTHER THAN MECHANICAL RECYCLING ARE TRANSFERRED TO A
15	RESPONSIBLE END MARKET; AND
16	(IV) USE ENVIRONMENTALLY SOUND MANAGEMENT PRACTICES
17	THAT PRIORITIZE END USES FOR COVERED MATERIALS THAT MAXIMIZE
18	BENEFITS TO THE ENVIRONMENT AND MINIMIZE RISKS TO PUBLIC HEALTH
19	AND SAFETY;
20	(f) ESTABLISH A FUNDING MECHANISM:
21	(I) THAT DOES NOT EXCEED THE DIRECT AND INDIRECT COSTS OF
22	IMPLEMENTING THE PROGRAM, INCLUDING THE COSTS OF:
23	(A) Providing recycling services under the program and
24	OTHER OPERATIONAL COSTS, INCLUDING THE COSTS OF REIMBURSING
25	SERVICE PROVIDERS;
26	(B) MEETING THE REPORTING REQUIREMENTS SET FORTH IN
27	SECTION 25-17-609 (2);

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1 (C) CONDUCTING THE NEEDS ASSESSM

- (D) DEVELOPING AND UPDATING THE FINAL PLAN;
- 3 (E) IMPLEMENTING THE EDUCATION AND OUTREACH PROGRAM SET
- 4 FORTH IN SECTION 25-17-607; AND

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- 5 (F) REIMBURSING THE DEPARTMENT PURSUANT TO SECTION
 6 25-17-610 FOR ITS COSTS IN ADMINISTERING AND IMPLEMENTING THIS
 7 PART 6. INCLUDING THE COSTS OF THE ADVISORY BOARD:
- 7 PART 6, INCLUDING THE COSTS OF THE ADVISORY BOARD;
- 9 PAID ANNUALLY BY PRODUCERS PURSUANT TO SECTION 25-17-609 (1).

(II) THAT IS FUNDED THROUGH PRODUCER RESPONSIBILITY DUES

- The producer responsibility dues paid by a producer must be
- 11 BASED ON THE AMOUNT OF COVERED MATERIALS THAT ARE SOLD, OFFERED
- 12 FOR SALE, OR DISTRIBUTED BY THE PRODUCER IN THE STATE. THE
- 13 PRODUCER RESPONSIBILITY DUES FOR EACH COVERED MATERIAL MAY
- 14 VARY BASED ON THE MARKET VALUE OF THE COVERED MATERIAL USED
- 15 AND HOW COSTLY IT IS TO COLLECT, TRANSPORT, PROCESS, OR RECYCLE
- 16 THE COVERED MATERIAL;
- 17 (III) THAT REQUIRES___:
- 18 (A) THAT ANY SURPLUS MONEY GENERATED BY THE PROGRAM BE
- 19 PLACED BACK INTO THE PROGRAM FOR PROGRAM IMPROVEMENTS OR A
- 20 REDUCTION IN PRODUCER RESPONSIBILITY DUES; AND
- 21 (B) The organization to maintain a financial reserve
- 22 SUFFICIENT TO OPERATE THE PROGRAM IN A FISCALLY PRUDENT AND
- 23 <u>RESPONSIBLE MANNER.</u>
- 24 (IV) THAT INCENTIVIZES:
- 25 (A) REDUCTIONS IN THE AMOUNT OF PACKAGING MATERIALS USED
- 26 FOR PRODUCTS;
- 27 (B) Innovations and practices to enhance the

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1	RECYCLABILITY OF COVERED MATERIALS;
2	(C) HIGH LEVELS OF POSTCONSUMER RECYCLED MATERIAL USE IN
3	A MANNER THAT DOES NOT DISRUPT THE RECYCLING OF OTHER
4	MATERIALS;
5	(D) DESIGN FOR THE REUSE AND REFILL OF COVERED MATERIALS
6	AND
7	(E) HIGH REUSE AND REFILL RATES OF COVERED MATERIALS;
8	(V) THAT DISINCENTIVIZES:
9	(A) Designs and practices that increase the costs of
10	RECYCLING, REUSING, OR COMPOSTING COVERED MATERIALS;
11	(B) DESIGNS AND PRACTICES THAT DISRUPT THE RECYCLING OF
12	OTHER MATERIALS; AND
13	(C) PRODUCERS FROM USING COVERED MATERIALS THAT ARE NOT
14	ON THE MINIMUM RECYCLABLE LIST;
15	(g) (I) INCLUDE REIMBURSEMENT RATES FOR ONE HUNDREI
16	PERCENT OF THE NET COSTS OF THE RECYCLING SERVICES PROVIDED BY
17	SERVICE PROVIDERS <u>UNDER THE PROGRAM</u> . THE REIMBURSEMENT RATES
18	MUST:
19	(A) BE CALCULATED USING OBJECTIVE COST FORMULAS;
20	(B) TO THE EXTENT POSSIBLE, BE BASED ON DOCUMENTED DIRECT
21	COSTS INCURRED BY THE SERVICE PROVIDER; AND
22	(C) TAKE INTO ACCOUNT THE DIFFERENT FACTORS AND
23	DEMOGRAPHIC CONDITIONS THAT EXIST IN DIFFERENT GEOGRAPHIC AREAS
24	OF THE STATE AND THE COSTS ASSOCIATED WITH PROVIDING RECYCLING
25	SERVICES TO THOSE GEOGRAPHIC AREAS;
26	(II) INCLUDE COST FORMULAS AND REIMBURSEMENT RATES THAT

VARY BETWEEN SERVICE PROVIDERS AND THAT ARE BASED ON:



1	(A) REGIONAL COSTS;
2	(B) POPULATION DENSITY RATES;
3	(C) Type of recycling service used;
4	(D) Number and types of covered entities served; and
5	(E) Any additional cost factors identified in the needs
6	ASSESSMENT;
7	(h) INCLUDE A PROPOSED BUDGET AND A DESCRIPTION OF THE
8	PROCESS USED TO DETERMINE PRODUCER RESPONSIBILITY DUES AND
9	REIMBURSEMENT RATES FOR SERVICE PROVIDERS;
10	(i) ESTABLISH A MINIMUM RECYCLABLE LIST IN ACCORDANCE WITH
11	SECTION 25-17-606 (1)(a);
12	(j) (I) Set $\underline{\text{the}}$ minimum recovery rates, minimum recycling
13	RATES, AND MINIMUM POSTCONSUMER-RECYCLED-CONTENT RATES $\underline{\text{THAT}}$
14	THE STATE WILL MEET BY JANUARY 1, 2030 AND JANUARY 1, 2035;
15	(II) DESCRIBE HOW THE ORGANIZATION PLANS TO CONTINUE TO
16	INCREASE THE STATE'S MINIMUM RECOVERY RATES, MINIMUM RECYCLING
17	RATES, AND MINIMUM POSTCONSUMER-RECYCLED-CONTENT RATES AFTER

19 (III) DESCRIBE HOW THE ORGANIZATION WILL VERIFY MINIMUM
20 POSTCONSUMER-RECYCLED-CONTENT RATES.
21 (k) DESCRIBE HOW THE ORGANIZATION WILL WORK WITH SERVICE

JANUARY 1, 2030 AND JANUARY 1, 2035; AND

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- 22 PROVIDERS TO:
- 23 (I) UTILIZE AND EXPAND ON EXISTING RECYCLING SERVICES AND 24 INFRASTRUCTURE;
 - (II) REDUCE CONTAMINATION OF COVERED MATERIALS DELIVERED

 TO MATERIALS RECOVERY FACILITIES BY REQUIRING EACH MATERIALS

 RECOVERY FACILITY PARTICIPATING IN THE PROGRAM TO REPORT

ANNUALLY TO THE ORGANIZATION ON CONTAMINATION LEVELS AT EACH	1.13.22
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- 3 (III) INVEST IN NEW OR UPGRADED RECYCLING INFRASTRUCTURE;
- 4 (IV) MITIGATE THE IMPACTS OF COVERED MATERIALS ON OTHER
- 5 MATERIALS <u>AND EQUIPMENT</u> AT SORTING AND PROCESSING FACILITIES;
- 6 AND

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- 7 (V) INVEST IN MARKET DEVELOPMENT FOR COVERED MATERIALS;
- 8 (1) Describe how the organization will work with
- 9 PRODUCERS TO REDUCE THE PACKAGING OF PRODUCTS USING COVERED
- 10 MATERIALS THROUGH PRODUCT DESIGN CHANGES, THE DEVELOPMENT OR
- 11 EXPANSION OF SYSTEMS FOR REUSABLE PACKAGING, AND PRODUCT
- 12 INNOVATION;
- 13 (m) DESCRIBE HOW THE ORGANIZATION WILL IMPLEMENT THE
- EDUCATION AND OUTREACH PROGRAM SET FORTH IN SECTION 25-17-607;
- 15 AND
- 16 (n) Include any additional information required by the
- 17 DEPARTMENT.
- 18 (5) (a) THE ADVISORY BOARD SHALL REVIEW THE PLAN PROPOSAL
- 19 FOR COMPLIANCE WITH THIS PART 6. THE ADVISORY BOARD SHALL
- 20 CONSULT WITH THE ORGANIZATION THROUGHOUT ITS REVIEW OF THE PLAN
- 21 PROPOSAL. WITHIN SIXTY DAYS AFTER THE SUBMISSION OF THE PLAN
- 22 PROPOSAL TO THE ADVISORY BOARD, THE ADVISORY BOARD SHALL
- 23 PROVIDE ANY RECOMMENDED AMENDMENTS TO THE PLAN PROPOSAL TO
- 24 THE ORGANIZATION. THE ORGANIZATION SHALL PROVIDE RESPONSIVE
- 25 ANSWERS TO THE ADVISORY BOARD'S RECOMMENDATIONS AND SUBMIT
- THE AMENDED PLAN PROPOSAL TO THE ADVISORY BOARD WITHIN SIXTY
- 27 DAYS OF ITS RECEIPT OF THE RECOMMENDED CHANGES. WITHIN THIRTY

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DAYS AFTER THE SUBMISSION OF THE AMENDED PLAN PROPOSAL TO	THE
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2 <u>ADVISORY BOARD, THE ADVISORY BOARD SHALL FORWARD THE AMENDED</u>

- 3 PLAN PROPOSAL TO THE EXECUTIVE DIRECTOR WITH ITS RECOMMENDATION
- 4 FOR APPROVAL, REJECTION, OR APPROVAL WITH ADDITIONAL
- 5 <u>AMENDMENTS.</u>

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- 6 (b) (I) WITHIN SIXTY DAYS AFTER RECEIVING THE <u>AMENDED</u> PLAN
 7 PROPOSAL, THE EXECUTIVE DIRECTOR SHALL:
- 8 (A) APPROVE THE <u>AMENDED PLAN PROPOSAL</u> AS SUBMITTED BY
 9 THE ORGANIZATION TO THE ADVISORY BOARD;
 - (B) Approve the <u>Amended Plan Proposal with any</u>
 <u>Additional Amendments recommended by the Advisory Board;</u>
- 12 (C) IN CONSULTATION WITH THE ORGANIZATION AND THE
 13 ADVISORY BOARD, MAKE ADDITIONAL AMENDMENTS NOT RECOMMENDED
 14 BY THE ADVISORY BOARD TO THE AMENDED PLAN PROPOSAL AND APPROVE
 15 THE AMENDED PLAN PROPOSAL WITH THE ADDITIONAL AMENDMENTS; OR
- 16 (D) REJECT THE AMENDED PLAN PROPOSAL.
 - (II) IF THE EXECUTIVE DIRECTOR REJECTS THE <u>AMENDED PLAN</u>

 <u>PROPOSAL</u>, THE EXECUTIVE DIRECTOR SHALL NOTIFY THE ORGANIZATION

 OF THE REJECTION AND THE REASONS FOR THE REJECTION, WHICH REASONS

 MUST BE BASED ON THE FAILURE OF THE <u>AMENDED PLAN PROPOSAL</u> TO

 COMPLY WITH THE REQUIREMENTS SPECIFIED IN SUBSECTION (4) OF THIS

 SECTION. THE ORGANIZATION MUST SUBMIT <u>A NEW PLAN PROPOSAL</u> TO THE

 ADVISORY BOARD WITHIN SIXTY DAYS AFTER RECEIVING THE EXECUTIVE

 DIRECTOR'S REJECTION. <u>THE NEW PLAN PROPOSAL MUST BE REVIEWED BY</u>

 THE ADVISORY BOARD AND APPROVED BY THE EXECUTIVE DIRECTOR IN

 ACCORDANCE WITH SUBSECTIONS (5)(a) OF THIS SECTION AND THIS

 SUBSECTION (5)(b).

1	(c) (I) If the executive director approves the plan proposal
2	Pursuant to subsection $(5)(b)(I)$ of this section, the executive
3	DIRECTOR SHALL DESIGNATE THE PLAN PROPOSAL AS THE FINAL PLAN AND
4	SHALL PUBLISH THE FINAL PLAN ON THE DEPARTMENT'S WEBSITE.
5	(II) THE ORGANIZATION SHALL BEGIN IMPLEMENTING THE FINAL
6	PLAN WITHIN SIX MONTHS AFTER IT IS APPROVED.
7	(III) THE EXECUTIVE DIRECTOR MAY RESCIND APPROVAL OF THE
8	FINAL PLAN AT ANY TIME BY PROVIDING THE ORGANIZATION AND THE
9	ADVISORY BOARD WITH A STATEMENT OF THE REASONS FOR RESCINDING
10	APPROVAL OF THE FINAL PLAN.
11	(6) THE ORGANIZATION MAY SUBMIT PROPOSED AMENDMENTS TO
12	THE FINAL PLAN ANNUALLY TO THE ADVISORY BOARD IN CONJUNCTION
13	WITH THE SUBMISSION OF THE ANNUAL REPORT PURSUANT TO SECTION
14	25-17-609 (2)(c). The advisory board shall review the proposed
15	AMENDMENTS AND MAY RECOMMEND THOSE PROPOSED AMENDMENTS OR
16	ANY PROPOSED AMENDMENTS OF ITS OWN TO THE EXECUTIVE DIRECTOR $\underline{\underline{\text{IN}}}$
17	ACCORDANCE WITH SECTION 25-17-604 (7). THE EXECUTIVE DIRECTOR
18	SHALL APPROVE, MODIFY, OR REJECT THE PROPOSED AMENDMENTS BASED
19	ON THE PLAN PROPOSAL REQUIREMENTS SPECIFIED IN SUBSECTION (4) OF
20	THIS SECTION
21	
22	$(\underline{7})$ The <u>executive director</u> shall enforce this part 6 in
23	ACCORDANCE WITH SECTION 25-17-611 AND PROMULGATE RULES IN
24	$\ \text{ACCORDANCE WITH ARTICLE 4 OF TITLE 24 AS MAY BE NECESSARY FOR THE} $
25	ENFORCEMENT OF THIS PART 6.
26	25-17-606. Minimum recyclable list - convenience standards.
27	(1) (a) THE ORGANIZATION SHALL DEVELOP A MINIMUM RECYCLABLE LIST

-27-

OF COVERED MATERIALS BASED ON THE AVAILABILITY OF RECYCLING

SERVICES, RECYCLING COLLECTION AND PROCESSING INFRASTRUCTURE,

AND RECYCLING MARKETS FOR COVERED MATERIALS IN THE STATE, AS

DETERMINED BY THE NEEDS ASSESSMENT.

5 (b) THE ORGANIZATION SHALL UPDATE THE MINIMUM RECYCLABLE 6 LIST, AND SUBMIT ANY UPDATES IN CONJUNCTION WITH THE SUBMISSION 7 OF THE ANNUAL REPORT PURSUANT TO SECTION 25-17-609 (2)(c), IN 8 RESPONSE TO RECYCLING COLLECTION AND PROCESSING IMPROVEMENTS 9 AND CHANGES IN RECYCLING END MARKETS. THE ADVISORY BOARD SHALL 10 REVIEW AND MAKE AMENDMENTS TO, AND THE EXECUTIVE DIRECTOR 11 SHALL APPROVE, MODIFY, OR REJECT, ANY UPDATES TO THE MINIMUM 12 RECYCLABLE LIST IN ACCORDANCE WITH THE PROCEDURES SET FORTH IN 13 SECTION 25-17-605 (6).

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- (2) (a) TO BE ELIGIBLE FOR REIMBURSEMENT FOR RECYCLING SERVICES PROVIDED UNDER THE PROGRAM, ALL SERVICE PROVIDERS MUST PROVIDE RECYCLING SERVICES FOR ALL READILY RECYCLABLE MATERIALS INCLUDED ON A MINIMUM RECYCLABLE LIST.____
- (b) THE EXECUTIVE DIRECTOR MAY GRANT A SERVICE PROVIDER AN EXCEPTION TO THE REQUIREMENTS OF SUBSECTION (2)(a) OF THIS SECTION IF THE SERVICE PROVIDER DEMONSTRATES TO THE REASONABLE SATISFACTION OF THE EXECUTIVE DIRECTOR THAT IT IS NOT ABLE TO PROVIDE RECYCLING SERVICES FOR A READILY RECYCLABLE MATERIAL.
- (3) (a) THE ORGANIZATION SHALL PROVIDE COVERED ENTITIES WITH WIDESPREAD, CONVENIENT, AND EQUITABLE ACCESS TO RECYCLING SERVICES FOR ALL READILY RECYCLABLE MATERIALS, AT NO ADDITIONAL COST TO THE COVERED ENTITY, WITH THE GOAL OF ACHIEVING _____ THE RECYCLING RATE, RECOVERY RATE, AND

POSTCONSUMER-RECYCLED-CONTENT RATE $\underline{\text{ESTABLISHED IN THE FINAL}}$	1.13.2
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PLAN UNDER SECTION 25-17-605 (4)(j)(I).	denotes changes:
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(b) To the extent possible, recycling services for readily
RECYCLABLE MATERIALS MUST BE PROVIDED IN A MANNER THAT IS AS
CONVENIENT AS THE COLLECTION OF SOLID WASTE IN THE COVERED
ENTITY'S GEOGRAPHIC AREA.

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- (c) IN PROVIDING RECYCLING SERVICES TO MULTI-FAMILY DWELLINGS WITH ON-SITE CENTRALIZED WASTE SITES, THE ORGANIZATION MUST OFFER THE OWNER OF THE MULTI-FAMILY DWELLING EQUIVALENT ON-SITE RECYCLING SERVICES FOR READILY RECYCLABLE MATERIALS.
- (\underline{d}) To the extent possible, any covered entities in the STATE THAT ARE RECEIVING RECYCLING SERVICES ON AUGUST 1, 2022, MUST CONTINUE TO RECEIVE EQUIVALENT RECYCLING SERVICES THROUGH THE PROGRAM OR A LOCAL GOVERNMENT SERVICE.
 - (e) THE ORGANIZATION SHALL NOT RESTRICT A PERSON'S ABILITY TO CONTRACT DIRECTLY WITH SERVICE PROVIDERS TO OBTAIN RECYCLING SERVICES FOR COVERED MATERIALS.
 - **25-17-607.** Education and outreach program. (1) ORGANIZATION SHALL DEVELOP AND IMPLEMENT A STATEWIDE EDUCATION AND OUTREACH PROGRAM THAT IS FREE OF CHARGE AND PROVIDES PROGRAMMING AND MATERIALS ON THE RECYCLING AND REUSE OF COVERED MATERIALS, INCLUDING PROGRAMMING AND MATERIALS ON:
 - (a) Proper end-of-life management of covered materials;
 - (b) THE LOCATION AND AVAILABILITY OF RECYCLING SERVICES UNDER THE PROGRAM; AND
- 27 (c) How to prevent littering in the process of providing

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1	RECYCLING SERVICES FOR COVERED MATERIALS.
2	(2) THE EDUCATION AND OUTREACH PROGRAM MUST, AT A
3	MINIMUM:
4	(a) PROVIDE CLEAR AND CONCISE RECYCLING INSTRUCTIONS THAT
5	ARE CONSISTENT STATEWIDE AND ACCESSIBLE FOR ALL DEMOGRAPHIC
6	GROUPS;
7	(b) DEVELOP METHODS TO TARGET:
8	(I) Service providers;
9	(II) Consumers;
10	(III) RETAILERS;
11	(IV) PRODUCERS; AND
12	(V) Underserved populations of the state, <u>as determined</u>
13	BY THE EXECUTIVE DIRECTOR.
14	(c) Utilize electronic, print, and social media platforms to
15	DISTRIBUTE AND MARKET THE PROGRAMMING AND MATERIALS; <u>AND</u>
16	(d) Be designed to help the state achieve the minimum
17	RECOVERY RATES, MINIMUM RECYCLING RATES, AND MINIMUM
18	POSTCONSUMER-RECYCLED-CONTENT RATES ESTABLISHED IN THE FINAL
19	PLAN UNDER SECTION $25-17-605$ (4)(j)(I).
20	
21	(3) The organization shall consult with the executive
22	DIRECTOR AND THE ADVISORY BOARD ON THE DEVELOPMENT AND
23	DISTRIBUTION OF PROGRAMMING AND MATERIALS AND MAY COORDINATE
24	WITH LOCAL GOVERNMENTS, NONPROFIT ORGANIZATIONS, AND SERVICE
25	PROVIDERS ON PROVIDING OUTREACH TO COMMUNITIES THROUGHOUT THE

(4) THE ORGANIZATION SHALL DEVELOP A METHODOLOGY FOR

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STATE.

2 OUTREACH PROGRAM THAT ALLOWS THE EXECUTIVE DIRECTOR TO

3 MEASURE THE EDUCATION AND OUTREACH PROGRAM'S OVERALL

4 EFFECTIVENESS.

25-17-608. Producer requirements - participate in program or develop alternative collection program - review of covered materials ______ - confidentiality - compliance with local government codes - audit. (1) Effective July 1, 2025, A producer shall not sell, offer for sale, or distribute any products that use covered materials IN the state unless the producer is participating in the program or an alternative collection program.

- (2) (a) A PRODUCER OR GROUP OF PRODUCERS MAY DEVELOP AND OPERATE AN ALTERNATIVE COLLECTION PROGRAM TO PROVIDE RECYCLING SERVICES FOR ALL OR SOME TYPES OF COVERED MATERIALS. A PRODUCER THAT PARTICIPATES IN AN ALTERNATIVE COLLECTION PROGRAM APPROVED BY THE EXECUTIVE DIRECTOR MAY WHOLLY OR PARTIALLY OFFSET THE PRODUCER'S PAYMENT OBLIGATIONS UNDER THE PROGRAM WITH RESPECT TO THE TYPES OF COVERED MATERIALS INCLUDED IN THE ALTERNATIVE COLLECTION PROGRAM.
- (b) A producer or group of producers seeking to implement an alternative collection program shall submit an alternative collection program plan proposal that complies with the requirements of section 25-17-605 (4). The advisory board shall review and make recommendations on, and the executive director shall approve, modify, or reject, any alternative collection program plan proposals or amendments in

1 ACCORDANCE WITH THE PROCEDURES SET FORTH IN SECTION 25-17-60 $\underline{\underline{5}}$ 2 ($\underline{\underline{6}}$).

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- (4) THE DEPARTMENT, THE ORGANIZATION, AND A PRODUCER OR GROUP OF PRODUCERS REVIEWING OR IMPLEMENTING AN ALTERNATIVE COLLECTION PROGRAM:
 - (a) Must keep confidential any proprietary information provided by a producer; and
 - (b) SHALL NOT INCLUDE ANY PROPRIETARY INFORMATION
 PROVIDED BY A PRODUCER IN THE <u>PLAN PROPOSAL</u>, <u>THE AMENDED PLAN</u>

 <u>PROPOSAL</u>, THE FINAL PLAN, OR ANY AMENDMENT TO THE FINAL PLAN.
 - (5) (a) The program and any alternative collection program must comply with any fire, <u>solid</u> waste, or other relevant ordinances or resolutions adopted by a local government <u>and with applicable state and federal laws</u>, <u>including the exemptions set forth in section 30-20-102 (5)</u>.
 - (b) Notwithstanding any law to the contrary, a local government is not required to provide <u>recycling</u> services for the program or an alternative collection program. <u>To the extent</u> <u>That a local government elects to provide recycling services</u> <u>Under the program, the organization shall reimburse the local government for those recycling services in accordance with section 25-17-606 (2) and the final plan. <{ This was put in the bill to make it clear that local governments will be compensated for services that they provide under the program, even if they are already providing those services.}></u>
 - (6) The organization shall cause to be conducted an

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1 ANNUAL AUDIT OF THE PROGRAM. THE AUDIT MUST INCLUDE A DETAILED
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2 LIST OF THE PROGRAM'S COSTS AND REVENUES FROM THE PRODUCER

3 RESPONSIBILITY DUES.

4 25-17-609. Producer responsibility dues - annual reporting.

- 5 (1) By a date determined by the organization that is no later
- 6 THAN JULY 1,2025, AND ANNUALLY THEREAFTER BY A DATE DETERMINED
- 7 BY THE ORGANIZATION, A PRODUCER SHALL PAY PRODUCER
- 8 RESPONSIBILITY DUES TO THE ORGANIZATION BASED ON THE AMOUNT OF
- 9 COVERED MATERIALS THAT ARE SOLD, OFFERED FOR SALE, OR
- 10 DISTRIBUTED IN THE STATE BY THE PRODUCER.
- 11 (2) (a) Before March 31 of the second year of the
- 12 PROGRAM'S IMPLEMENTATION, AND ANNUALLY ON MARCH 31
- 13 THEREAFTER, THE ORGANIZATION SHALL SUBMIT A REPORT TO THE
- 14 ADVISORY BOARD ____ DESCRIBING THE PROGRESS OF THE PROGRAM. <u>THE</u>
- 15 <u>ADVISORY BOARD SHALL REVIEW THE REPORT AND FORWARD THE REPORT</u>
- 16 TO THE EXECUTIVE DIRECTOR. THE ADVISORY BOARD SHALL ALSO REVIEW
- 17 ANY PROPOSED AMENDMENTS TO THE FINAL PLAN AND ANY UPDATES TO
- 18 THE MINIMUM RECYCLING LIST AND FORWARD THE AMENDMENTS AND
- 19 UPDATES TO THE EXECUTIVE DIRECTOR WITH ITS RECOMMENDATION FOR
- 20 APPROVAL OR REJECTION. THE EXECUTIVE DIRECTOR SHALL POST THE
- 21 REPORT ON THE DEPARTMENT'S WEBSITE. THE PROGRAM REPORT MUST
- 22 INCLUDE THE FOLLOWING INFORMATION FROM THE PRECEDING CALENDAR
- 23 YEAR:
- 24 (I) The total volume of covered materials that are sold,
- OFFERED FOR SALE, OR DISTRIBUTED IN THE STATE BY PRODUCERS;
- 26 (II) The total amount of producer responsibility dues
- 27 COLLECTED UNDER THE PROGRAM, WITH THE DATA BROKEN DOWN BY THE

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1	PRODUCER RESPONSIBILITY DUES AMOUNT PAID BY EACH PRODUCER FOR
2	EACH TYPE OF COVERED MATERIAL;
3	(III) THE TOTAL VOLUME OF EACH TYPE OF COVERED MATERIAL
4	RECOVERED OR RECYCLED UNDER THE PROGRAM, WITH THE DATA BROKEN
5	DOWN BY:
6	(A) Type of covered material collected;
7	(B) Means of collection, whether by curbside service $\underline{\text{or}}$
8	DROP-OFF CENTER;
9	(C) The method used to handle the collected covered
10	MATERIAL; AND
11	(D) GEOGRAPHIC AREA;
12	(IV) THE TOTAL AMOUNT, BY WEIGHT OR VOLUME, OF
13	POSTCONSUMER RECYCLED MATERIALS USED IN THE PRODUCTION OF
14	COVERED MATERIALS;
15	(V) THE RECYCLING RATE, RECOVERY RATE, AND MINIMUM
16	POSTCONSUMER-RECYCLED-CONTENT RATE FOR EACH TYPE OF COVERED
17	MATERIAL SET FORTH IN THE FINAL PLAN PURSUANT TO SECTION $25-17-605$
18	$(4)(j) \ \text{and a description of the organization's process in achieving} \\$
19	THOSE <u>RATES</u> ;
20	(VI) A SUMMARY OF THE EDUCATION AND OUTREACH EFFORTS
21	IMPLEMENTED IN ACCORDANCE WITH SECTION 25-17-607, INCLUDING:
22	(A) SAMPLES OF ANY MATERIALS DISTRIBUTED; AND
23	(B) A description of the methodology used and the results
24	of the evaluation conducted pursuant to section $25-17-607$ (4).
25	THE RESULTS MUST INCLUDE THE PERCENTAGE OF CONSUMERS,
26	PRODUCERS, AND RETAILERS MADE AWARE OF THE WAYS TO RECYCLE AND
27	REUSE RECYCLED MATERIALS.

1	(VII) A LIST OF THE NAMES, LOCATIONS, AND HOURS OF
2	OPERATION FOR CURBSIDE SERVICES AND DROP-OFF CENTERS
3	ACCEPTING OR COLLECTING COVERED MATERIALS UNDER THE PROGRAM;
4	
5	(VIII) A COPY OF AN INDEPENDENT THIRD PARTY'S REPORT
6	AUDITING THE PROGRAM PURSUANT TO SECTION 25-17-608 (6);
7	(IX) Any amendments to the final plan in accordance with
8	<u>SECTION 25-17-605 (6); AND</u>
9	(X) Any updates to the minimum recyclable list in
10	ACCORDANCE WITH SECTION 25-17-606 (1)(b).
11	(b) Before March 31 of the second year of an alternative
12	COLLECTION PROGRAM'S IMPLEMENTATION, AND ANNUALLY ON MARCH
13	31 THEREAFTER, THE PRODUCER OR GROUP OF PRODUCERS IMPLEMENTING
14	THE ALTERNATIVE COLLECTION PROGRAM SHALL SUBMIT A REPORT TO THE
15	ADVISORY BOARD DESCRIBING THE PROGRESS OF THE ALTERNATIVE
16	COLLECTION PROGRAM. THE REPORT MUST INCLUDE THE INFORMATION
17	DESCRIBED IN SUBSECTION (2)(a) OF THIS SECTION, AS APPLICABLE, FROM
18	THE PRECEDING CALENDAR YEAR. THE ADVISORY BOARD SHALL REVIEW
19	THE REPORT AND FORWARD THE REPORT TO THE EXECUTIVE DIRECTOR.
20	THE ADVISORY BOARD SHALL ALSO REVIEW ANY PROPOSED AMENDMENTS
21	TO THE ALTERNATIVE COLLECTION PROGRAM AND FORWARD THE
22	AMENDMENTS TO THE EXECUTIVE DIRECTOR WITH ITS RECOMMENDATION
23	FOR APPROVAL OR REJECTION. THE EXECUTIVE DIRECTOR SHALL POST THE
24	REPORT ON THE DEPARTMENT'S WEBSITE.
25	(c) The executive director shall annually compile the
26	RESULTS OF THE REPORTS RECEIVED PURSUANT TO SUBSECTIONS (2)(a)
27	AND (2)(b) OF THIS SECTION INTO A GENERAL REPORT DESCRIBING THE

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1 PROGRESS OF THE PROGRAM AND ANY ALTERNATIVE COLLECTI	ION
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2 PROGRAMS. THE EXECUTIVE DIRECTOR SHALL INCLUDE THE EXECUTIVE

3 DIRECTOR'S AND THE ADVISORY BOARD'S ACTIVITIES AND EXPENSES THAT

4 WERE REIMBURSED PURSUANT TO SECTION 25-17-610 IN THE GENERAL

5 REPORT. THE EXECUTIVE DIRECTOR SHALL POST THE REPORT ON THE

6 DEPARTMENT'S WEBSITE AND SHALL ANNUALLY PRESENT THE GENERAL

REPORT TO THE HEALTH AND HUMAN SERVICES COMMITTEE OF THE

SENATE AND THE ENERGY AND ENVIRONMENT COMMITTEE OF THE HOUSE

OF REPRESENTATIVES, OR THEIR SUCCESSOR COMMITTEES, AND THE

10 GOVERNOR. NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE

11 REPORTING REQUIREMENT SPECIFIED IN THIS SUBSECTION (2)(c)

CONTINUES INDEFINITELY.

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(3) IF, BASED ON THE ANNUAL REPORT SUBMITTED UNDER SUBSECTION (2) OF THIS SECTION, THE PROGRAM OR ALTERNATIVE COLLECTION PROGRAM IS NOT ON TRACK TO MEET THE MINIMUM RECOVERY RATES, MINIMUM RECYCLING RATES, AND MINIMUM POSTCONSUMER-RECYCLED-CONTENT RATES SET FORTH IN EACH PROGRAM'S OR ALTERNATIVE COLLECTION PROGRAM'S RESPECTIVE PLAN, THE EXECUTIVE DIRECTOR MAY REQUIRE THE ORGANIZATION OR GROUP OF PRODUCERS, WITH RESPECT TO THE PROGRAM, OR THE PRODUCER OR GROUP OF PRODUCERS, WITH RESPECT TO AN ALTERNATIVE COLLECTION PROGRAM, TO AMENDITS RESPECTIVE PLAN UNDER SECTION 25-17-605 (6).

<{Moved from section 25-17-608 because it fits better here.}>

25-17-610. Producer responsibility <u>for</u> recycling program administration fund - creation - purpose. (1) There is hereby created in the state treasury the producer responsibility <u>for</u> recycling program administration fund. The organization shall

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TRANSMIT A PORTION OF THE PRODUCER RESPONSIBILITY DUES TO THE

2 FUND FOR PURPOSES OF REIMBURSING THE DEPARTMENT, INCLUDING THE

- 3 ADVISORY BOARD, FOR THE REASONABLE COSTS INCURRED IN
- 4 ADMINISTERING AND IMPLEMENTING <u>ANY PORTION OF</u> THIS PART 6.
- 5 (2) By June 30, 2026, and on June 30 of every year, the
 6 department shall notify the organization of its costs in
 7 administering and implementing this part 6 during the
 8 immediately preceding year. Upon receipt of the department's
 9 cost accounting, the organization shall transmit to the state
 10 treasurer, for deposit in the fund, an amount of producer
 11 responsibility dues necessary to reimburse the department for
- 13 (3) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE
 14 MONEY FROM THE FUND TO THE DEPARTMENT FOR THE PURPOSE SET FORTH
 15 IN SUBSECTION (1) OF THIS SECTION.

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ITS COSTS.

- (4) ALL UNEXPENDED AND UNENCUMBERED MONEY IN THE FUND AT THE END OF ANY STATE FISCAL YEAR REMAINS IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND. ALL INTEREST DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND REMAINS IN THE FUND AND DOES NOT REVERT TO THE GENERAL FUND.
- 22 **25-17-611.** Violations enforcement administrative penalty.
- 23 (1) A PRODUCER OR ORGANIZATION THAT VIOLATES THIS PART 6 IS LIABLE 24 FOR AN ADMINISTRATIVE PENALTY NOT TO EXCEED:
- 25 (a) FOR A FIRST VIOLATION, AN INITIAL PENALTY OF FIVE
 26 THOUSAND DOLLARS FOR THE FIRST DAY OF EACH VIOLATION AND ONE
 27 THOUSAND FIVE HUNDRED DOLLARS PER DAY FOR EACH DAY THE

VIOLATION	CONTINUES:
VIOLITIOIN	CONTINUED,

(b) For a second violation committed within twelve
MONTHS AFTER A PRIOR VIOLATION, AN INITIAL PENALTY OF TEN
THOUSAND DOLLARS FOR THE FIRST DAY OF EACH VIOLATION AND THREE
THOUSAND DOLLARS PER DAY FOR EACH DAY THE VIOLATION CONTINUES;
AND

- (c) FOR A THIRD OR SUBSEQUENT VIOLATION COMMITTED WITHIN TWELVE MONTHS AFTER A PRIOR VIOLATION, AN INITIAL PENALTY OF TWENTY THOUSAND DOLLARS FOR THE FIRST DAY OF EACH VIOLATION AND SIX THOUSAND DOLLARS PER DAY FOR EACH DAY THE VIOLATION CONTINUES.
- (2) (a) If a producer or organization is liable pursuant to subsection (1) of this section, the executive director shall serve by personal service or by certified mail an order that imposes an administrative penalty on the producer or organization.
- (b) The producer or organization may submit a written request to the executive director for a hearing by personal service or by certified mail within thirty calendar days after the date of the order imposing an administrative penalty. An administrative law judge from the office of administrative courts shall conduct the hearing in accordance with section 24-4-105.
- (c) If a request for a hearing is filed, the requirement to pay a penalty is stayed pending a final decision by the administrative law judge after a hearing on the merits. The department is not precluded from imposing an administrative penalty against the producer or organization for subsequent

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VIOLATIONS OF THIS PART 6 COMMITTED DURING THE PENDENCY OF	ГНЕ
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2 STAY.

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- 3 (d) THE DEPARTMENT BEARS THE BURDEN OF PROOF BY A
 4 PREPONDERANCE OF THE EVIDENCE IN A HEARING HELD PURSUANT TO THIS
 5 SECTION.
 - (3) THE EXECUTIVE DIRECTOR MAY ENTER INTO A SETTLEMENT AGREEMENT WITH A PRODUCER OR ORGANIZATION ASSESSED AN ADMINISTRATIVE PENALTY UNDER THIS SECTION.
- 9 (4) THE EXECUTIVE DIRECTOR SHALL TRANSFER ANY MONEY
 10 COLLECTED UNDER THIS SECTION TO THE STATE TREASURER, WHO SHALL
 11 DEPOSIT THE MONEY INTO THE RECYCLING RESOURCES ECONOMIC
 12 OPPORTUNITY FUND CREATED IN SECTION 25-16.5-106.5 (1).
- 13 25-17-612. Limited exemption from antitrust, restraint of 14 trade, and unfair trade practices provisions. IF THE PROGRAM OR AN 15 ALTERNATIVE COLLECTION PROGRAM ENGAGES IN AN ACTIVITY 16 PERFORMED SOLELY IN FURTHERANCE OF IMPLEMENTING THE PROGRAM OR 17 ALTERNATIVE COLLECTION PROGRAM AND IN COMPLIANCE WITH THIS PART 18 6, THE ACTIVITY IS NOT A VIOLATION OF THE ANTITRUST, RESTRAINT OF 19 TRADE, AND UNFAIR TRADE PRACTICES PROVISIONS OF THE "UNFAIR 20 PRACTICES ACT", ARTICLE 2 OF TITLE 6 OR THE "COLORADO ANTITRUST 21 ACT OF 1992", ARTICLE 4 OF TITLE 6.
- 22 **25-17-613.** Eligibility for state or local incentive programs.
 23 Nothing in this part 6 affects a person's eligibility for any state
 24 OR LOCAL INCENTIVE PROGRAMS FOR WHICH THE PERSON IS OTHERWISE
 25 ELIGIBLE.
- 25-17-614. Producer exemptions. (1) A PRODUCER IS EXEMPT
 27 FROM THE REQUIREMENTS OF THIS PART 6 IF THE PRODUCER IS:

1	(a) A PERSON WITH LESS THAN ONE MILLION DOLLARS IN REALIZED
2	GROSS TOTAL REVENUE DURING THE PRIOR CALENDAR YEAR;
3	(b) A PERSON THAT HAS SOLD, OFFERED FOR SALE, OR DISTRIBUTED
4	LESS THAN ONE TON OFCOVERED MATERIALS WITHIN OR INTO THE
5	STATE DURING THE PRIOR CALENDAR YEAR;
6	(c) A <u>STATE OR</u> LOCAL GOVERNMENT; OR
7	(d) A NONPROFIT ORGANIZATION.
8	25-17-215. Restriction on retailer fees. A retailer may not
9	CHARGE ANY KIND OF POINT OF SALE OR OTHER FEE TO CONSUMERS THAT
10	IS INTENDED TO RECOUP A PRODUCER'S COSTS IN COMPLYING WITH THIS
11	PART 6.
12	SECTION 2. Act subject to petition - effective date. This act
13	takes effect at 12:01 a.m. on the day following the expiration of the
14	ninety-day period after final adjournment of the general assembly; except
15	that, if a referendum petition is filed pursuant to section 1 (3) of article V
16	of the state constitution against this act or an item, section, or part of this
17	act within such period, then the act, item, section, or part will not take
18	effect unless approved by the people at the general election to be held in
19	November 2022 and, in such case, will take effect on the date of the
20	official declaration of the vote thereon by the governor.