

**Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 24-0517.01 Christopher McMichael x4775

SENATE BILL 24-123

SENATE SPONSORSHIP

Priola and Hansen,

HOUSE SPONSORSHIP

Mauro and Froelich,

Senate Committees

Finance

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF AN ENTERPRISE THAT IS EXEMPT FROM**
102 **THE REQUIREMENTS OF SECTION 20 OF ARTICLE X OF THE STATE**
103 **CONSTITUTION TO ADMINISTER A FEE-BASED WASTE TIRE**
104 **MANAGEMENT PROGRAM.**

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>.)

The bill creates the waste tire management enterprise (enterprise). Under current law, when a consumer buys new tires, the retailer charges the consumer a waste tire fee (fee) that is then collected by the department

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

of public health and environment (department) and distributed into 2 separate cash funds:

- The waste tire administration, enforcement, market development, and cleanup fund; and
- The end users fund.

The department uses the money in the waste tire administration, enforcement, market development, and cleanup fund for various purposes related to waste tire recycling and management. The department uses the money in the end users fund to issue rebates to end users of waste tires.

The bill shifts the following responsibilities from the department to the enterprise:

- Collecting the fee;
- Managing the waste tire administration, enforcement, market development, and cleanup fund and the end users fund;
- Issuing rebates to end users; and
- In conjunction with the solid and hazardous waste commission, overseeing the activities of waste tire haulers, waste tire generators, waste tire collection facilities, waste tire processors, mobile processors, waste tire monofills, end users, and used tire management.

The bill extends the amount of time that the fee may be collected, from December 31, 2025, until December 31, 2040.

The enterprise is operated by a board of directors appointed by the executive director of the department. The enterprise's primary duties and functions are to:

- Collect the fee;
- Promote waste tire recycling and management strategies for Colorado;
- Issue revenue bonds;
- Publish waste tire recycling and management strategies online; and
- Engage the services of contractors, consultants, or legal counsel to provide professional and technical assistance related to the conduct of the enterprise.

Because the enterprise is a government-owned business, the revenue generated by the enterprise is not subject to section 20 of article X of the state constitution.

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

2 **SECTION 1.** In Colorado Revised Statutes, 30-20-1401, **amend**

3 (1) and (2) as follows:

1 **30-20-1401. Legislative declaration - rules - enforcement -**
2 **recyclable material.** (1) The general assembly hereby finds and declares
3 that:

4 (a) In order to protect the environment and the public health, there
5 is a special need to address problems created by the disposal of waste tires
6 and the lack of recycling and beneficial use of waste tires; ~~It is the policy~~
7 ~~of this state to pursue proposals for recycling and other beneficial use of~~
8 ~~waste tires in lieu of storage or landfill disposal, and, in addition, it is the~~
9 ~~intent of the general assembly~~

10 (b) In adopting this part 14, ~~to encourage~~ THE GENERAL ASSEMBLY
11 HAS ENCOURAGED the development of techniques for resource recovery,
12 recycling, and reuse of waste tires; ~~and to provide for the management of~~
13 ~~waste tires.~~ HOWEVER, THERE IS STILL ROOM FOR IMPROVEMENT
14 REGARDING THE MANAGEMENT OF WASTE TIRES IN COLORADO;

15 (c) THE MANAGEMENT OF WASTE TIRES AT THE STATE LEVEL
16 PROMOTES ECONOMIC DEVELOPMENT AND PROVIDES SUBSTANTIAL
17 ENVIRONMENTAL IMPACTS ACROSS THE STATE;

18 (d) IT IS IN THE STATE'S INTEREST TO PROVIDE FOR THE RECOVERY,
19 RECYCLING, REUSE, AND MANAGEMENT OF WASTE TIRES THROUGH A
20 GOVERNMENT-RUN ENTERPRISE;

21 (e) PROVIDING STATEWIDE WASTE TIRE RECYCLING AND
22 MANAGEMENT CONSTITUTES A VALUABLE SERVICE AND BENEFIT, AND A
23 WASTE TIRE MANAGEMENT ENTERPRISE WOULD PROVIDE USEFUL BUSINESS
24 SERVICES TO TIRE RETAILERS, AUTOMOBILE DEALERS, AUTOMOBILE REPAIR
25 SHOPS, SERVICE STATIONS, AUTOMOTIVE FLEET CENTERS, WASTE TIRE
26 HAULERS, WASTE TIRE COLLECTION FACILITIES, WASTE TIRE PROCESSORS,
27 RECYCLING AND WASTE FACILITIES, LANDFILLS, CONSUMERS, AND ALL

1 RESIDENTS OF COLORADO;

2 (f) IT IS NECESSARY, APPROPRIATE, AND IN THE BEST INTEREST OF
3 THE STATE TO ACKNOWLEDGE THAT, BY PROVIDING THE BUSINESS
4 SERVICES SPECIFIED IN THIS PART 14, THE ENTERPRISE ENGAGES IN AN
5 ACTIVITY CONDUCTED IN THE PURSUIT OF A BENEFIT, GAIN, OR LIVELIHOOD
6 AND THEREFORE OPERATES AS A BUSINESS;

7 (g) CONSISTENT WITH THE DETERMINATION OF THE COLORADO
8 SUPREME COURT IN *NICHOLL V. E-470 PUBLIC HIGHWAY AUTHORITY*, 896
9 P.2d 859 (COLO. 1995), THAT THE POWER TO IMPOSE TAXES IS
10 INCONSISTENT WITH ENTERPRISE STATUS UNDER SECTION 20 OF ARTICLE
11 X OF THE STATE CONSTITUTION, IT IS THE CONCLUSION OF THE GENERAL
12 ASSEMBLY THAT THE WASTE TIRE FEE COLLECTED BY THE ENTERPRISE IS
13 A FEE, NOT A TAX, BECAUSE THE FEE IS IMPOSED FOR THE SPECIFIC
14 PURPOSE OF ALLOWING THE ENTERPRISE TO DEFRAY THE COSTS OF
15 PROVIDING THE BUSINESS SERVICES SPECIFIED IN THIS PART 14 TO WASTE
16 TIRE GENERATORS THAT ULTIMATELY PAY THE FEE, WHICH FEE IS IMPOSED
17 AT RATES THAT ARE REASONABLY CALCULATED BASED ON THE BENEFITS
18 RECEIVED BY THOSE WASTE TIRE GENERATORS;

19 (h) SO LONG AS THE ENTERPRISE QUALIFIES AS AN ENTERPRISE FOR
20 THE PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION,
21 THE REVENUE FROM THE WASTE TIRE FEE COLLECTED BY THE ENTERPRISE
22 IS NOT STATE FISCAL YEAR SPENDING, AS DEFINED IN SECTION 24-77-102
23 (17), OR STATE REVENUES, AS DEFINED IN SECTION 24-77-103.6 (6)(c),
24 AND DOES NOT COUNT AGAINST EITHER THE STATE FISCAL YEAR SPENDING
25 LIMIT IMPOSED BY SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION
26 OR THE EXCESS STATE REVENUES CAP, AS DEFINED IN SECTION 24-77-103.6
27 (6)(b)(I); AND

1 (i) THE ENTERPRISE CREATED IN THIS PART 14 IS NECESSARY TO
2 CONTINUE COLORADO'S MANAGEMENT OF WASTE TIRES AND PROVIDE
3 INCENTIVES TO LOCAL GOVERNMENTS; FOR-PROFIT WASTE TIRE
4 MANAGEMENT, RECYCLING, AND REUSE COMPANIES; AND OTHER
5 ORGANIZATIONS THAT ARE INVOLVED IN WASTE TIRE RECYCLING AND
6 MANAGEMENT.

7 (2) ~~By May 31, 2015,~~ The commission, IN CONSULTATION WITH
8 THE ENTERPRISE, shall promulgate rules for the implementation and
9 enforcement of this part 14. ~~Until the commission promulgates rules to~~
10 ~~implement and enforce this part 14, the commission's rules in effect on~~
11 ~~July 1, 2014, governing waste tires continue to apply to the extent that~~
12 ~~they do not conflict with this part 14.~~

13 **SECTION 2.** In Colorado Revised Statutes, 30-20-1402, **add**
14 (1.7), (4.5), and (14.5) as follows:

15 **30-20-1402. Definitions.** As used in this part 14, unless the
16 context otherwise requires:

17 (1.7) "BOARD OF DIRECTORS" OR "BOARD" MEANS THE BOARD OF
18 DIRECTORS OF THE ENTERPRISE.

19 (4.5) "ENTERPRISE" MEANS THE WASTE TIRE MANAGEMENT
20 ENTERPRISE CREATED IN SECTION 30-20-1403.

21 (14.5) "WASTE TIRE FEE" OR "FEE" MEANS MONEY COLLECTED
22 PURSUANT TO SECTION 30-20-1403.

23 **SECTION 3.** In Colorado Revised Statutes, **repeal and reenact,**
24 **with amendments,** 30-20-1403 as follows:

25 **30-20-1403. Waste tire management enterprise - board of**
26 **directors - waste tire fee - distribution - rules. (1) Enterprise.**

27 (a) (I) THERE IS CREATED IN THE DEPARTMENT THE WASTE TIRE

1 MANAGEMENT ENTERPRISE. THE ENTERPRISE IS AND OPERATES AS A
2 GOVERNMENT-OWNED BUSINESS WITHIN THE DEPARTMENT TO COLLECT
3 THE WASTE TIRE FEE CHARGED BY RETAILERS OF NEW TIRES PURSUANT TO
4 SUBSECTION (2) OF THIS SECTION AND TO USE THE WASTE TIRE FEE TO
5 PROMOTE THE WASTE TIRE RECYCLING AND MANAGEMENT INDUSTRY IN
6 COLORADO.

7 (II) THE ENTERPRISE IS AND OPERATES AS A GOVERNMENT-OWNED
8 BUSINESS WITHIN THE DEPARTMENT FOR THE PURPOSE OF CONDUCTING
9 THE BUSINESS ACTIVITIES SPECIFIED IN THIS SECTION. THE ENTERPRISE IS
10 A **TYPE 1** ENTITY, AS DEFINED IN SECTION 24-1-105, AND EXERCISES ITS
11 POWERS AND PERFORMS ITS DUTIES AND FUNCTIONS UNDER THE
12 DEPARTMENT.

13 (III) THE ENTERPRISE CONSTITUTES AN ENTERPRISE FOR PURPOSES
14 OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION SO LONG AS IT
15 RETAINS THE AUTHORITY TO ISSUE REVENUE BONDS AND RECEIVES LESS
16 THAN TEN PERCENT OF ITS TOTAL REVENUES IN GRANTS FROM ALL
17 COLORADO STATE AND LOCAL GOVERNMENTS COMBINED. SO LONG AS IT
18 CONSTITUTES AN ENTERPRISE PURSUANT TO THIS SUBSECTION (1)(a), THE
19 ENTERPRISE IS NOT SUBJECT TO SECTION 20 OF ARTICLE X OF THE STATE
20 CONSTITUTION.

21 (b) THE ENTERPRISE'S PRIMARY POWERS AND DUTIES ARE TO:

22 (I) COLLECT THE WASTE TIRE FEE;

23 (II) PROMOTE WASTE TIRE RECYCLING AND MANAGEMENT
24 STRATEGIES THROUGHOUT COLORADO;

25 (III) ISSUE REVENUE BONDS PAYABLE FROM THE REVENUES OF THE
26 ENTERPRISE TO PROMOTE THE WASTE TIRE RECYCLING AND MANAGEMENT
27 STRATEGIES SPECIFIED IN THIS SECTION;

1 (IV) PUBLISH EACH YEAR, ON THE DEPARTMENT'S WEBSITE AND AS
2 OTHERWISE DEEMED APPROPRIATE BY THE BOARD, THE WASTE TIRE
3 RECYCLING AND MANAGEMENT STRATEGIES THAT THE BOARD HAS
4 PRIORITIZED THROUGH THE COLLECTION OF THE WASTE TIRE FEE;

5 (V) ADOPT, AMEND, OR REPEAL POLICIES FOR THE REGULATION OF
6 THE ENTERPRISE'S AFFAIRS AND THE CONDUCT OF THE ENTERPRISE'S
7 BUSINESS CONSISTENT WITH THIS PART 14; AND

8 (VI) ENGAGE THE SERVICES OF CONTRACTORS, CONSULTANTS, OR
9 LEGAL COUNSEL, INCLUDING THE DEPARTMENT AND THE ATTORNEY
10 GENERAL'S OFFICE, FOR PROFESSIONAL AND TECHNICAL ASSISTANCE AND
11 ADVICE AND TO SUPPLY OTHER SERVICES RELATED TO THE CONDUCT OF
12 THE ENTERPRISE, WITHOUT REGARD TO THE "PROCUREMENT CODE",
13 ARTICLES 101 TO 112 OF TITLE 24. THE BOARD SHALL ENCOURAGE
14 DIVERSITY IN APPLICANTS FOR CONTRACTS AND SHALL AVOID USING
15 SINGLE-SOURCE BIDS.

16 (c) THE ENTERPRISE IS GOVERNED BY A BOARD OF DIRECTORS. THE
17 BOARD CONSISTS OF THE FOLLOWING NINE MEMBERS:

18 (I) TWO MEMBERS APPOINTED BY THE EXECUTIVE DIRECTOR OF
19 THE DEPARTMENT TO REPRESENT THE DEPARTMENT, INCLUDING ONE WITH
20 EXPERTISE IN SUSTAINABILITY AND ONE WITH EXPERTISE IN COMPLIANCE;

21 (II) ONE MEMBER APPOINTED BY THE EXECUTIVE DIRECTOR OF THE
22 DEPARTMENT WHO IS A MEMBER OF A BOARD OF COUNTY COMMISSIONERS
23 FOR A COUNTY THAT HAS EXPERIENCE WITH THE MANAGEMENT OF WASTE
24 TIRES; AND

25 (III) SIX MEMBERS APPOINTED BY THE EXECUTIVE DIRECTOR OF
26 THE DEPARTMENT WHO ARE REPRESENTATIVES OF NONPROFIT AND
27 FOR-PROFIT ENTITIES ENGAGED IN THE RECOVERY, RECYCLING, REUSE,

1 AND MANAGEMENT OF WASTE TIRES, INCLUDING A TIRE RETAILER, A
2 WASTE TIRE COLLECTION FACILITY, A WASTE TIRE PROCESSOR, A WASTE
3 TIRE HAULER, AND A LANDFILL OPERATOR. TO THE EXTENT PRACTICABLE,
4 THE REPRESENTATION OF NONPROFIT AND FOR-PROFIT ENTITIES MUST BE
5 BALANCED EQUALLY.

6 (d) OF THE MEMBERS APPOINTED TO THE BOARD OF DIRECTORS
7 PURSUANT TO SUBSECTION (1)(c)(III) OF THIS SECTION, AT LEAST ONE
8 MEMBER MUST DO BUSINESS IN A RURAL COUNTY IN THE STATE.

9 (e) (I) THE MEMBER REPRESENTING THE DEPARTMENT WHO HAS
10 EXPERTISE IN SUSTAINABILITY AND IS APPOINTED PURSUANT TO
11 SUBSECTION (1)(c)(I) OF THIS SECTION SHALL CALL THE FIRST MEETING OF
12 THE BOARD.

13 (II) THE BOARD SHALL ELECT A CHAIR FROM AMONG ITS MEMBERS
14 TO SERVE FOR A TERM NOT TO EXCEED TWO YEARS.

15 (III) THE BOARD SHALL MEET QUARTERLY, AND THE CHAIR OF THE
16 BOARD MAY CALL ADDITIONAL MEETINGS AS NECESSARY FOR THE BOARD
17 TO COMPLETE ITS DUTIES.

18 (IV) THE TERM OF OFFICE FOR A BOARD MEMBER IS THREE YEARS;
19 EXCEPT THAT FOUR OF THE SIX MEMBERS APPOINTED PURSUANT TO
20 SUBSECTION (1)(c)(III) OF THIS SECTION SERVE INITIAL TERMS OF TWO
21 YEARS. A BOARD MEMBER MAY SERVE UNLIMITED TERMS.

22 (f) (I) A MEMBER OF THE BOARD OF DIRECTORS, EXCEPT FOR
23 MEMBERS APPOINTED PURSUANT TO SUBSECTIONS (1)(c)(I) AND (1)(c)(II)
24 OF THIS SECTION, MAY RECEIVE A PER DIEM STIPEND WHILE ON OFFICIAL
25 ENTERPRISE BUSINESS.

26 (II) THE PER DIEM STIPEND SHALL BE AT LEAST EQUAL TO THE
27 COLORADO STATE EMPLOYEE PER DIEM FOR INTRA-STATE TRAVEL AS

1 ESTABLISHED BY THE DEPARTMENT OF PERSONNEL.

2 (III) ALL MEMBERS OF THE BOARD OF DIRECTORS MAY RECEIVE
3 REIMBURSEMENT FOR ACTUAL AND NECESSARY EXPENSES INCURRED
4 WHILE ON OFFICIAL ENTERPRISE BUSINESS.

5 (IV) THE ENTERPRISE MAY USE MONEY IN THE WASTE TIRE
6 MANAGEMENT ENTERPRISE FUND, CREATED IN SECTION 30-20-1404, TO
7 PAY THE PER DIEM STIPEND TO A BOARD MEMBER AND TO REIMBURSE A
8 BOARD MEMBER FOR ACTUAL AND NECESSARY EXPENSES INCURRED AS
9 PART OF THE ENTERPRISE'S OPERATING EXPENSES.

10 (g) THE DEPARTMENT SHALL PROVIDE OFFICE SPACE AND
11 ADMINISTRATIVE STAFF TO THE ENTERPRISE, IF REQUESTED BY THE BOARD.

12 (2) **Waste tire fee.** (a) (I) EFFECTIVE JANUARY 1, 2025, AND
13 CONTINUING THROUGH DECEMBER 31, 2040, RETAILERS OF NEW MOTOR
14 VEHICLE TIRES AND NEW TRAILER TIRES SHALL COLLECT A WASTE TIRE FEE
15 IN AN AMOUNT TO BE SET BY THE ENTERPRISE, IN COORDINATION WITH THE
16 COMMISSION. THE WASTE TIRE FEE AMOUNT MUST NOT EXCEED FOUR
17 DOLLARS ON THE SALE OF EACH NEW TIRE.

18 (II) EFFECTIVE JANUARY 1, 2025, THE BOARD OF DIRECTORS MAY
19 REVIEW THE WASTE TIRE FEE ON AN ANNUAL BASIS AND, IN ACCORDANCE
20 WITH THE FEE AMOUNT LIMIT SET FORTH IN SUBSECTION (2)(a)(I) OF THIS
21 SECTION, ADJUST THE WASTE TIRE FEE AMOUNT SO THAT THE WASTE TIRE
22 FEE IS IMPOSED IN AN AMOUNT THAT IS SUFFICIENT TO:

23 (A) PAY THE DEPARTMENT'S AND ENTERPRISE'S DIRECT AND
24 INDIRECT COSTS OF IMPLEMENTING THIS PART 14 AND OPERATING THE
25 ENTERPRISE, WHICH COSTS MUST NOT EXCEED THE EQUIVALENT OF
26 ONE-HALF OF THE WASTE TIRE FEE COLLECTED FOR EACH NEW TIRE SOLD
27 PURSUANT TO THIS SUBSECTION (2); AND

1 (B) PAY COSTS ASSOCIATED WITH PROVIDING REBATES AS
2 DESCRIBED IN SECTION 30-20-1405.

3 (III) THE RECEIPT FROM THE RETAILER TO THE CUSTOMER FOR
4 EVERY NEW TIRE PURCHASED MUST CONTAIN THE FOLLOWING STATEMENT
5 IN THE LARGEST BOLD-FACED TYPE CAPABLE BASED ON POINT-OF-SALE
6 SOFTWARE AND ON EXISTING INVOICE PRINTERS, NOT TO EXCEED FIFTEEN
7 POINTS: **"SECTION 30-20-1403, COLORADO REVISED STATUTES,**
8 **REQUIRES RETAILERS TO COLLECT A WASTE TIRE FEE SET BY THE**
9 **WASTE TIRE MANAGEMENT ENTERPRISE, WHICH IS A**
10 **GOVERNMENT-OWNED BUSINESS WITHIN THE DEPARTMENT OF PUBLIC**
11 **HEALTH AND ENVIRONMENT, ON THE SALE OF EACH NEW MOTOR**
12 **VEHICLE TIRE AND EACH NEW TRAILER TIRE."**

13 (b) THE RETAILER SHALL SUBMIT TO THE ENTERPRISE BY THE
14 TWENTIETH DAY OF EACH MONTH ALL FEES COLLECTED PURSUANT TO THIS
15 SECTION IN THE PRECEDING MONTH, TOGETHER WITH ANY REPORT
16 REQUIRED BY THE ENTERPRISE. THE ENTERPRISE SHALL TRANSMIT THE
17 FEES TO THE STATE TREASURER, WHO SHALL CREDIT THEM IN
18 ACCORDANCE WITH SUBSECTION (3) OF THIS SECTION OR AS SPECIFIED IN
19 RULES PROMULGATED BY THE COMMISSION.

20 (3) FROM JANUARY 1, 2025, THROUGH JANUARY 31, 2041, THE
21 STATE TREASURER SHALL DISTRIBUTE THE REVENUE FROM THE FEE
22 ASSESSED IN SUBSECTION (2) OF THIS SECTION AS FOLLOWS:

23 (a) THE PORTION OF THE FEE COLLECTED TO OFFSET THE COSTS
24 DESCRIBED IN SUBSECTION (2)(a)(II)(A) OF THIS SECTION TO THE WASTE
25 TIRE MANAGEMENT ENTERPRISE FUND CREATED IN SECTION 30-20-1404;

26 (b) THE PORTION OF THE FEE COLLECTED TO COVER THE COSTS
27 DESCRIBED IN SUBSECTION (2)(a)(II)(B) OF THIS SECTION TO THE END

1 USERS FUND CREATED IN SECTION 30-20-1405; AND

2 (c) ALL INTEREST EARNED ON THE INVESTMENT OF MONEY IN THE
3 WASTE TIRE MANAGEMENT ENTERPRISE FUND TO THE FUND. ANY
4 UNEXPENDED AND UNENCUMBERED MONEY IN THE WASTE TIRE
5 MANAGEMENT ENTERPRISE FUND AT THE END OF ANY FISCAL YEAR SHALL
6 REMAIN IN THE FUND.

7 **SECTION 4.** In Colorado Revised Statutes, 30-20-1404, **amend**
8 (1), (2) introductory portion, (2)(a), (2)(b), (2)(c), (2)(f), (2)(o), (5), and
9 (7); **repeal** (8); and **add** (2)(q), (2)(r), (2)(s), and (2)(t) as follows:

10 **30-20-1404. Waste tire management enterprise fund - creation**
11 **- rules.** (1) (a) There is ~~hereby~~ created in the state treasury the waste tire
12 ~~administration, enforcement, market development, and cleanup~~
13 MANAGEMENT ENTERPRISE fund, referred to in this section as the "fund",
14 consisting of the fee revenue credited pursuant to section 30-20-1403 and
15 any other money appropriated OR TRANSFERRED to it. ~~The general~~
16 ~~assembly shall annually appropriate the money in the fund to the~~
17 ~~department for its direct and indirect administrative and enforcement~~
18 ~~costs in administering and enforcing this part 14~~ MONEY CREDITED TO
19 THE FUND IS CONTINUOUSLY APPROPRIATED TO THE ENTERPRISE FOR THE
20 PURPOSES SET FORTH IN THIS PART 14 AND TO PAY THE ENTERPRISE'S
21 REASONABLE AND NECESSARY OPERATING EXPENSES.

22 (b) The state treasurer shall credit all interest earned on the
23 investment of money in the fund to the fund. Any unexpended and
24 unencumbered money in the fund ~~in excess of sixteen and one-half~~
25 ~~percent of the previous fiscal year's expenditures~~ at the end of any fiscal
26 year shall ~~be credited~~ REMAIN IN THE FUND.

27 ~~(a) Through December 31, 2025, to the end users fund created in~~

1 ~~section 30-20-1405; and~~
2 ~~(b) On and after January 1, 2026, to the general fund.~~
3 (2) The ~~department shall~~ ENTERPRISE MAY, IN CONSULTATION
4 WITH THE DEPARTMENT, use the money in the fund for:
5 (a) Collecting the fee assessed in section 30-20-1403 ~~(1)~~ (2);
6 (b) ~~Inspecting~~ PETITIONING THE DEPARTMENT TO INSPECT retailers
7 to determine whether all fees are being collected;
8 (c) ~~Enforcing~~ PETITIONING THE DEPARTMENT TO ENFORCE the
9 requirements of this part 14 pursuant to existing authority, including
10 sections 30-20-113 and 30-20-114;
11 (f) IF REQUESTED BY THE DEPARTMENT, CONSULTING WITH THE
12 DEPARTMENT IN hiring a contractor to clean up waste tires and
13 tire-derived ~~product~~ PRODUCTS that have been illegally disposed of or
14 have been disposed of at a landfill pursuant to section 30-20-1009 (2) and
15 funding a grant program to reimburse local governing authorities for
16 cleaning up waste tires and tire-derived products that have been illegally
17 disposed of or have been disposed of at a landfill pursuant to section
18 30-20-1009 (2);
19 (o) Encouraging waste tire market development; ~~and~~
20 (q) THE PAYMENT OF ANY BONDS ISSUED PURSUANT TO SECTION
21 30-20-1403 (1)(b);
22 (r) REIMBURSEMENT OF THE DEPARTMENT FOR CLEANUP AND
23 REMEDIATION ACTIVITIES ENGAGED IN PURSUANT TO SUBSECTIONS (3) AND
24 (4) OF THIS SECTION;
25 (s) THE PAYMENT OF PER DIEM AND THE REIMBURSEMENT OF
26 ACTUAL AND NECESSARY EXPENSES FOR BOARD MEMBERS WHILE ON
27 OFFICIAL ENTERPRISE BUSINESS; AND

1 (t) ANY OTHER ACTIVITY NECESSARY TO IMPLEMENT THIS PART 14,
2 AS DETERMINED BY THE BOARD OF DIRECTORS.

3 (5) (a) In providing assistance pursuant to this section, the
4 ~~department~~ ENTERPRISE shall give primary consideration to protection of
5 public health and the environment.

6 (b) In awarding contracts for services pursuant to this section, the
7 ~~department~~ ENTERPRISE may give preferential bidding treatment to
8 individuals or entities that will recycle, pursuant to rules of the
9 department concerning recycling, and reuse, rather than dispose of, the
10 waste tires.

11 (7) The ENTERPRISE, IN COORDINATION WITH THE department and
12 the department of transportation, shall ~~coordinate with one another to~~
13 systematically investigate and research the use of tire-derived aggregates
14 in technically feasible and economically viable civil applications
15 associated with the department of transportation's roadway mission. The
16 department shall include any findings regarding tire-derived aggregates,
17 as appropriate, in the department's annual report to the general assembly.

18 (8) ~~Notwithstanding any other provision of this section, on June~~
19 ~~30, 2020, the state treasurer shall transfer five million three hundred~~
20 ~~seventy-two thousand four hundred fifteen dollars from the fund to the~~
21 ~~general fund.~~

22 **SECTION 5.** In Colorado Revised Statutes, 30-20-1405, **amend**
23 (1), (2)(a) introductory portion, (3), (4)(a), (4)(b) introductory portion, (5)
24 introductory portion, (5)(c) introductory portion, (5)(d), (5)(e)
25 introductory portion, (5)(e)(I), (6) introductory portion, (6)(b), (7), (8)
26 introductory portion, (9), and (10); and **repeal** (1.5) as follows:

27 **30-20-1405. End users fund - creation - quarterly rebates -**

1 **rules - repeal.** (1) (a) There is hereby created in the state treasury the end
2 users fund, referred to in this section as the "fund", consisting of the fee
3 revenue credited pursuant to section ~~30-20-1403 (2)(a)(H)~~ 30-20-1403
4 (3)(b).

5 (b) The state treasurer shall credit all interest and any other return
6 on the investment of money in the fund to the fund. ~~The fund is subject~~
7 ~~to annual appropriation by the general assembly to the department for the~~
8 ~~purposes specified in this section~~ MONEY CREDITED TO THE FUND IS
9 CONTINUOUSLY APPROPRIATED TO THE ENTERPRISE FOR THE PURPOSES SET
10 FORTH IN THIS SECTION.

11 (1.5) ~~Notwithstanding any other provision of this section, on June~~
12 ~~30, 2020, the state treasurer shall transfer one million four hundred~~
13 ~~thousand dollars from the fund to the general fund.~~

14 (2) (a) The ~~department~~ ENTERPRISE, IN CONSULTATION WITH THE
15 DEPARTMENT, shall use the money in the fund to provide quarterly rebates
16 to in-state:

17 (3) The rebate is subject to the following conditions:

18 (a) The ~~department~~ ENTERPRISE shall pay the rebate amount
19 quarterly, on a per-ton basis; and

20 (b) Once the ~~department~~ ENTERPRISE has paid a rebate on a
21 particular quantity of tire-derived product, every part of that particular
22 quantity of tire-derived product is no longer eligible for payment of the
23 rebate.

24 (4) (a) The ~~commission~~ ENTERPRISE, IN CONSULTATION WITH THE
25 COMMISSION, shall annually set the amount of the rebate, ~~by rule~~, on a
26 per-ton basis, and the ~~department~~ ENTERPRISE shall pay the set rebate
27 amount for each ton of qualified tire-derived product. The ~~commission~~

1 ENTERPRISE shall calculate the rebate to equal, but not exceed, the amount
2 of the anticipated income transferred into the fund during each
3 succeeding twelve-month period.

4 (b) Each year, the ~~department~~ ENTERPRISE shall continue to
5 provide the rebate in accordance with the tiered structure set forth in
6 subsection (5)(e) of this section until:

7 (5) The commission shall promulgate rules governing
8 administration of the rebate. ~~which~~ ON AND AFTER THE EFFECTIVE DATE
9 OF THIS SECTION, AS AMENDED, THE COMMISSION SHALL CONSULT WITH
10 THE ENTERPRISE IN ADOPTING RULES GOVERNING ADMINISTRATION OF THE
11 REBATE. THE COMMISSION'S rules must include the following:

12 (c) If the balance of the fund is anticipated to be insufficient to
13 pay out all of the rebates applied for, a requirement that the ~~department~~
14 ENTERPRISE:

15 (d) A requirement that an end user that qualifies for a rebate by
16 utilizing waste tires for:

17 (I) Alternative daily cover must verify with the ~~department~~
18 ENTERPRISE that the alternative daily cover meets all specification
19 standards for all type-B tire-derived aggregate, as established by the
20 ASTM standard D6270; and

21 (II) Tire-derived aggregate must verify with the ~~department~~
22 ENTERPRISE that the tire-derived aggregate meets all specification
23 standards for all type-A tire-derived aggregate, as established by the
24 ASTM standard D6270; and

25 (e) Three tiers of rebate amounts that the ~~department~~ ENTERPRISE
26 may pay out based on the amount of the waste tire that was used and
27 destroyed as follows:

1 (I) Tier 1: Full rebates going to crumbed rubber end uses and end
2 uses that completely destroy the waste tire for the purpose of energy
3 recovery or other clean technologies as defined and approved by the
4 ~~commission~~ by rule;

5 (6) The ~~department~~ ENTERPRISE:

6 (b) May deny:

7 (I) The rebate to a person that is out of compliance with any state
8 ~~or federal environmental laws OR rules or regulations~~ RELATED TO THE
9 MANAGEMENT OF WASTE TIRES; and

10 (II) All future rebates pursuant to this section and grants of money
11 from the waste tire ~~administration, enforcement, market development, and~~
12 ~~cleanup~~ MANAGEMENT ENTERPRISE fund created in section 30-20-1404 to
13 an applicant that knowingly or intentionally provides false information to
14 the ~~department~~ ENTERPRISE when applying for a rebate or for a grant of
15 money from the waste tire ~~administration, enforcement, market~~
16 ~~development, and cleanup~~ MANAGEMENT ENTERPRISE fund.

17 (7) Waste tires obtained from rural counties are eligible for an
18 additional rebate amount of twenty-five dollars per ton; however, the
19 additional rebate amount must not exceed the rebate amount for tier 3
20 rebates as determined by ~~the commission~~ by rule pursuant to subsection
21 (5)(e)(III) of this section. To qualify for the additional rebate amount set
22 forth in this subsection (7), an end user must provide evidence to the
23 ~~department~~ ENTERPRISE documenting the county of origin for each waste
24 tire.

25 (8) The ~~department~~ ENTERPRISE shall require that an end user
26 submit an application for a rebate that contains self-certifications
27 provided by the end user regarding:

1 (9) (a) ON OR AFTER JANUARY 1, 2026, AND UNTIL DECEMBER 31,
2 2040, the ~~department~~ ENTERPRISE may issue rebates ~~after January 1, 2026,~~
3 ~~only for end uses occurring and rebates~~ applied for ~~on or before~~
4 ~~December 31, 2025~~ PURSUANT TO THIS SECTION.

5 (b) The commission, IN CONSULTATION WITH THE ENTERPRISE,
6 shall repeal any rules concerning the fund and implementation of this
7 section once the ~~department~~ ENTERPRISE has issued the final rebates
8 pursuant to subsection (9)(a) of this section.

9 (c) On ~~July 1, 2026~~ JULY 1, 2041, the state treasurer shall transfer
10 any money left in the fund to the general fund.

11 (10) This section is repealed, effective ~~July 1, 2026~~ JULY 1, 2042.

12 **SECTION 6. Safety clause.** The general assembly finds,
13 determines, and declares that this act is necessary for the immediate
14 preservation of the public peace, health, or safety or for appropriations for
15 the support and maintenance of the departments of the state and state
16 institutions.