

**STATE and LOCAL  
REVISED FISCAL IMPACT**

(replaces fiscal note dated February 14, 2012)

<b>Drafting Number:</b> LLS 12-0460	<b>Date:</b> March 13, 2012
<b>Prime Sponsor(s):</b> Sen. Schwartz Rep. Coram	<b>Bill Status:</b> House Local Government
	<b>Fiscal Analyst:</b> Alex Schatz (303-866-4375)

**TITLE:** CONCERNING THE DIVERSION OF ELECTRONIC DEVICES FROM LANDFILLS.

<b>Fiscal Impact Summary</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
<b>State Revenue</b>		
<b>State Expenditures</b>	See State Expenditures section.	
<b>FTE Position Change</b>		
<b>Effective Date:</b> August 8, 2012, if the General Assembly adjourns on May 9, 2012, as scheduled, and no referendum petition is filed.		
<b>Appropriation Summary for FY 2012-2013:</b> None required.		
<b>Local Government Impact:</b> See Local Government Impact section.		

**Summary of Legislation**

This *reengrossed* bill prohibits landfill disposal of specified electronic devices as of July 1, 2013. The landfill disposal ban does not apply to the residents of counties that do not have at least two electronic waste recycling events per year and the board of county commissioners has voted in favor of an exemption after making good faith efforts to secure such events or a recycling vendor. The bill allows for county boards to invoke the local exemption in two-year intervals.

The Solid and Hazardous Waste Commission (SHWC) in the Colorado Department of Public Health and Environment (CDPHE) may adopt rules concerning allowable certifications of recyclers in addition to the current R2 and E-Steward standards, and will adopt other rules as needed to implement the bill.

Charitable organizations are not required to accept donations of electronic devices. A charitable organization may assess a surcharge for donations of electronic devices at its option.

Each state agency must, by July 1, 2013, use a certified recycler for electronic devices or use Colorado Correctional Industries (CCi) to process electronic devices for reuse. The CDPHE is directed to coordinate public and private educational efforts about the recycling of electronic devices. The bill also establishes immunities for recyclers concerning data on electronic devices, and for waste haulers concerning acceptance of electronic waste.

## **Background**

According to a recent characterization of municipal waste by the Environmental Protection Agency, consumer electronics (including electronic devices both included and excluded under the bill) comprise slightly less than 2 percent of the total waste stream to landfills. Due to concerns about hazardous materials in electronic devices, many landfills in Colorado do not accept electronic waste, and nonresidential entities, including state and local government agencies, are prohibited by current law from sending hazardous electronic waste to landfills.

Under current law, the surplus state property program, administered by CCI under the Department of Corrections, is responsible for receiving surplus electronic equipment from state agencies and processing this equipment for reuse. CCI does not hold certification as a recycler but disposes of electronics that it cannot process for reuse by contracting with a certified recycler. Many state agencies rely on the Office of Information Technology (OIT) to remove disused or obsolete electronic equipment, which OIT then services or transfers to CCI as appropriate.

## **State Expenditures**

The CDPHE will have costs to facilitate rulemaking by the SHWC and to coordinate public education efforts. Public education efforts by CDPHE will utilize existing resources and require no additional appropriations. Rulemaking by the SHWC is estimated to increase staff workload in CDPHE by less than 100 hours in FY 2012-13, as well as a minimal increase in legal costs to CDPHE by the Department of Law; both CDPHE and Department of Law costs will be absorbed within existing resources. The fiscal note assumes that OIT and CCI will continue to fulfill their roles in the centralized management and disposal of state surplus electronic devices.

## **Local Government Impact**

Local governments will be impacted by the bill after July 1, 2013, when the ban on receiving electronic devices in solid waste from all sources becomes effective.

Certain local governments derive revenue from tipping fees or taxation of landfill operations. Successful diversion of electronic waste could reduce local government revenue from landfills; however, this potential loss of revenue is expected to be minimal under the bill based on current practices and the availability of the local exemption in rural areas where electronic devices are more likely to be accepted in the normal waste stream.

Based on immunities provided by the bill, local governments operating waste pick-up services will have minimal costs to inform their customers of the landfill ban by posting signage.

## **Departments Contacted**

All Departments