

Colorado Legislative Council Staff Fiscal Note

**FINAL
FISCAL NOTE**

Drafting Number: LLS 12-0149
Prime Sponsor(s): Rep. Looper
 Sen. Spence

Date: June 25, 2012
Bill Status: Signed into Law
Fiscal Analyst: Jonathan Senft (303-866-3523)

TITLE: CONCERNING CONTINUING THE PROCESSORS AND END USERS FUND THAT ENCOURAGES RECYCLING OF WASTE TIRES, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue Cash Funds - Multiple sources	See State Revenue and Expenditures Section	
State Expenditures Cash Funds - Multiple sources		
FTE Position Change		
Effective Date: The bill was signed into law by the Governor and took effect May 9, 2012.		
Appropriation Summary for FY 2012-2013: None.		
Local Government Impact: None.		

Summary of Legislation

Originally recommended by the Transportation Legislation Review Committee, this bill extends the Processors and End Users Cash Fund repeal date from July 1, 2012 to July 1, 2020. The bill also requires the General Assembly to appropriate the money in the fund, whereas under current law, these funds are continuously appropriated. Finally, it prevents the state from reimbursing a tire processor if the tire processor is not an end user, or if the tire product has been sold and moved off site.

Background

The Processors and End Users Cash Fund consists of the \$1.50 fee collected on each new tire is purchase in Colorado, as well as several other unexpended cash funds. Money in the fund is distributed to businesses that process waste tires to develop recycling technologies. As of October 2011, the fund had \$1.7 million in cash and equivalents, and \$935,239 in liabilities, leaving an equity of \$792,692.

State Revenue and Expenditures

The bill does not directly affect state revenue or expenditures, but it prevents a reallocation of moneys that would have otherwise been credited to the Processors and End Users Cash Fund on and after July 1, 2012. Under current law, fees for waste tires would continue to be collected, but it is unclear how the revenue would be distributed or spent. Without this bill, funding for grants to waste tire processors would end, and moneys not otherwise allocated may be held or reallocated by the Department of Revenue.

It should be noted that repealing the fund would eliminate the source of funding for a grant program administered by the Department of Public Health and Environment. Without the grant program, expenditures of the department would decline by \$26,784 and 0.4 FTE.

Departments Contacted

Public Health and Environment Revenue