

**CHAPTER 14**  
**( HB 165 )**

AN ACT relating to fees for air quality.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔Section 1. KRS 224.20-050 is amended to read as follows:

- (1) The cabinet, or an air pollution control district created pursuant to KRS Chapters 77 and 224, may promulgate regulations adopting fees for the cost of administering the air quality program authorized by this chapter, as mandated under ~~Title V of~~ the Clean Air Act Amendments of 1990 (Public Law 101-549, as amended). Any person who fails to pay ~~a~~~~an emission~~ fee as required by the administrative regulations adopted pursuant to this section shall pay an additional fee equal to fifty percent (50%) of the ~~emission~~ fee amount, plus interest on the ~~emission~~ fee amount computed in accordance with Section 6621(a)(2) of the Internal Revenue Code of 1986 (Public Law 99-499, as amended, relating to computation of interest on underpayment of federal taxes).
- (2) The cabinet may ~~continue to~~ use the ~~operating~~ fee structure ~~based on emissions which has been~~ implemented by administrative regulations to generate funds to finance the cabinet's *air quality* ~~operating permit~~ program. The cabinet's ~~emissions~~ fee structure shall not generate moneys in excess of the amount authorized in the enacted budget bill.
- (3) The *emissions* fees shall be ~~uniformly~~ assessed on each permitted source of regulated air pollutants emitted in the preceding year. ~~For purposes of fee assessments, PM 10 shall be the regulated air pollutant for particulate matter. For the purposes of determining these fees, the cabinet shall assess as a PM 10 factor one-half (1/2) that of the corresponding total suspended particulates factor for haul roads and yard areas until the PM 10 emissions factor is approved by the cabinet.~~
- (4) Moneys generated by ~~a~~~~an emissions~~ fee structure shall be deposited into a separate and distinct interest-bearing account and invested in accordance with administrative regulations promulgated by the State Investment Commission pursuant to KRS 42.525. Moneys not expended at the end of a fiscal year shall be carried forward to the next fiscal year. Any available balance shall be credited against the *emissions* fee required in the succeeding fiscal year, and shall be credited to each source according to the proportion of the total of all emission fees which were paid by that source in a timely manner.

**Signed by Governor March 15, 2019.**