

Section 2 of the bill would create a new section of KRS Chapter 109 to establish the notice and hearing requirements before a local government may displace an authorized company. Notice must be in writing to all authorized companies within the area at least 6 months before a final decision. The notice must describe the proposed action, the dates, times, and locations of public hearings, and must designate a responsible public official to be available to “personally communicate” with authorized companies regarding the proposed displacement action and its rationale, and the economic and employment consequences of the proposed displacement action. A public hearing must be held within 180 days of the written notice. The local government must accept comments at the hearing and for at least 30 days following the public hearing. Within 60 days after the comment period the local government must mail a written summary of the comments and its response to them to any authorized company by certified mail. If the decision of the local government is to displace the authorized company, the effective date of the decision depends on how displacement is affected. If displacement is effected by the local government awarding a franchise for solid waste management services where no franchise exists, the award would be effective no sooner than 180 days after the decision to award it. If the displacement is effected in any other way than by awarding a franchise, the decision would not be effective until 3 years after the decision.

Section 3 of the bill would amend KRS 224.43-315 to require that any agreement entered into by a county for solid waste collection in a city which is not a “designated” city (a city of the first class or one on the registry of the Department of Local Government) must include both the county and the city. Finally, Section 4 of the bill would amend KRS 224.43-345 regarding solid waste management plans, to require that the advisory committee established pursuant to KRS 224.43-345(1)(o) include representatives of cities within the solid waste management area which are not designated cities and which are not located within a county containing a consolidated local government.

Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost

HB 421 HCS would have a minimal fiscal impact on local governments

HB 421 HCS would create an additional cost only for a city or county that elects to ‘displace’ a company providing solid waste management services within the city or county’s jurisdiction. The additional costs would arise from advertising the public hearing and mailing notice of the hearing, a summary of comments received, and the city’s responses to comments to the companies by certified mail. A city may also incur legal fees in preparing contracts or other documents necessary to effect the city’s election. These costs are expected to be minimal.

Data Source(s): Kentucky League of Cities

Preparer: Mary Stephens **Reviewer:** _____ **Date:** _____