

1 AN ACT relating to solid waste and making an appropriation therefor.

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

3 ➔SECTION 1. A NEW SECTION OF SUBCHAPTER 43 OF KRS CHAPTER  
4 224 IS CREATED TO READ AS FOLLOWS:

5 *As used in Sections 1 to 7 of this Act:*

- 6 *(1) "Biodegradable" means the ability to decay naturally and in a way that is not*  
7 *harmful to the environment;*
- 8 *(2) "Contained in" means protected by, delivered in, presented in, or distributed in;*
- 9 *(3) "Disposal" means the placement or deposition of solid waste into solid waste*  
10 *management;*
- 11 *(4) "Extended producer responsibility" or "EPR" means a designation by the*  
12 *cabinet that requires the producer of a product to be financially and otherwise*  
13 *responsible for the end use management of the product including the cost of*  
14 *disposing, recycling, or further treatment of the work;*
- 15 *(5) "EPR working group" or "working group" means a subset of the producers*  
16 *subjected to an EPR selected by the cabinet to provide technical advice to and*  
17 *consult with the cabinet;*
- 18 *(6) "Full cost accounting" means the method of cost accounting that identifies all*  
19 *direct and indirect costs associated with the disposal of a packaging waste*  
20 *including the social, economic, and environmental costs to the public;*
- 21 *(7) "Kentucky Packaging Stewardship Program" means a program to reduce, divert,*  
22 *and recycle packaging wastes by establishing an EPR and making grants for*  
23 *projects to eligible persons under subsection (7) of Section 10 of this Act;*
- 24 *(8) "Kentucky pride fund" or "fund" means the fund established and managed by*  
25 *the cabinet under Section 10 of this Act;*
- 26 *(9) "Packaging material" means non-biodegradable material, either singularly or in*  
27 *combination with other materials, used to construct a single use container for a*

- 1 product, including a product sold over the Internet, which encases the product  
2 from the time that the product leaves a point of sale with the retailer or producer  
3 or the product is received by the consumer;
- 4 (10) "Packaging waste" means municipal solid waste that consists of packaging  
5 material;
- 6 (11) "Person" has the same meaning as in KRS 224.1-010(16);
- 7 (12) "Plastic material" means the following:
- 8 (a) Polyethylene terephthalate (PET);  
9 (b) High density polyethylene (HDPE);  
10 (c) Polyvinyl chloride (PVC);  
11 (d) Polystyrene; or  
12 (e) Polypropylene;
- 13 (13) "Priority waste control list" means a list, rank ordered from greatest to least,  
14 based on each category's contribution to the total amount of packaging waste  
15 disposed of in the Commonwealth;
- 16 (14) "Producer" means a person who disposes of more than fifteen (15) tons of  
17 packaging material annually and:
- 18 (a) Has legal ownership of the brand of a product sold in the Commonwealth  
19 contained in packaging material; or  
20 (b) Imports a product contained in packaging material branded by the person,  
21 regardless of whether the person has a physical presence in the state;
- 22 (15) "Producer responsibility fees" or "producer fees" means the amounts paid to the  
23 cabinet by producers to defray the disposal cost of each producer's share of  
24 packaging wastes under an EPR;
- 25 (16) "Minimum recyclable content standard" means a standard set by the cabinet that  
26 requires a portion or percentage of the packaging material's total weight to be  
27 composed of recovered material that is biodegradable, recyclable, or some

1 percentage of both;

2 (17) "Sold" means offered for sale or distributed for sale; and

3 (18) "Waste reduction target" means an amount set by the cabinet representing the  
 4 quantity of packaging waste, by category, to be diverted from landfills.

5 ➔SECTION 2. A NEW SECTION OF SUBCHAPTER 43 OF KRS CHAPTER  
 6 224 IS CREATED TO READ AS FOLLOWS:

7 (1) Within ninety (90) days of the effective date of this Act, the cabinet shall  
 8 implement Sections 1 to 7 of this Act and the Kentucky Packaging Stewardship  
 9 Program by promulgating administrative regulations, which at a minimum, shall  
 10 establish:

11 (a) Requirements for entities engaged in solid waste management for the  
 12 purposes of characterizing municipal solid wastes;

13 (b) Methods to characterize the contents of the municipal solid waste stream,  
 14 categorize different types of wastes, and issue an EPR;

15 (c) Procedures to identify and notify producers associated with the wastes;

16 (d) Ways to select and notify candidates and constitute a working group for  
 17 each EPR; and

18 (e) Requirements and methods of setting producer responsibility fees.

19 (2) When promulgating the administrative regulations under subsection (1) of this  
 20 section, the cabinet shall:

21 (a) Internalize, as far as practicable, the full cost of disposing packaging waste  
 22 in the Commonwealth to the producers of the waste by use of an EPR for  
 23 the packaging waste;

24 (b) Set waste reduction targets for packaging wastes on the priority waste  
 25 control list;

26 (c) Set minimum recyclable content standard for producers to reduce or  
 27 terminate their obligations under the EPR; and

1 (d) Utilize the proceeds from the producer responsibility fees collected under  
2 the EPR to make grants that:

3 1. Reduce the total volume of packaging waste disposed of in the  
4 Commonwealth by setting and achieving waste reduction targets;

5 2. Recycle packaging wastes and develop downstream markets for  
6 recycling packaging wastes;

7 3. Subject packaging wastes to treatment such as pyrolysis or  
8 incineration, if the treatment ensures environmentally safe disposal of  
9 those wastes; and

10 4. Encourage producers to repackage products shipped to or sold in the  
11 Commonwealth using biodegradable or recyclable materials.

12 ➔SECTION 3. A NEW SECTION OF SUBCHAPTER 43 OF KRS CHAPTER  
13 224 IS CREATED TO READ AS FOLLOWS:

14 (1) For the purpose of developing a priority waste control list, the cabinet shall:

15 (a) Characterize the packaging material in the Commonwealth's municipal  
16 solid waste stream;

17 (b) Establish packaging waste categories; and

18 (c) Rank order packaging waste categories, from greatest to least, according to  
19 the category's contribution to the total amount of packaging waste in the  
20 municipal solid waste stream.

21 (2) Characterization of packaging wastes may be conducted via a waste audit or  
22 other commonly acceptable methods of analyzing the contents of the municipal  
23 solid waste stream. The cabinet may contract for the provision of waste auditing  
24 services or any other services deemed necessary to characterize the waste stream  
25 and identify the producers of the wastes.

26 (3) The cabinet may impose additional waste management requirements on solid  
27 waste facilities and solid waste transporters regarding the collecting, sorting, and

1 using of manifests to aid in:

2 (a) Identifying and disaggregating types of packaging wastes to establish waste  
3 categories;

4 (b) Quantifying the amounts of waste by waste category; and

5 (c) Determining the producers who are responsible for the waste by the  
6 packaging wastes categories.

7 (4) The top ten (10) waste categories contributing to the municipal solid waste stream  
8 automatically shall be placed on the priority waste control list. However, the  
9 cabinet may place any municipal solid waste on the priority waste control list if  
10 the cabinet deems an EPR would be practicable and necessary to protect human  
11 health, safety, or the environment.

12 ➔SECTION 4. A NEW SECTION OF SUBCHAPTER 43 OF KRS CHAPTER  
13 224 IS CREATED TO READ AS FOLLOWS:

14 (1) The cabinet shall subject the packaging waste category with the highest priority  
15 to an EPR and set a waste reduction target for the packaging waste. A lower  
16 priority packaging waste category may be subject to an EPR if the cabinet  
17 determines that such a program is more practicable or would protect human  
18 health, safety, and the environment.

19 (2) In establishing categories of packaging wastes, the cabinet shall give precedence  
20 to packaging wastes made of plastic material and those that do not have  
21 downstream markets for recycling.

22 (3) To establish the waste reduction target, the cabinet shall:

23 (a) Identify producers of the packaging waste under the EPR;

24 (b) Determine the full cost of solid waste disposal in the Commonwealth for the  
25 waste subjected to the EPR; and

26 (c) Convene a working group for the waste under the EPR.

27 (4) A producer may reduce or terminate its obligations under the EPR by increasing

1 *the amount of recyclable content in its packaging material. The cabinet may set a*  
2 *minimum recyclable content standard for the producer and establish additional*  
3 *requirements and timetable for measuring compliance with the standard.*

4 ➔SECTION 5. A NEW SECTION OF SUBCHAPTER 43 OF KRS CHAPTER  
5 224 IS CREATED TO READ AS FOLLOWS:

6 *(1) The cabinet shall calculate waste reduction targets for the given packaging waste.*

7 *Reduction targets shall consider the:*

8 *(a) Amount that can be diverted to recycling or repackaged in biodegradable*  
9 *materials;*

10 *(b) Improvement in water quality from waste reduction;*

11 *(c) Amount of phthalates, perfluoroalkyl and polyfluoroalkyl substances, or*  
12 *micr plastic waste that will be avoided by imposition of the target;*

13 *(d) Impact on landfill life and landfill size;*

14 *(e) Reduction in toxic air emissions and air quality contaminants; and*

15 *(f) Reduction in the state's contribution to greenhouse gases.*

16 *(2) The cabinet shall consult with solid waste coordinators, industry representatives,*  
17 *and any other experts that are knowledgeable of the methods of setting waste*  
18 *reduction targets and minimum recyclable content standards.*

19 *(3) Statewide solid waste reduction and management plans shall be consistent with*  
20 *and support all waste reduction and recycling targets imposed under an EPR.*  
21 *The cabinet may limit the amount, by weight or volume, of packaging waste*  
22 *under an EPR accepted by municipal solid waste facilities in the state.*

23 ➔SECTION 6. A NEW SECTION OF SUBCHAPTER 43 OF KRS CHAPTER  
24 224 IS CREATED TO READ AS FOLLOWS:

25 *(1) The cabinet shall have the authority to establish a producer responsibility fee by*  
26 *administrative regulation on the producers of a category of waste subjected to an*  
27 *EPR.*

- 1 (2) To identify producers and determine the producer responsibility fees, the cabinet  
 2 may require producers to register and report to the cabinet on the number of  
 3 products sold in the Commonwealth contained in packaging material under the  
 4 EPR.
- 5 (3) The cabinet shall promulgate administrative regulations establishing the forms,  
 6 process, timelines, and procedures for:
- 7 (a) Notifying producers subject the EPR;  
 8 (b) Remitting producer responsibility fees to the cabinet; and  
 9 (c) Appealing the producer's inclusion in the EPR in accordance with KRS  
 10 224.10-440 and KRS 224.10-470.
- 11 (4) The producer responsibility fee shall be calculated by the cabinet based on each  
 12 producer's contribution of the packaging waste under the EPR to the total  
 13 amount of the state's packaging waste disposed during the fiscal year prior to the  
 14 remittance date imposed by the cabinet.
- 15 (5) Proceeds from the fee shall be deposited into the Kentucky pride fund and  
 16 administered by the cabinet in accordance with Section 10 of this Act and shall be  
 17 used for the purposes of the Kentucky Packaging Stewardship Program  
 18 implemented pursuant to Section 2 of this Act, subject to any grant conditions  
 19 imposed by the cabinet.
- 20 ➔SECTION 7. A NEW SECTION OF SUBCHAPTER 43 OF KRS CHAPTER  
 21 224 IS CREATED TO READ AS FOLLOWS:
- 22 (1) The cabinet shall establish a working group for each EPR. The working group  
 23 shall be attached to the cabinet for administrative purposes and staff support.
- 24 (2) The working group shall have no more than eight (8) members appointed by the  
 25 secretary. The secretary shall make the appointments from recommendations  
 26 submitted by industry representatives named in the administrative regulations  
 27 promulgated under Section 2 of this Act.

1 (3) The director of the Division of Waste Management or designee shall be an ex  
 2 officio member and serve as chair of the working group. Appointed members of  
 3 the working group shall receive travel-related expenses but no salary as  
 4 compensation.

5 (4) The working group shall serve as an advisory group to the cabinet and shall  
 6 provide technical advice and consult with the cabinet on:

7 (a) Ways to reduce the packaging wastes contributed by the producers;

8 (b) Setting time frames for achieving waste reduction targets;

9 (c) Methods to reduce or divert wastes from landfilling;

10 (d) Technological, logistical, or other types of impediments to implementing  
 11 strategies for waste reduction;

12 (e) Packaging and waste reduction and recycling targets; and

13 (f) The amount of the producer fee imposed under the EPR.

14 (5) The working group shall meet two (2) times a year or more frequently at the call  
 15 of the chair.

16 ➔Section 8. KRS 224.10-620 is amended to read as follows:

17 (1) The Kentucky Environmental Education Council, the Energy and Environment  
 18 Cabinet, and the Department of Education shall establish a program to educate the  
 19 citizens of the Commonwealth about~~of~~ the:

20 (a) Importance of reducing and managing waste effectively;~~[-, the]~~

21 (b) Need for individual action to reduce the amount and toxicity of solid waste  
 22 being disposed;~~[-, the]~~

23 (c) Need for alternative disposal methods to landfilling for toxic materials  
 24 commonly used in or around households such as cleaners, solvents, pesticides,  
 25 plastic packaging materials, and automotive and paint products;~~[-,] and[-, the]~~

26 (d) Necessity of implementing environmentally protective management and  
 27 disposal mechanisms for the solid waste that is generated or transported into



1 *the Commonwealth.*

2 **(2)** In helping develop the educational programs, the Department of Education shall  
3 identify and adopt mechanisms to inform students throughout the Commonwealth  
4 *about* the:

5 **(a)** Importance of reducing and managing solid waste effectively; *and*

6 **(b)** *Individual actions that can reduce the amount of packaging waste disposed*  
7 *in the Commonwealth.*

8 **(3)** *As used in this section:*

9 **(a)** *"Packaging material" means non-biodegradable material, either singularly*  
10 *or in combination with other materials, used to construct a single use*  
11 *container for a product, including a product sold over the Internet, which*  
12 *encases the product from the time that the product leaves a point of sale*  
13 *with the retailer or producer or the product is received by the consumer;*  
14 *and*

15 **(b)** *"Plastic material" means:*

16 *1. Polyethylene terephthalate (PET);*

17 *2. High density polyethylene (HDPE);*

18 *3. Polyvinyl chloride (PVC);*

19 *4. Polystyrene; or*

20 *5. Polypropylene.*

21 ➔Section 9. KRS 224.43-310 is amended to read as follows:

22 (1) The Energy and Environment Cabinet of the Commonwealth of Kentucky is  
23 designated as the official planning and management agency of the Commonwealth  
24 of Kentucky in the field of solid waste. The cabinet shall have primary  
25 responsibility for coordinating the solid waste planning and management activities  
26 of waste management districts, counties, cities, area development districts, and any  
27 combination thereof and for the approval of solid waste management facilities. In

1       doing so, it shall be the goal of the cabinet to reduce the amount of solid waste  
2       disposed in municipal solid waste disposal facilities within the Commonwealth **by**  
3       **meeting waste reduction targets, minimum recyclable content standards, or both,**  
4       and to encourage regional management of solid waste.

5       (2) The cabinet shall have the primary responsibility to develop, review, report on, and  
6       triennially update a statewide solid waste reduction and management plan. A draft  
7       plan shall be prepared and made available for public inspection by December 1,  
8       1991; a proposed final plan shall be submitted to the General Assembly by February  
9       1, 1992; and a final plan shall be submitted to the General Assembly by March 1,  
10      1992. The plan shall be designed to address the following:

- 11      (a) Coordination of area plans and provision of support for area planning efforts;
- 12      (b) Elimination of existing open dumps and prevention of new open dumps;
- 13      (c) Proper closure, characterization, and corrective action for municipal solid  
14      waste disposal facilities that ceased accepting waste before July 1, 1992;
- 15      (d) Reductions in solid waste disposed in municipal solid waste disposal facilities  
16      within the Commonwealth by actively promoting reuse and reduction  
17      consistent with the policies and goals established by KRS 224.43-010 **and**  
18      **Section 2 of this Act;**
- 19      (e) Adequate capacity exists for recycling or disposal of solid waste generated  
20      within the Commonwealth for five (5), ten (10), and twenty (20) year planning  
21      periods;
- 22      (f) Maintenance of disposal capacity for solid waste generated in the  
23      Commonwealth if the cabinet acts to close a solid waste management facility;
- 24      (g) Encouragement of regional alternatives for waste reduction and management  
25      in the planning process;
- 26      (h) Priority in grants and loans for projects and practices consistent with the  
27      policies and goals established by KRS 224.43-010 **and Section 2 of this Act;**

- 1 (i) Minimum standards and procedures for solid waste management plans as  
2 established by the cabinet in administrative regulations;
- 3 (j) A description of the status of solid waste reduction and management efforts in  
4 Kentucky;
- 5 (k) Identification of state actions and responsibilities necessary to implement this  
6 chapter; and
- 7 (l) Identification of problems impeding the attainment of the policies and goals of  
8 this chapter.
- 9 (3) The statewide solid waste reduction and management plan shall not establish  
10 maximum disposal capacity limitations for the Commonwealth except that for any  
11 particular packaging waste category under an EPR, the cabinet may impose  
12 disposal restrictions and limitations on solid waste facilities to achieve waste  
13 reduction targets.
- 14 (4) The cabinet, beginning July 1, 1992, shall report annually to the Governor and to  
15 the General Assembly on the status of solid waste management in the  
16 Commonwealth. The report filed July 1, 1992, shall present the current status of  
17 solid waste planning and management in the Commonwealth. Subsequent annual  
18 reports shall include but not be limited to:
- 19 (a) The status of solid waste planning and management;
- 20 (b) The number and types of recycling and solid waste management facilities in  
21 the Commonwealth;
- 22 (c) The status of actions taken to:
- 23 1. Eliminate existing open dumps and prevent new open dumps; and  
24 2. Undertake proper closure, characterization, and corrective action for  
25 municipal solid waste disposal facilities that ceased accepting waste  
26 before July 1, 1992;
- 27 (d) The remaining permitted capacity of each permitted solid waste management

- 1 facility;
- 2 (e) The number and types of solid waste grants or loans made to cities, counties,  
3 waste management districts, and area development districts;
- 4 (f) A compilation and analysis of solid waste reduction and management data  
5 provided to the cabinet;
- 6 (g) A statement of progress achieved in meeting the policies and goals established  
7 by KRS 224.43-010;
- 8 (h) A statement of progress achieved in solid waste management education;
- 9 (i) A statement of progress achieved in establishing regional solid waste  
10 management approaches;
- 11 (j) Any revisions in the statewide solid waste reduction and management plan;  
12 ~~and~~
- 13 (k) Recommendations for improving the reduction and management of solid  
14 waste in the Commonwealth; and
- 15 (l) The number and category of EPRs imposed by the cabinet and for each  
16 EPR, the revenue from producer responsibility fees, associated waste  
17 reduction targets, and minimum recyclable content standards along with  
18 actuals for both categories.
- 19 (5) On March 1 of each year, each governing body shall report annually to the cabinet  
20 on the status of solid waste management in its area. The annual report shall include  
21 but not be limited to:
- 22 (a) The amount of in-area and out-of-area municipal solid waste disposed in  
23 municipal solid waste disposal facilities in the area;
- 24 (b) The total cumulative progress made toward meeting the policies and goals  
25 established by KRS 224.43-010 and Section 2 of this Act;
- 26 (c) The remaining permitted capacity of disposal facilities;
- 27 (d) Recycling and composting activities in existence;

- 1 (e) Public information and education activities during the reporting period  
2 including public campaigns urging participation in a municipal solid waste  
3 collection system and public campaigns promoting anti-litter and anti-  
4 dumping behavior with an accounting by the governing body of funds spent,  
5 labor expended, volunteer time and money expended, and an estimation of the  
6 campaign's effect;
- 7 (f) The number of households within the area served by the governing body and  
8 the methods of public or private municipal solid waste collection available to  
9 them, the cost to the households using the collection system, the percentage of  
10 households using each method of municipal solid waste collection available to  
11 them, the cost to the governing body of providing a municipal solid waste  
12 collection system, how the cost is paid for by the governing body, and the  
13 percentage of the cost that is recovered through service fees, including a  
14 complete accounting for collected fees, uncollected fees, and success in  
15 recovering uncollected fees;
- 16 (g) Progress made since the last report on cleaning up illegal open dumps,  
17 including the number of open dumps eliminated since the last report or the last  
18 solid waste management plan revision, the total and average cost per open  
19 dump elimination, and identification of new open dumps or cleaned up open  
20 dumps that have been used again for illegal dumping;
- 21 (h) Fees for solid waste management assessed and collected;
- 22 (i) Costs of any projects undertaken pursuant to the solid waste management  
23 plan; and
- 24 (j) Any other pertinent information as may be required by the cabinet.

25 **(6) As used in this section:**

- 26 **(a) "Extended producer responsibility" or "EPR" means a designation by the**  
27 **cabinet that requires the producer of a product to be financially and**

1 otherwise responsible for the end use management of the product including  
 2 the cost of disposing, recycling, or further treatment of the waste;

3 (b) "Packaging material" means non-biodegradable material, either singularly  
 4 or in combination with other materials, used to construct a single use  
 5 container for a product, including a product sold over the Internet, which  
 6 encases the product from the time that the product leaves a point of sale  
 7 with the retailer or producer or the product is received by the consumer of  
 8 the product;

9 (c) "Producer" means a person who disposes of more than fifteen (15) tons of  
 10 packaging material annually and:

11 1. Has legal ownership of the brand of a product sold in the state  
 12 contained in packaging material; or

13 2. Imports a product contained in packaging material branded by the  
 14 person, regardless of whether the person has a physical presence in  
 15 the state;

16 (d) "Producer responsibility fees" or "producer fees" means the amounts paid  
 17 to the cabinet by the producers to defray the disposal cost of each producer's  
 18 share of packaging wastes under an EPR; and

19 (e) "Waste reduction target" means an amount set by the cabinet representing  
 20 the quantity of packaging waste, by category, to be diverted from landfills.

21 ➔Section 10. KRS 224.43-505 is amended to read as follows:

22 (1) A trust fund known as the Kentucky pride fund is hereby established in the State  
 23 Treasury to receive money collected from environmental remediation fees  
 24 established in KRS 224.43-500 and from the producer responsibility fees  
 25 established in Section 6 of this Act. The fund shall be used to accomplish the  
 26 purposes established in this section and sections 1 to 7 of this Act. Any money  
 27 accruing to the fund in any fiscal year shall not lapse but shall be carried forward to

1 the next fiscal year. The fund may also receive state appropriations, gifts, grants,  
2 and federal funds. All interest earned on money in the fund shall be credited to the  
3 fund.

4 (2) The cabinet shall administer the Kentucky pride fund as provided by this section  
5 and any administrative regulations promulgated pursuant thereto. Money from the  
6 fund received by the cabinet shall be distributed as follows:

7 (a) Five million dollars (\$5,000,000) of the money deposited into the fund each  
8 year shall be retained by the cabinet, subject to the following conditions:

9 1. The cabinet may use up to two and one-half million dollars (\$2,500,000)  
10 of the money deposited into the fund as necessary for direct costs  
11 associated with site identification, characterization, and corrective action  
12 assessments of solid waste disposal sites and facilities that have ceased  
13 accepting waste before July 1, 1992, including former permitted  
14 municipal solid waste disposal facilities or abandoned solid waste  
15 disposal sites or facilities. The cabinet shall prioritize the sites and  
16 facilities based on risks to human health, safety, and the environment,  
17 and develop an implementation plan for closure and remediation of  
18 those sites and facilities. Funds may be utilized to begin design and  
19 implementation of proper closure and corrective action for those sites  
20 and facilities with unabated pending violations.

21 2. The cabinet shall suspend until July, 2006, enforcement activity  
22 regarding landfill closure and remediation obligations against formerly  
23 permitted municipal solid waste disposal facilities owned by a city or  
24 county that ceased accepting waste prior to July 1, 1992, except as  
25 necessary to abate an environmental emergency.

26 3. Two and one-half million dollars (\$2,500,000) per year shall be used to  
27 pay debt service on bonds sold by the Kentucky Infrastructure Authority

1 in the amount of at least twenty-five million dollars (\$25,000,000), the  
2 proceeds from which were deposited into the Kentucky pride fund  
3 established in this section and utilized for undertaking closure and  
4 corrective action at formerly permitted solid waste disposal facilities or  
5 abandoned solid waste sites or facilities that ceased accepting waste  
6 prior to July 1, 1992, which pose the most significant environmental or  
7 human health risk. Moneys not appropriated for the identification and  
8 characterization of orphaned or abandoned landfills, or debt service, may  
9 be used for the elimination of illegal open dumps, direct costs associated  
10 with the closure of orphaned landfills, recycling grants, household  
11 hazardous waste grants, or additional debt service.

12 (b) The interest on all moneys deposited into the fund, including unused debt  
13 services, shall be distributed annually in an amount not to exceed one million  
14 dollars (\$1,000,000) to the Kentucky Environmental Education Council for  
15 implementation of the environmental education center component of the  
16 Environmental Education Master Plan.

17 (c) The remaining balance of the funds from the environmental remediation fee  
18 established in KRS 224.43-500 and the producer responsibility fees  
19 established in Section 6 of this Act, plus any unspent interest revenues, shall  
20 be utilized by the cabinet for grants to counties for the elimination of illegal  
21 open dumps, for the establishment of ~~and to establish~~ a recycling and  
22 household hazardous waste grants program and a Kentucky packaging  
23 stewardship program. Any county, waste management district, city, urban-  
24 county government, or other political subdivision of the state shall be eligible  
25 to apply for recycling and household hazardous waste grants under this  
26 program. Applicants for a grant under the Kentucky packaging stewardship  
27 program shall be in accordance with the requirements in subsection (7) of



1           *this section.*

2           (d) Two and one-half million dollars (\$2,500,000) shall be transferred in each of  
3           the fiscal years 2002-03 and 2003-04 and annually thereafter from the road  
4           fund established in KRS 48.010(15)(g) and two and one-half million dollars  
5           (\$2,500,000) shall be transferred in each of the fiscal years 2002-03 and 2003-  
6           04 and annually thereafter from the highway construction contingency fund to  
7           the Kentucky pride fund established in this section, to be reserved and  
8           distributed annually for anti-litter control programs with distributions to be  
9           made as follows:

- 10           1. Thirty-three and one-third percent (33-1/3%) of the money shall be  
11           distributed annually based on each county's miles of public roads as a  
12           percentage of the total miles of public roads in the Commonwealth at the  
13           time of distribution;
- 14           2. Thirty-three and one-third percent (33-1/3%) of the money shall be  
15           distributed annually based on the county's rural population as a  
16           percentage of the total rural population of the Commonwealth at the  
17           time of distribution. "Rural population" means the population residing  
18           outside a city, town, or urban area with a population of two thousand  
19           five hundred (2,500) persons or more;
- 20           3. Thirty-three and one-third percent (33-1/3%) of the money shall be  
21           distributed annually based on the county's population as a percentage of  
22           the total population of the Commonwealth at the time of distribution;
- 23           4. Of the moneys apportioned to counties on the basis of miles of public  
24           roads and population as provided for in subparagraphs 1. and 3. of this  
25           paragraph, the cabinet shall provide to the participating incorporated  
26           cities within the jurisdiction of each respective county which, by  
27           ordinance or other means, provides municipal solid waste collection

1 service, an amount of funds equal to the ratio of that city's total miles of  
2 public roads in the county and the ratio of that city's population to the  
3 population of the county, to be used for the purpose of litter cleanup on  
4 public roads within city boundaries;

5 5. Moneys received by counties and cities pursuant to this paragraph shall  
6 be applied for by November 1 of the year preceding the grant  
7 distribution and shall be used to meet obligations with respect to the  
8 litter cleanup of public roads required by the provisions of KRS 224.43-  
9 345; and

10 6. Litter abatement funding rejected or otherwise returned from the grant  
11 recipients shall be applied to the following year's allotment for litter  
12 abatement grants.

13 (3) Any county may apply for a grant for the elimination of illegal open dumps subject  
14 to the following provisions:

15 (a) The cabinet first shall prioritize expenditures from this fund among those  
16 counties with approved solid waste management plans in order to address  
17 those illegal open dumps posing the most significant public health and  
18 environmental risks; and

19 (b) The cabinet shall provide grants to counties for eliminating illegal open  
20 dumps. To be eligible for grant funding, the applicant shall:

21 1. Establish an effective universal municipal solid waste collection service  
22 that is available to all county residences and businesses;

23 2. Employ a solid waste coordinator with enforcement powers;

24 3. Remain in compliance with an approved solid waste management plan  
25 under this chapter;

26 4. Enter into agreement with the cabinet to provide a twenty-five percent  
27 (25%) match which may be in kind to the grant amount and comply with

- 1 the grant criteria, except that the grant match may be waived for illegal  
2 dump cleanups projected to cost more than fifty thousand dollars  
3 (\$50,000);
- 4 5. Agree to use all legal methods at their disposal to collect delinquent  
5 solid waste collection fees; and
- 6 6. Establish a committee to be designated as the clean county committee,  
7 composed of representatives from business, schools, agriculture,  
8 homemakers, and other concerned citizens, to increase awareness and  
9 develop education and enforcement strategies to keep the county free of  
10 litter and illegal open dumps.
- 11 (4) The cabinet shall impose the following requirements for recycling and household  
12 hazardous waste management grants to counties, waste management districts, cities,  
13 urban-county governments, or other political subdivisions of the state:
- 14 (a) Each grantee shall provide a twenty-five percent (25%) match to the grant  
15 amount which may be in kind and shall comply with the grant criteria;
- 16 (b) Each grantee shall demonstrate that the proposed project will remain  
17 financially viable after grant funds have been expended;
- 18 (c) The grantee shall demonstrate that the service added by the project is needed  
19 and would otherwise be unavailable within the proposed service area; and
- 20 (d) Projects that create opportunities for regional recycling or regional household  
21 hazardous waste management shall be given priority.
- 22 (5) Counties that meet the requirements set out above in subsection (3) of this section  
23 shall be provided the following incentives and rewards by the cabinet:
- 24 (a) Extra points when applying for Land and Water Conservation Fund grants,  
25 National Recreation Trails Funds grants, and funding from the state-funded  
26 Community Rivers and Streams Program; and
- 27 (b) Priority consideration for funds from the Division of Conservation State Cost

1 Share Program for dumps on farmland and the Waste Tire Trust Fund for tire  
2 dumps.

3 (6) The cabinet shall be reimbursed for reasonable costs related to the implementation  
4 of the provisions of this section, not to exceed seven hundred fifty thousand dollars  
5 (\$750,000) annually, except that any reasonable costs for implementing Sections 1  
6 to 7 of this Act and subsection (7) of this section in excess of the cap shall be  
7 reimbursed.

8 (7) Any person may apply for a grant to manage packaging wastes that are under an  
9 EPR. In addition to the requirements imposed under this section, the cabinet may  
10 condition grant awards to ensure compliance with Sections 2 and 3 of this Act.  
11 An applicant for a grant under this subsection shall:

12 (a) Have the legal authority to construct and operate the project in compliance  
13 with this chapter and the grant conditions;

14 (b) Not have received a final judgment or conviction or any outstanding  
15 violations of state or federal environmental statutes or administrative  
16 regulations in the five (5) years prior to submitting the application; and

17 (c) Submit periodic progress reports to the cabinet and not change the project  
18 without prior cabinet approval.

19 (8) The cabinet may revoke a grant and seek recovery of any grant funds dispersed if  
20 the person awarded the grant does not comply with the requirements of this  
21 section or grant conditions imposed by the cabinet.

22 (9) As used in this section:

23 (a) "Extended producer responsibility" or "EPR" means a designation by the  
24 cabinet that requires the producer of a product to be financially and  
25 otherwise responsible for the end use management of the product including  
26 the cost of disposing, recycling, or further treatment of the waste;

27 (b) "Kentucky Packaging Stewardship Program" means the program

1 established in Section 2 of this Act;

2 (c) "Packaging material" means a non-biodegradable material, either  
3 singularly or in combination with other materials, used to construct a single  
4 use container for a product, including a product sold over the Internet,  
5 which encases the product from the time that the product leaves a point of  
6 sale with the retailer or producer or the product is received by the consumer  
7 of the product;

8 (d) "Producer" means a person who disposes of more than fifteen (15) tons of  
9 packaging material annually and:

10 1. Has legal ownership of the brand of a product sold in the state  
11 contained in packaging material; or

12 2. Imports a product contained in packaging material branded by the  
13 person, regardless of whether the person has a physical presence in  
14 the state;

15 (e) "Producer responsibility fees" or "producer fees" means the amounts paid  
16 to the cabinet by producers to defray the disposal cost of each producer's  
17 share of the packaging wastes under an EPR; and

18 (f) "Waste reduction target" means an amount set by the cabinet representing  
19 the quantity of packaging waste, by category, to be diverted from landfills.