

1 A JOINT RESOLUTION establishing the Circular Economy and Advanced
2 Recovery Advisory Working Group.

3 WHEREAS, it is in the interest of the Commonwealth for the protection of the
4 health and safety of the public and the environment to study the concept of a circular
5 energy economy; and

6 WHEREAS, the Commonwealth's transition to a circular energy economy may
7 integrate resource use and recovery into the Commonwealth's energy production and
8 utilize various wastes, including industrial, agricultural, sewer wastes and sludges,
9 plastics, and waste tires and other recovered materials such as fly ash, slurry, and gob
10 piles, to produce low-cost energy for various energy users from industrial to residential;
11 and

12 WHEREAS, the circular economy creates a circular supply chain that minimizes
13 wastes, reduces the carbon footprint of various industries, and makes the creation and use
14 of various materials sustainable into the future; and

15 WHEREAS, the recoverable economic value embodied in nonhazardous waste
16 streams should not be destroyed through regulatory exclusion when technologies exist
17 that materially advance the Commonwealth's economic, environmental, and energy
18 objectives; and

19 WHEREAS, promoting and providing incentives for circular energy facilities may
20 improve the efficiency of waste management in the Commonwealth; and

21 WHEREAS, circular energy facilities provide a method of processing nonhazardous
22 wastes using a noncombustive, sealed, pressure-based hydrothermal or hybridized
23 systems; improve the ability to reduce and treat the volume of wastes; render the wastes
24 inert; create energy, fuels, bioproducts, and advanced materials; and allow for extraction,
25 separation, and recovery of reusable materials;

26 NOW, THEREFORE,

27 ***Be it resolved by the General Assembly of the Commonwealth of Kentucky:***

1 ➔Section 1. The Circular Economy and Advanced Recovery Advisory Working
2 Group is hereby established and shall be attached to the Energy and Environment Cabinet
3 for administrative purposes and staff support. Members of the working group shall be as
4 follows:

5 (1) The director of the Division of Waste Management or his or her designee,
6 who shall be an ex officio member and serve as chair;

7 (2) The manager of the Recycling and Local Assistance Branch within the
8 Division of Waste Management or his or her designee, who shall be an ex officio
9 member;

10 (3) One member representing the Kentucky Association of Counties;

11 (4) One member representing the solid waste coordinators in Kentucky selected
12 by the Kentucky Recycling Coalition;

13 (5) One member representing circular energy economy and advanced recovery
14 technology developers, selected from an association whose membership is limited to
15 noncombustive conversion technologies or, if such association does not exist, from
16 nominees submitted by Kentucky-based circular economy developers;

17 (6) One member representing the Kentucky League of Cities;

18 (7) One member representing an environmental nonprofit organization based in
19 the Commonwealth;

20 (8) One member representing an academic institution within the Commonwealth
21 with expertise in circular economy systems, environmental science, bioenergy, materials
22 engineering, or sustainable supply chain development;

23 (9) One member with expertise in municipal finance, infrastructure financing, or
24 industrial development;

25 (10) One member representing the private sector, with expertise in supply-chain
26 modernization, manufacturing, renewable fuels, bioproducts, or advanced materials;

27 (11) One member representing a national waste and recycling association;

7 ➔ Section 2. The working group shall meet four times before December 30, 2026.

8 The working group shall evaluate, advise, and make recommendations on policies that

9 advance the Commonwealth's focus on the circular energy economy and maximize

10 economic development opportunities arising from advanced recovery technologies. The

11 duties of the working group include but are not limited to:

12 (1) Examining the process of siting circular energy facilities and identifying
13 impediments to the process of siting circular energy facilities;

14 (2) Identifying the costs and benefits of using specific incentives to site circular
15 energy facilities, including creating investment tax credits, sales and use tax exemptions,
16 an energy-crop producer certification program, or providing for bonding or a special
17 financing authority;

18 (3) Developing an expedited permitting process that gives preference to waste
19 facilities using noncombustible technologies as a pathway for a preferred class of
20 conversion technologies;

21 (4) Identifying and establishing a preapproved inventory of brownfield, industrial
22 properties, coal waste deposits, impoundments, legacy landfills, reclaimed lands, and
23 other suitable areas for siting circular economy projects and associated industrial or
24 manufacturing facilities;

25 (5) Conducting a broad asset mapping and gap analysis of Kentucky's circular
26 economy assets, talent, research, and commercial endeavors focusing on the materials
27 and supply chain segments of the circular economy;

1 (6) Investigating the Commonwealth's role in promoting the repair,
2 remanufacturing, and extraction of critical materials from wastes;

(7) Developing guidance for regulatory and permitting frameworks that differentiate noncombustive conversion technologies, including biological processing, pressure-differential systems, chemical recovery, and mechanical separation from combustion, incineration, gasification, or refuse-derived fuel systems;

7 (8) Examining the long-term economic, environmental, and community
8 development impacts of transitioning to circular economy systems on local governments,
9 including the impact on various solid waste fees, the environmental remediation fee, and
10 infrastructure funding needs;

11 (9) Evaluating how circular economy development can stimulate rural and urban
12 economic revitalization, support workforce expansion, advance domestic manufacturing,
13 reduce supply chain vulnerabilities, and create high-value industries within the
14 Commonwealth; and

15 (10) Recommending statutory, regulatory, workforce, and financial reforms
16 necessary to promote the full development of a circular economy ecosystem across the
17 Commonwealth, including integration with agriculture, advanced manufacturing, energy
18 production, material recovery, and innovation-driven industries.

19 ➔Section 3. The working group shall submit a final report by December 30, 2026,
20 to the Legislative Research Commission for referral to the Interim Joint Committee on
21 Natural Resources and Energy. The report shall include findings, recommendations,
22 proposed statutory and regulatory changes, economic development analysis, the results of
23 its gap analysis, an updated inventory of suitable sites, a review of technology
24 classifications, and identification of regulatory or statutory barriers requiring action by
25 the General Assembly.

26 ➔Section 4. The Governor shall appoint the initial members of the Circular
27 Economy and Advanced Recovery Advisory Working Group no later than 30 days after

- 1 the effective date of this Resolution. The working group shall have its first meeting no
- 2 later than August 15, 2026, and shall be dissolved on December 30, 2026.