

Section 2 creates the Kentucky Packaging Stewardship Program. It directs the Energy and Environment Cabinet to promulgate administrative regulations to establish, at a minimum:

- Requirements for characterizing municipal solid waste;
- Methods to characterize and categorize the contents and different types of municipal solid wastes;
- Procedures to identify and notify producers associated with the wastes and issue an EPR;
- Ways to select and notify candidates and constitute a working group for each EPR; and
- Requirements and methods of setting producer responsibility fees.

Section 6 creates producer fees. These fees shall be calculated by the cabinet based on each producer's contribution to the packaging wastes under the EPR to the total amount of the state's packaging waste disposed of during the fiscal year prior to the remittance date imposed by the cabinet. Proceeds from the fee shall be deposited into the Kentucky Pride Fund that is administered by the cabinet and used for the purpose of implementing the Kentucky Packaging Stewardship Program.

Section 9 requires the cabinet to reduce the amount of solid waste disposed of in municipal solid waste disposal facilities by meeting waste reduction targets, minimum recyclable content standards, or both. It gives priority in grants and loans for projects and practices that are consistent with Section 2 of this Act.

Subsection 7 of Section 10 is added to outline the provisions under which grants can be made to manage packaging wastes that are under an EPR. It allows the cabinet to condition grant awards to ensure compliance with Sections 2 and 3 of this legislation. Some of these additional requirements on solid waste facilities could impact solid waste management at the local level.

The fiscal impact of this measure is indeterminable. This bill will likely increase administrative oversight of municipal solid waste facilities as well as generate hard costs expenditures associated with implementing the stewardship program. As this bill is expected to generate revenues for the Kentucky Pride Fund, local governments may apply for grants to develop and/or expand downstream markets/programs for recycled wastes. This may help in defraying any additional costs to local government.

Part III: Differences to Local Government Mandate Statement from Prior Versions

Part II, above, pertains to the bill as introduced.

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