

GENERAL ASSEMBLY OF NORTH CAROLINA  
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HOUSE DRH70312-RIF-14 (02/05)

Short Title: Market Based Recycling.

(Public)

Sponsors: Representatives Moffitt, McGrady, and West (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO IMPLEMENT A PRODUCER-DRIVEN MARKET-BASED STATEWIDE  
3 RECYCLING PROGRAM TO ENHANCE RECOVERY RATES OF VALUABLE  
4 MATERIALS IN A COST-EFFICIENT MANNER THEREBY ENCOURAGING  
5 ECONOMIC GROWTH OF BUSINESSES IN THE STATE THAT USE RECOVERED  
6 MATERIALS TO MANUFACTURE A VARIETY OF PRODUCTS.

7 The General Assembly of North Carolina enacts:

8 SECTION 1. Article 9 of Chapter 130A of the General Statutes is amended by  
9 adding a new Part to read:

10 "Part 2I. Market-Based Recycling Program for Packaging and Printed Paper.

11 "§ 130A-309.160. Findings.

12 The General Assembly makes the following findings:

- 13 (1) It is declared to be the policy of the State to obtain, to the extent practicable,  
14 economic benefits from the recovery of solid waste and reuse of material and  
15 energy resources.
- 16 (2) It is declared to be the policy of the State to develop the State's recycling  
17 industry by promoting the successful development of markets for recycled  
18 items and by promoting the acceleration and advancement of the technology  
19 used in manufacturing processes that use recycled items.
- 20 (3) It is declared to be the policy of the State to encourage counties,  
21 municipalities, and State agencies to contract with private persons for any or  
22 all the services in order to assure that the services are provided in the most  
23 cost-effective manner.
- 24 (4) It is declared to be the goal of the State to foster partnerships between the  
25 public and private sectors that strengthen the supply of, and demand for,  
26 recyclable and reusable materials and that foster opportunities for economic  
27 development from the recovery and reuse of materials.
- 28 (5) It is estimated that local governments across the State spent at least  
29 ninety-five million dollars (\$95,000,000) to finance recycling program  
30 efforts in North Carolina in the 2011–2012 fiscal year.
- 31 (6) It is estimated that local governments across the State are only recycling  
32 between twenty–seven percent (27%) and thirty–one percent (31%) of  
33 available household recyclable material, which approximates the national  
34 average for local government recycling rates.



- 1           (7)    The recycling of waste packaging or printed paper recovers valuable  
2           materials for reuse and will create jobs and expand the tax base of the State.
- 3           (8)    Over the last 10 years or more, the supply of recycled feedstock from  
4           recycling collection programs has consistently failed to keep up with  
5           demand, leading to underutilization of capital investments in reclamation  
6           capacity and shortfalls in meeting the feedstock needs of manufacturers.
- 7           (9)    North Carolina is already home to a robust and integrated recycling industry  
8           that employs over 15,000 people and includes numerous reclaimers of  
9           materials and manufacturers who use the material to make a wide range of  
10           products. And these and other North Carolina companies are developing  
11           innovative and effective new technologies for recycling and are continuing  
12           to expand and create jobs.
- 13           (10)   Producer-driven market-based recycling programs can improve collection  
14           efficiency, increase quality and value of collected materials, and create  
15           economies of scale to reduce expenses.
- 16           (11)   Producer-driven market-based recycling programs leverage the business  
17           community's experience with distribution networks, supply chains, and  
18           customers to create more efficient systems that achieve much higher  
19           recovery rates.
- 20           (12)   Producer-driven market-based recycling programs have the ability to cut  
21           costs for businesses and organizations by decreasing energy and raw  
22           material expenditures.
- 23           (13)   Producer-driven market-based recycling programs for packaging and printed  
24           paper are an efficient way to provide recycling services to all citizens of this  
25           State.

26    **"§ 130A-309.161. Definitions.**

27    As used in this Part, the following definitions apply:

- 28           (1)    "Commodity" means a subcategory of material type that can be processed  
29           and sold by material recovery facilities. Commodities include, but are not  
30           limited to, aluminum, steel, distinct plastic resins and paper grades, and glass  
31           containers.
- 32           (2)    "Household" means an occupant of a single detached dwelling unit or a  
33           single unit of a multiple dwelling unit located in this State.
- 34           (3)    "Material type" means a broad category of packaging distinguished by the  
35           raw material used in its manufacturing. Material types include, but are not  
36           limited to, metal, glass, plastic, and paper.
- 37           (4)    "Packaging" means any package or container, or any part of a package or  
38           container, that includes material that is used for the containment, protection,  
39           handling, delivery, and presentation of goods sold, offered for sale,  
40           delivered, or distributed to households in the State. Packaging for the  
41           purposes of this Part does not include packaging or containers used solely  
42           for the transportation, display, or storage of products and which would not  
43           customarily find its way into households.
- 44           (5)    "Printed paper" means paper sold, offered for sale, delivered, or distributed  
45           to households in the State that is printed with text or graphics as a medium  
46           for communicating information. Examples include the following: newsprint  
47           and inserts; magazines and catalogs; direct mail; and telephone directories.  
48           Printed paper covered under this Part does not include paper that is defined  
49           as packaging, bound reference books, bound literary books, or bound text  
50           books.
- 51           (6)    "Producer" means any of the following:

- 1           a.     A person that has legal ownership of the brand, brand name, or  
2           co-brand of a product or material sold, offered for sale, delivered, or  
3           distributed in the State that results in waste packaging or printed  
4           paper, whether or not the producer is located in the State.  
5           b.     A person that makes an unbranded product that is sold, offered for  
6           sale, or distributed in the State that results in waste packaging or  
7           printed paper.  
8           c.     A person that sells packaging and printed paper at retail, does not  
9           have legal ownership of the brand, and elects to fulfill the  
10           responsibilities of the producer for that product.

11       (7)    "Producer recycling program" means a requirement for a producer to provide  
12       for or finance the recycling of packaging and printed paper including  
13       collection, education, and recycling of those materials for recycling.

14       (8)    "Producer Recycling Organization" means an organization designated by a  
15       group of producers to act as an agent on behalf of each producer to develop  
16       and operate a producer recycling program for packaging and printed paper.

17       (9)    "Program plan" or "plan" means a detailed plan required under this Part that  
18       describes the manner in which producers will implement and finance a  
19       producer recycling program.

20       (10)   "Recycler" means a person that recycles waste packaging and printed paper.

21       (11)   "Recycling rate" means the percentage of packaging and printed paper sold,  
22       offered for sale, delivered, or distributed to households in the State that is  
23       collected, processed, and delivered for use in manufacturing processes or for  
24       recycling of usable materials.

25       (12)   "Retailer" means a person that offers packaging and printed paper for sale in  
26       the State at retail through any means, including remote offerings such as  
27       sales outlets, catalogs, or the Internet. For purposes of this subdivision, "sale  
28       at retail" does not include a sale that is a wholesale transaction with a  
29       distributor or a retailer.

30       (13)   "Reuse" means a process by which packaging and printed paper is used  
31       again without the process of manufacturing for the same purpose for which it  
32       was originally manufactured.

33       (14)   "Sell" or "sale" means any transfer for consideration of title or of the right to  
34       use, by lease or sales contract, including, but not limited to, transactions  
35       conducted through sales outlets, catalogs, or the Internet, or any other similar  
36       electronic means either inside or outside of the State, by a person who  
37       conducts the transaction and controls the delivery of packaging and printed  
38       paper, but does not include a manufacturer's or distributor's wholesale  
39       transaction with a distributor or a retailer.

40    **§ 130A-309.162. Responsibility for recycling discarded packaging and printed paper.**

41       Each producer, whether acting individually or acting under a joint producer recycling  
42       program plan as authorized under subsection (d) of this section, shall implement a producer  
43       recycling program plan prepared in accordance with the provisions of G.S. 130A-309.163 for  
44       the collection and recycling of packaging and printed paper discarded by households in this  
45       State no later than June 1, 2016.

46    **§ 130A-309.163. Requirements for producers of packaging and printed paper.**

47       (a) Registration Required. – Each producer, before selling or offering for sale products  
48       or material in the State that would result in waste packaging or printed paper in North Carolina,  
49       shall register with the Department.

50       (b) Producer Recycling Program Plan Required. – Each producer, or a group of  
51       producers acting under a joint plan as authorized under subsection (d) of this section, shall

1 develop, submit to the Department, and implement a producer recycling program plan for the  
2 collection and recycling of packaging and printed paper discarded by households in this State.  
3 The producer shall submit a proposed plan to the Department within 90 days of registration as  
4 required by subsection (a) of this section. The plan shall include all of the following:

5 (1) Contact information for an individual representing the entity submitting the  
6 plan, and, if applicable, a list of all producers participating in a joint plan as  
7 authorized under subsection (d) of this section.

8 (2) A description of:

9 a. The methods by which packaging and printed paper will be collected,  
10 transported, processed, and recycled from households in a convenient  
11 manner in all parts of the State, with an explanation of how existing  
12 infrastructure may be used.

13 b. How the producer, or, if applicable, producers operating under a joint  
14 plan, will provide for environmentally sound management practices  
15 to transport and recycle discarded packaging and printed paper.

16 c. How the producer, or, if applicable, producers operating under a joint  
17 plan, will finance the plan, including how any fee structure complies  
18 with the requirements of subsection (g) of this section.

19 d. How the existing recycling infrastructure will be enhanced to achieve  
20 a minimum recycling rate of fifty percent (50%) by 2020 for  
21 packaging and printed paper, as well as proposed annual interim  
22 recycling goals for recyclable packaging and printed paper.

23 e. Proposed activities that will develop markets for packaging that is  
24 not currently accepted for recycling and proposed incentives and  
25 other options available to encourage domestic use of recycled  
26 materials.

27 f. Potential joint activities with the Department and the Department of  
28 Commerce to identify ways in which the proposed recycling program  
29 can generate local infrastructure investment, business development,  
30 and job creation related to the collection, transportation, and  
31 processing of post-consumer packaging materials.

32 g. The process for determining how much packaging is sold into the  
33 State each year and determining the amount of material recovered  
34 and recycled.

35 h. Strategies for promoting the recycling program to residents, retailers,  
36 wholesalers, collectors, and other interested parties.

37 i. How the producer will provide recycling services throughout the  
38 State, particularly to underserved and rural communities.

39 (3) A set of targets for recycling rates for each marketable commodity, including  
40 at least the following: steel cans; aluminum beverage containers; aluminum  
41 not used for beverages; polyethylene terephthalate (PET) beverage  
42 containers; PET not used for beverages; high density polyethylene (HDPE);  
43 polyvinyl chloride (PVC); low density polyethylene (LDPE); polypropylene  
44 (PP); polystyrene (PS); plastic bags and film plastic, including flexible film  
45 packaging; beverage container glass; glass containers not used for  
46 beverages; newsprint; magazines, catalogs, and other coated paper;  
47 telephone directories; corrugated cardboard; paperboard; aseptic packaging  
48 and cartons; and other paper types.

49 (4) Information on stakeholder input on a proposed plan, or update to a plan as  
50 required pursuant to subsection (e) of this section. Before submitting a plan  
51 or an update to the Department, each producer, or group of producers acting

1           under a joint plan as authorized under subsection (d) of this section, must  
2           solicit comments and input from stakeholders including retailers, waste  
3           haulers, recyclers, units of local government, consumers, and members of  
4           the public on the plan generally and for input on how the State's recycling  
5           system could be made more cost-effective and efficient. The producer, or  
6           group of producers acting under a joint plan, shall attempt to address any  
7           concerns before submitting its plan to the Department for review. Comments  
8           received from stakeholders must be submitted to the Department, which  
9           shall be considered by the Department in reviewing the plan.

10        (c)    Mandatory Recycling Rates. – By June 1, 2020, producers shall achieve an annual  
11        recycling rate of fifty percent (50%) by weight for all household packaging and printed paper  
12        sold into the State; and by June 1, 2023, producers shall achieve an annual recycling rate of  
13        sixty percent (60%) by weight for all household packaging and printed paper sold into the  
14        State. Recycling rate targets by material type and commodity shall be included in the program  
15        plan as described in subdivision (2) of subsection (b) of this section.

16        (d)    Joint Producer Recycling Program Plans. – A producer of packaging or printed  
17        paper sold or distributed in the State may fulfill the requirements of subsection (b) of this  
18        section by participation in a joint producer recycling program plan with other producers, or  
19        participation in a joint plan operated by a producer recycling organization. A joint plan shall  
20        meet the requirements of subsection (b) of this section. In addition, producers are authorized to  
21        act in cooperation with the Department, units of local government, commodity associations,  
22        retailers, waste haulers, and recyclers in order to maximize the recycling of household  
23        packaging and printer paper disposed of in this State and in order to fulfill the requirements of  
24        this Part.

25        (e)    Producer Recycling Program Plan Revision. – Beginning June 1, 2018, and every  
26        two years thereafter, a producer, or a group of producers acting under a joint plan as authorized  
27        under subsection (d) of this section, shall update its producer recycling program plan and  
28        submit it to the Department for review and approval. Updates to the plan shall incorporate  
29        measures to add or enhance recycling service and technical assistance for underserved  
30        locations, such as public property, office buildings, and food service establishments, and to add  
31        or enhance recycling service for products and material not currently capable of being recycled.  
32        Producers may consult with the Department regarding technical assistance to businesses. The  
33        Department may require a producer to revise a plan if the Department finds that the plan is  
34        inadequate.

35        (f)    Payment of Costs for Plan Implementation. – Each producer, whether operating  
36        individually or acting under a joint producer recycling program plan as authorized under  
37        subsection (d) of this section, is responsible for all costs associated with the development and  
38        implementation of its plan, including all costs of collecting and recycling packaging and printed  
39        paper discarded by households in the State. A producer shall not collect a fee from a household  
40        at the time packaging and printed paper is collected for recycling.

41        (g)    Imposition of Fee Authorized by Joint Producer Programs and Producer Recycling  
42        Organizations. – If applicable, a group of producers acting under a joint producer recycling  
43        program plan as authorized under subsection (d) of this section may propose a fee structure in  
44        their plan to be imposed on participating producers that will generate sufficient revenue to  
45        implement a plan. The following factors may be considered in setting a fee structure pursuant  
46        to this subsection: (i) fees that reward a producer's use of post-consumer material content; (ii)  
47        fees that reward higher recycling rates for marketable commodity types; (iii) fees that reward  
48        producer's use of materials that have higher post-consumer material value; (iv) fees that reward  
49        a producer's use of materials with lower relative processing costs; and (v) fees that reward  
50        producer's use of reusable or refillable packaging. On an annual basis, a producer recycling  
51        organization shall return any fund balance in excess of ten percent (10%) of cash reserves to

1 participating producers in proportion to their annual contribution, provided the plan has met the  
2 target recycling rates set forth in G.S. 130A-309.163(b)(3).

3 (h) Fee to Department Required. – To support the Department's efforts to review, audit,  
4 and enforce producer recycling program plans, a producer, or a group of producers acting under  
5 a joint plan as authorized under subsection (d) of this section, shall pay (i) an initial registration  
6 fee to the Department within 90 days of registration as required in subsection (a) of this section;  
7 and (ii) an annual renewal registration fee to the Department, which shall be paid each year no  
8 later than July 1. The proceeds of these fees shall be credited to the Producer Recycling  
9 Management Account established pursuant to G.S. 130A-309.170. The Department shall set the  
10 fee at an amount that, when paid by all producers acting individually and groups of producers  
11 acting under joint plans as authorized by subsection (d) of this section, is not greater than the  
12 Department's full costs of administering and enforcing this Part, including any program  
13 development costs or regulatory costs incurred by the Department prior to program plans being  
14 submitted. The Department shall ensure:

15 (1) Costs to the Department must be transparent and available to the public on  
16 the Department's Web site.

17 (2) The fee structure shall be published on the Department's Web site by January  
18 1, 2016.

19 (i) Annual Report. – No later than October 1, 2017, each producer, or group of  
20 producers acting under a joint producer recycling program plan as authorized under subsection  
21 (d) of this section, shall submit a report to the Department, and on October 1 annually  
22 thereafter, on the preceding year's activities. At a minimum, the report shall include all of the  
23 following:

24 (1) The recycling rate for each material type and marketable commodity, and a  
25 description of the methodology for determining how much packaging is sold  
26 into the State each year, and for determining the amount of material  
27 recycled.

28 (2) The progress toward achieving target recycling rates by material type and  
29 marketable commodity.

30 (3) An explanation for any deviations from the approved plan and proposed  
31 actions to achieve compliance.

32 (4) An evaluation of the effectiveness of the producer recycling program  
33 financing system in promoting reduction and recycling and reflecting actual  
34 costs to manage particular material types and marketable commodities.

35 (5) If applicable, a list of producers participating in a joint plan as authorized by  
36 subsection (d) of this section that are in arrears for fee payments.

37 (6) The public education and outreach activities performed, including an  
38 analysis of the activities' effectiveness using annual random consumer  
39 surveys.

40 (7) A description of activities and accounting for funds used for promoting  
41 domestic use of recyclable materials and for market development.

42 (8) A description of any joint activities with the Department and the Department  
43 of Commerce to identify ways in which the program can generate local  
44 infrastructure investment, business development, and job creation related to  
45 the collection, transportation, and processing of post-consumer packaging  
46 materials.

47 (9) Other information the Department may request in order to evaluate the  
48 effectiveness of the program.

49 (j) Information to Retailers and Distributors. – Each producer, or group of producers  
50 acting under a joint plan as authorized under subsection (d) of this section, shall provide  
51 information about the program, in writing, to all persons selling or distributing its product in

1 this State. Notification must be provided at least 60 days before commencement of  
2 implementation of an approved plan, or implementation of a plan updated in accordance with  
3 subsection (e) of this section. This section shall not be construed to impose any requirements of  
4 this Part upon retailers or distributors.

5 **"§ 130A-309.164. Applicability.**

6 Each producer of packaging or printed paper with gross sales in the State of less than two  
7 hundred fifty thousand dollars (\$250,000) is exempt from the requirements of this Part. A  
8 producer with gross sales in the State between two hundred fifty thousand dollars (\$250,000)  
9 and five hundred thousand dollars (\$500,000) shall pay an annual fee to a producer recycling  
10 organization not to exceed seven hundred fifty dollars (\$750.00) in lieu of payment of any other  
11 fees or compliance with any other requirements established by this Part.

12 **"§ 130A-309.165. Producer conduct authorized; prohibited.**

13 (a) Conduct Authorized. – A producer, or group of producers acting under a joint  
14 producer recycling program plan as authorized under subsection (d) of this section, is immune  
15 from liability for conduct under State law that would otherwise be prohibited relating to  
16 antitrust, restraint of trade, unfair trade practices, and other regulation of trade or commerce  
17 only to the extent that the conduct is necessary to develop, implement, and finance its  
18 responsibilities under this Part.

19 (b) Conduct Prohibited. – A producer, or group of producers acting under a joint  
20 producer recycling program plan as authorized under subsection (d) of this section, shall not:

21 (1) Use funds collected pursuant to G.S. 130A-309.163(g) or otherwise  
22 generated to comply with the requirements of this Part (i) to disparage or  
23 make false or misleading claims against packaging material types; or (ii) for  
24 the purpose of influencing legislation or governmental action other than to  
25 amend a program plan.

26 (2) Charge a visible fee to households, consumers, or businesses in order to  
27 comply with the requirements of this Part.

28 **"§ 130A-309.166. Responsibilities of the Department.**

29 (a) Review and Approval of Producer Recycling Program Plans. – Within 60 days of  
30 submittal, the Department must review each producer recycling program plan submitted  
31 pursuant to G.S. 130A-309.163(b) and updated plans submitted pursuant to  
32 G.S. 130A-309.163(e) for compliance with the requirements of this Part. The Department shall  
33 notify the individual identified under a plan pursuant to G.S. 130A-309.163(b)(1) in writing  
34 whether the plan has been approved or rejected. If the Department rejects a plan, the  
35 Department shall notify the individual identified under a plan pursuant to  
36 G.S. 130A-309.163(b)(1) in writing of the reasons for rejecting the plan. A producer, or group  
37 of producers acting under a joint producer recycling program plan as authorized under  
38 subsection (d) of this section, whose plan has been rejected by the Department shall submit a  
39 revised plan to the Department within 60 days after receiving notice of the rejection.

40 (b) Information to be Provided and Maintained. – The Department shall:

41 (1) Develop and maintain a current list of producers that are in compliance with  
42 the requirements of G.S. 130A-309.163, and post the list to the Department's  
43 Web site.

44 (2) Develop and maintain a database of approved producer recycling program  
45 plans, each of which shall be posted within 30 days of Department approval  
46 to the Department's Web site.

47 (3) Develop and implement a public education program on the laws governing  
48 the recycling and reuse of packaging and printed paper under this Article and  
49 on the methods available to consumers to comply with those requirements.  
50 The Department shall make this information available on the Department's

1 Web site and shall provide technical assistance to producers to meet the  
2 requirements of G.S. 130A-309.163(b)(2)h.

- 3 (4) Maintain the confidentiality of any information that is required to be  
4 submitted by a manufacturer under this Part that is designated as a trade  
5 secret, as defined in G.S. 66-152(3), and that is designated as confidential or  
6 as a trade secret under G.S. 132-1.2.

7 (c) Annual Report. – Beginning in 2017, the Department shall include information on  
8 the recycling of packaging and printed paper discarded by households in the State pursuant to  
9 this Part in the annual report required under G.S. 130A-309.06(c). In addition, the Department  
10 shall submit the information required by this section to the Fiscal Research Division. The report  
11 must include an evaluation of the recycling rates in the State for packaging and printed paper  
12 discarded by households in the State, a discussion of compliance and enforcement related to the  
13 requirements of this Part, and any recommendations for any changes to the system of collection  
14 and recycling of packaging and printed paper discarded by households in the State. In addition,  
15 the report shall include all of the following:

- 16 (1) The overall recycling rate for each material type and marketable commodity.  
17 (2) The costs to the Department of administering the requirements of this Part  
18 and the amount of fees collected from producers pursuant to  
19 G.S. 130A-309.163(h).  
20 (3) A description of the collection programs, including the location of collection  
21 sites.  
22 (4) A summary of comments received from producers and other stakeholders.  
23 (5) Recommendations to improve the operation of the producer recycling  
24 program.

25 (d) Consultation with Units of Local Government. – The Department shall consult with  
26 municipalities and counties to determine how producer activities conducted pursuant to the  
27 requirements of this Part will allow for and are impacting the reduction of recycling activities  
28 by units of local government.

29 **§ 130A-309.167. Authorization for multistate implementation.**

30 The Department is authorized to participate in the establishment of a regional multistate  
31 organization or compact to assist in carrying out the requirements of this Part and to promote  
32 uniformity in administration among all participating states.

33 **§ 130A-309.168. Enforcement.**

34 (a) Prohibition on Sales. – On and after June 1, 2016, except as provided in  
35 G.S. 130A-309.164, no person may sell, offer for sale, barter, exchange, give, or distribute a  
36 product in the State which would result in waste packaging and printed paper unless the  
37 producer of the product participates individually, or jointly with other producers as authorized  
38 by G.S. 130A-309.163(d), in an approved producer recycling program for packaging and  
39 printed paper.

40 (b) Penalties. – This Part may be enforced as provided by Part 2 of Article 1 of this  
41 Chapter.

42 (c) Private Right of Action Among Producers. – A producer injured by a violation of  
43 the requirements of this Part by another producer shall have a private right of action.

44 **§ 130A-309.169. Units of local government.**

45 (a) Prohibition of Certain Fees. – A unit of local government may not assess a fee to  
46 households for collection and recycling services that it no longer provides or for collection and  
47 recycling costs for which a unit of local government is reimbursed by producers.

48 (b) Existing Contracts. – This Part shall not be construed to void or otherwise impair  
49 any existing contracts between a unit of local government and any entity for collection and  
50 recycling services.



1       (c)     Opt Out. – A unit of local government may elect not to participate in a producer  
2 recycling program conducted pursuant to this Part. A unit of local government shall notify the  
3 Department in writing of its intention to opt out of a program operating within its jurisdiction.  
4 Local government units that opt out of a program are not eligible for reimbursement from  
5 producers.

6       (d)     Information for Local Solid Waste Management Plans. – A producer shall provide  
7 information to a local government on the producer's activities within the local government's  
8 jurisdiction conducted pursuant to the requirements of this Part that are relevant to the local  
9 government's responsibilities with respect to management of solid waste as provided in  
10 G.S. 130A-309.09A and G.S. 130A-309.09B.

11       (e)     Local Government Authority Not Preempted. – Nothing in this Part shall be  
12 construed as limiting the authority of any local government to manage packaging and printed  
13 paper that are solid waste.

14 **"§ 130A-309.170. Producer Recycling Management Account.**

15       (a)     Creation. – The Producer Recycling Management Account is established as a  
16 nonreverting account within the Department. The Account consists of revenue credited to the  
17 Fund from the proceeds of the fee imposed on producers under G.S. 130A-309.163(h).

18       (b)     Use. – Moneys in the Account shall only be used by the Department for  
19 implementation, administration, oversight, and enforcement of the provisions of this Part."

20       **SECTION 2.** G.S. 130A-309.03 reads as rewritten:

21 **"§ 130A-309.03. Findings, purposes.**

22       ...

23       (b)     It is the purpose of this Part to:

- 24           (1)     Regulate in the most economically feasible, cost-effective, and  
25                   environmentally safe manner the storage, collection, transport, separation,  
26                   processing, recycling, and disposal of solid waste in order to protect the  
27                   public health, safety, and welfare; enhance the environment for the people of  
28                   this State; and recover resources which have the potential for further  
29                   usefulness.
- 30           (2)     Establish and maintain a cooperative State program of planning, technical  
31                   assistance, and financial assistance for solid waste management.
- 32           (3)     Require counties and municipalities to adequately plan and provide efficient,  
33                   environmentally acceptable solid waste management programs; and require  
34                   counties to plan for proper hazardous waste management.
- 35           (4)     Require review of the design, and issue permits for the construction,  
36                   operation, and closure of solid waste management facilities.
- 37           (5)     Promote the application of resource recovery systems that preserve and  
38                   enhance the quality of air, water, and land resources.
- 39           (6)     Ensure that exceptionally hazardous solid waste is transported, disposed of,  
40                   stored, and treated in a manner adequate to protect human health, safety, and  
41                   welfare; and the environment.
- 42           (7)     Promote the reduction, recycling, reuse, or treatment of solid waste,  
43                   specifically including hazardous waste, in lieu of disposal of the waste.
- 44           (8)     Promote methods and technology for the treatment, disposal, and  
45                   transportation of hazardous waste which are practical, cost-effective, and  
46                   economically feasible.
- 47           (9)     Encourage counties and municipalities to utilize all means reasonably  
48                   available to promote efficient and proper methods of managing solid waste  
49                   and to promote the economical recovery of material and energy resources  
50                   from solid waste, including contracting with persons to provide or operate

- 1 resource recovery services or facilities on behalf of the county or  
2 municipality.
- 3 (10) Promote the education of the general public and the training of solid waste  
4 professionals to reduce the production of solid waste, to ensure proper  
5 disposal of solid waste, and to encourage recycling.
- 6 (11) Encourage the development of waste reduction and recycling as a means of  
7 managing solid waste, conserving resources, and supplying energy through  
8 planning, grants, technical assistance, and other incentives.
- 9 (12) Encourage the development of the State's recycling industry by promoting  
10 the successful development of markets for recycled items and by promoting  
11 the acceleration and advancement of the technology used in manufacturing  
12 processes that use recycled items.
- 13 (13) Give the State a leadership role in recycling efforts by granting a preference  
14 in State purchasing to products with recycled content.
- 15 ~~(14) Require counties to develop and implement recycling programs so that~~  
16 ~~valuable materials may be returned to productive use, energy and natural~~  
17 ~~resources conserved, and the useful life of solid waste management facilities~~  
18 ~~extended.~~
- 19 (15) Ensure that medical waste is transported, stored, treated, and disposed of in a  
20 manner sufficient to protect human health, safety, and welfare; and the  
21 environment.
- 22 (16) Require counties, municipalities, and State agencies to determine the full  
23 cost of providing storage, collection, transport, separation, processing,  
24 recycling, and disposal of solid waste in an environmentally safe manner;  
25 and encourage counties, municipalities, and State agencies to contract with  
26 private persons for any or all the services in order to assure that the services  
27 are provided in the most cost-effective manner."

28 **SECTION 3.** This act becomes effective July 1, 2014.