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State of Minnesota
HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 3577

- 02/12/2024 Authored by Jordan; Hansen, R.; Hollins; Kraft; Pursell and others
The bill was read for the first time and referred to the Committee on Environment and Natural Resources Finance and Policy
- 02/22/2024 Adoption of Report: Amended and re-referred to the Committee on Commerce Finance and Policy
- 03/04/2024 Adoption of Report: Amended and re-referred to the Committee on State and Local Government Finance and Policy
- 03/14/2024 Adoption of Report: Amended and re-referred to the Committee on Judiciary Finance and Civil Law
- 03/25/2024 Adoption of Report: Amended and re-referred to the Committee on Ways and Means

1.1 A bill for an act

1.2 relating to solid waste; establishing Packaging Waste and Cost Reduction Act;

1.3 authorizing rulemaking; proposing coding for new law in Minnesota Statutes,

1.4 chapter 115A.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. [115A.144] SHORT TITLE.

1.7 Sections 115A.144 to 115A.1462 may be cited as the "Packaging Waste and Cost

1.8 Reduction Act."

1.9 Sec. 2. [115A.1441] DEFINITIONS.

1.10 Subdivision 1. **Scope.** For the purposes of sections 115A.144 to 115A.1462, the terms

1.11 in this section have the meanings given.

1.12 Subd. 2. **Advisory board.** "Advisory board" or "board" means the Producer

1.13 Responsibility Advisory Board established under section 115A.1444.

1.14 Subd. 3. **Brand.** "Brand" means a name, symbol, word, or mark that identifies a product

1.15 and attributes the product and its components, including packaging, to the brand owner.

1.16 Subd. 4. **Brand owner.** "Brand owner" means a person that owns or licenses a brand or

1.17 that otherwise has rights to market a product under the brand, whether or not the brand's

1.18 trademark is registered.

1.19 Subd. 5. **Collection rate.** "Collection rate" means the amount of a covered material by

1.20 covered materials type collected by service providers and transported for recycling or

1.21 composting divided by the total amount of the type of a covered material by covered materials

2.1 type sold or distributed into the state by the relevant unit of measurement established in
2.2 section 115A.1451.

2.3 Subd. 6. **Compostable material.** "Compostable material" means a covered material
2.4 that:

2.5 (1) meets, and is labeled to reflect that it meets, the American Society for Testing and
2.6 Materials Standard Specification for Labeling of Plastics Designed to be Aerobically
2.7 Composted in Municipal or Industrial Facilities (D6400) or its successor;

2.8 (2) meets, and is labeled to reflect that it meets, the American Society for Testing and
2.9 Materials Standard Specification for Labeling of End Items that Incorporate Plastics and
2.10 Polymers as Coatings or Additives with Paper and Other Substrates Designed to be
2.11 Aerobically Composted in Municipal or Industrial Facilities (D6868) or its successor;

2.12 (3) is comprised of only wood without any coatings or additives; or

2.13 (4) is comprised of only paper without any coatings or additives.

2.14 Subd. 7. **Composting.** "Composting" means the controlled microbial degradation of
2.15 source-separated compostable materials to yield a humus-like product.

2.16 Subd. 8. **Composting rate.** "Composting rate" means the amount of compostable covered
2.17 material that is managed through composting, divided by the total amount of compostable
2.18 covered material sold or distributed into the state by the relevant unit of measurement
2.19 established in section 115A.1451.

2.20 Subd. 9. **Covered material.** "Covered material" means packaging and paper products
2.21 introduced into the state. Covered material does not include exempt materials.

2.22 Subd. 10. **Covered materials type.** "Covered materials type" means a singular and
2.23 specific type of covered material that can be categorized based on distinguishing chemical
2.24 or physical properties, including properties that allow for a covered materials type to be
2.25 aggregated into a commonly defined discrete commodity category for purposes of reuse,
2.26 recycling, or composting, and based on similar uses in the form of a product or package.

2.27 Subd. 11. **De minimis producer.** "De minimis producer" means a person that in the
2.28 most recent fiscal year:

2.29 (1) introduced less than one ton of covered material into this state; or

2.30 (2) earned global gross revenues of less than \$2,000,000.

3.1 Subd. 12. **Drop-off collection site.** "Drop-off collection site" means a physical location
3.2 where covered materials are accepted from the public and that is open a minimum of 12
3.3 hours weekly throughout the year.

3.4 Subd. 13. **Environmental impact.** "Environmental impact" means the environmental
3.5 impact of a covered material from extraction and processing of the raw materials composing
3.6 the material through manufacturing; distribution; use; recovery for reuse, recycling, or
3.7 composting; and final disposal.

3.8 Subd. 14. **Exempt materials.** "Exempt materials" means materials, or any portion of
3.9 materials, that:

3.10 (1) are packaging for infant formula, as defined in United States Code, title 21, section
3.11 321(z);

3.12 (2) are packaging for medical food, as defined in United States Code, title 21, section
3.13 360ee(b)(3);

3.14 (3) are packaging for a fortified oral nutritional supplement used by persons who require
3.15 supplemental or sole source nutrition to meet nutritional needs due to special dietary needs
3.16 directly related to cancer, chronic kidney disease, diabetes, malnutrition, or failure to thrive,
3.17 as those terms are defined by the International Classification of Diseases, Tenth Revision;

3.18 (4) are packaging for medical devices or drugs, as defined in the federal Food, Drug,
3.19 and Cosmetic Act, United States Code, title 21, sections 321(g), 321(h), and 353(b)(1), as
3.20 amended;

3.21 (5) are packaging for products regulated as animal biologics, including vaccines, bacterins,
3.22 antisera, diagnostic kits, and other products of biological origin, under the federal
3.23 Virus-Serum-Toxin Act, United States Code, title 21, section 151 et seq., as amended;

3.24 (6) are packaging for products regulated under the federal Insecticide, Fungicide, and
3.25 Rodenticide Act, United States Code, title 7, section 136 et seq., as amended;

3.26 (7) are paper products used for a print publication with a circulation of less than 20,000
3.27 that primarily includes content derived from primary sources related to news and current
3.28 events; or

3.29 (8) are exempt materials, as determined by the commissioner under section 115A.1453,
3.30 subdivision 6.

3.31 Subd. 15. **Food packaging.** "Food packaging" has the meaning given in section 325F.075.

4.1 Subd. 16. **Independent auditor.** "Independent auditor" means an independent and
4.2 actively licensed certified public accountant that is:

4.3 (1) retained by a producer responsibility organization;

4.4 (2) not otherwise employed by or affiliated with a producer responsibility organization;
4.5 and

4.6 (3) qualified to conduct an audit under state law.

4.7 Subd. 17. **Infrastructure investment.** "Infrastructure investment" means an investment
4.8 by a producer responsibility organization that funds:

4.9 (1) equipment or facilities in which covered materials are prepared for reuse, recycling,
4.10 or composting;

4.11 (2) equipment or facilities used for waste reduction, reuse, recycling, or composting of
4.12 covered materials; or

4.13 (3) the expansion or strengthening of demand for and use of covered materials by
4.14 responsible markets in the state or region.

4.15 Subd. 18. **Introduce.** "Introduce" means to sell, offer for sale, distribute, or use to ship
4.16 a product within or into this state.

4.17 Subd. 19. **Living wage.** "Living wage" means the minimum hourly wage necessary to
4.18 allow a person working 40 hours per week to afford basic needs.

4.19 Subd. 20. **Needs assessment.** "Needs assessment" means an assessment conducted
4.20 according to section 115A.1450. Except where the context requires otherwise, needs
4.21 assessment means the most recently completed needs assessment.

4.22 Subd. 21. **Nondisclosure agreement.** "Nondisclosure agreement" means an agreement
4.23 that requires the parties to the agreement to treat private and nonpublic data submitted to
4.24 facilitate the completion of a needs assessment according to section 115A.06, subdivision
4.25 13.

4.26 Subd. 22. **Packaging.** "Packaging" has the meaning given in section 115A.03 and
4.27 includes food packaging. Packaging does not include exempt materials.

4.28 Subd. 23. **Paper product.** "Paper product" means a product made primarily from wood
4.29 pulp or other cellulosic fibers, except that paper product does not include bound books or
4.30 products that recycling or composting facilities will not accept because of the unsafe or
4.31 unsanitary nature of the paper product.

5.1 Subd. 24. **Postconsumer recycled content.** "Postconsumer recycled content" means
5.2 the portion of a product composed of postconsumer material, expressed as a percentage of
5.3 the total weight of the product.

5.4 Subd. 25. **Producer.** (a) "Producer" means the following person responsible for
5.5 compliance with requirements under sections 115A.144 to 115A.1462 for a covered material
5.6 sold, offered for sale, or distributed in or into this state:

5.7 (1) for items sold in or with packaging at a physical retail location in this state:

5.8 (i) if the item is sold in or with packaging under the brand of the item manufacturer or
5.9 is sold in packaging that lacks identification of a brand, the producer is the person that
5.10 manufactures the item;

5.11 (ii) if there is no person to which item (i) applies, the producer is the person that is
5.12 licensed to manufacture and sell or offer for sale to consumers in this state an item with
5.13 packaging under the brand or trademark of another manufacturer or person;

5.14 (iii) if there is no person to which item (i) or (ii) applies, the producer is the brand owner
5.15 of the item;

5.16 (iv) if there is no person described in item (i), (ii), or (iii) within the United States, the
5.17 producer is the person who is the importer of record for the item into the United States for
5.18 use in a commercial enterprise that sells, offers for sale, or distributes the item in this state;
5.19 or

5.20 (v) if there is no person described in items (i) to (iv), the producer is the person that first
5.21 distributes the item in or into this state;

5.22 (2) for items sold or distributed in packaging in or into this state via e-commerce, remote
5.23 sale, or distribution:

5.24 (i) for packaging used to directly protect or contain the item, the producer of the packaging
5.25 is the same as the producer identified under clause (1); and

5.26 (ii) for packaging used to ship the item to a consumer, the producer of the packaging is
5.27 the person that packages the item to be shipped to the consumer;

5.28 (3) for packaging that is a covered material and is not included in clauses (1) and (2),
5.29 the producer of the packaging is the person that first distributes the item in or into this state;

5.30 (4) for paper products that are magazines, catalogs, telephone directories, or similar
5.31 publications, the producer is the publisher;

5.32 (5) for paper products not described in clause (4):

6.1 (i) if the paper product is sold under the manufacturer's own brand, the producer is the
6.2 person that manufactures the paper product;

6.3 (ii) if there is no person to which item (i) applies, the producer is the person that is the
6.4 owner or licensee of a brand or trademark under which the paper product is used in a
6.5 commercial enterprise, sold, offered for sale, or distributed in or into this state, whether or
6.6 not the trademark is registered in this state;

6.7 (iii) if there is no person to which item (i) or (ii) applies, the producer is the brand owner
6.8 of the paper product;

6.9 (iv) if there is no person described in item (i), (ii), or (iii) within the United States, the
6.10 producer is the person that imports the paper product into the United States for use in a
6.11 commercial enterprise that sells, offers for sale, or distributes the paper product in this state;
6.12 or

6.13 (v) if there is no person described in items (i) to (iv), the producer is the person that first
6.14 distributes the paper product in or into this state; and

6.15 (6) a person is the producer of a covered material sold, offered for sale, or distributed
6.16 in or into this state, as defined in clauses (1) to (5), except:

6.17 (i) where another person has mutually signed an agreement with a producer as defined
6.18 in clauses (1) to (5) that contractually assigns responsibility to the person as the producer,
6.19 and the person has joined a registered producer responsibility organization as the responsible
6.20 producer for that covered material under sections 115A.144 to 115A.1462. In the event that
6.21 another person is assigned responsibility as the producer under this subdivision, the producer
6.22 under clauses (1) to (5) must provide written certification of that contractual agreement to
6.23 the producer responsibility organization; and

6.24 (ii) if the producer described in clauses (1) to (5) is a business operated wholly or in part
6.25 as a franchise, the producer is the franchisor if that franchisor has franchisees that have a
6.26 commercial presence within the state.

6.27 (b) "Producer" does not include:

6.28 (1) government agencies, municipalities, or other political subdivisions of the state;

6.29 (2) registered 501(c)(3) charitable organizations and 501(c)(4) social welfare
6.30 organizations; or

6.31 (3) de minimis producers.

7.1 Subd. 26. **Producer responsibility organization.** "Producer responsibility organization"
7.2 means a nonprofit corporation that is tax exempt under chapter 501(c)(3) of the federal
7.3 Internal Revenue Code and that is created by a group of producers to implement activities
7.4 under sections 115A.144 to 115A.1462.

7.5 Subd. 27. **Recycling.** "Recycling" has the meaning given in section 115A.03 except that
7.6 recycling does not include reuse or composting.

7.7 Subd. 28. **Recycling rate.** "Recycling rate" means the amount of covered material, in
7.8 aggregate or by individual covered materials type, managed through recycling in a calendar
7.9 year divided by the total amount of covered materials sold or distributed into the state by
7.10 the relevant unit of measurement established in section 115A.1451.

7.11 Subd. 29. **Refill.** "Refill" means the continued use of a covered material by a consumer
7.12 through a system that is:

7.13 (1) intentionally designed and marketed for repeated filling of a covered material to
7.14 reduce demand for new production of the covered material;

7.15 (2) supported by adequate logistics and infrastructure to provide convenient access for
7.16 consumers; and

7.17 (3) compliant with all applicable state and local statutes, rules, ordinances, and other
7.18 laws governing health and safety.

7.19 Subd. 30. **Responsible market.** "Responsible market" means a materials market that:

7.20 (1) reuses, recycles, composts, or otherwise recovers materials and disposes of
7.21 contaminants in a manner that protects the environment and minimizes risks to public health
7.22 and worker health and safety;

7.23 (2) complies with all applicable federal, state, and local statutes, rules, ordinances, and
7.24 other laws governing environmental, health, safety, and financial responsibility;

7.25 (3) possesses all requisite licenses and permits required by government agencies;

7.26 (4) if the market operates in the state, manages waste according to the waste management
7.27 goal and priority order of waste management practices stated in section 115A.02; and

7.28 (5) minimizes adverse impacts to environmental justice areas.

7.29 Subd. 31. **Return rate.** "Return rate" means the amount of reusable covered material,
7.30 in aggregate or by individual covered materials type, collected for reuse by the producer or
7.31 service provider in a calendar year divided by the total amount of reusable covered materials

8.1 sold or distributed into the state by the relevant unit of measurement established in section
8.2 115A.1451.

8.3 Subd. 32. **Reusable.** "Reusable" means capable of reuse.

8.4 Subd. 33. **Reuse.** "Reuse" means the return of a covered material to the marketplace and
8.5 the continued use of the covered material by a producer or service provider when the covered
8.6 material is:

8.7 (1) intentionally designed and marketed to be used multiple times for its original intended
8.8 purpose without a change in form;

8.9 (2) designed for durability and maintenance to extend its useful life and reduce demand
8.10 for new production of the covered material;

8.11 (3) supported by adequate logistics and infrastructure at a retail location, by a service
8.12 provider, or on behalf of or by a producer, that provides convenient access for consumers;
8.13 and

8.14 (4) compliant with all applicable state and local statutes, rules, ordinances, and other
8.15 laws governing health and safety.

8.16 Subd. 34. **Reuse rate.** "Reuse rate" means the share of units of a covered material sold
8.17 or distributed into the state in a calendar year that are deemed reusable by the commissioner
8.18 according to section 115A.1451.

8.19 Subd. 35. **Service provider.** "Service provider" means an entity that collects, transfers,
8.20 sorts, processes, or otherwise prepares covered materials for reuse, recycling, or composting.
8.21 A political subdivision that provides or that contracts or otherwise arranges with another
8.22 party to provide reuse, collection, recycling, or composting services for covered materials
8.23 within its jurisdiction may be a service provider regardless of whether it provided, contracted
8.24 for, or otherwise arranged for similar services before the approval of the applicable
8.25 stewardship plan.

8.26 Subd. 36. **Third-party certification.** "Third-party certification" means certification by
8.27 an accredited independent organization that a standard or process required by sections
8.28 115A.144 to 115A.1462, or a stewardship plan approved under sections 115A.144 to
8.29 115A.1462, has been achieved.

8.30 Subd. 37. **Toxic substance.** "Toxic substance" means hazardous waste; a problem
8.31 material; a chemical or chemical class regulated under section 115A.965, 116.943, 325F.075,
8.32 or 325F.172 to 325F.179; or a chemical of high concern identified under section 116.9402.

9.1 Subd. 38. **Waste reduction or source reduction.** "Waste reduction" or "source reduction"
9.2 has the meaning given in section 115A.03, except that waste reduction or source reduction
9.3 includes refill, but does not include reuse.

9.4 **Sec. 3. [115A.1442] ESTABLISHMENT OF PROGRAM.**

9.5 Producers must implement and finance a statewide program for packaging and paper
9.6 products in accordance with sections 115A.144 to 115A.1462 that encourages packaging
9.7 redesign to reduce the environmental impacts and human health impacts and that reduces
9.8 generation of covered materials waste through waste reduction, reuse, recycling, and
9.9 composting and by providing for negotiation and execution of agreements to collect,
9.10 transport, and process used covered materials for reuse, recycling, and composting.

9.11 **Sec. 4. [115A.1443] REGISTRATION OF PRODUCER RESPONSIBILITY**
9.12 **ORGANIZATIONS.**

9.13 Subdivision 1. **Annual registration.** (a) By January 1, 2025, and annually thereafter,
9.14 producers must appoint a producer responsibility organization and the organization must
9.15 register with the commissioner by submitting the following:

9.16 (1) contact information for a person responsible for implementing an approved
9.17 stewardship plan;

9.18 (2) a list of all member producers that will operate under the stewardship plan
9.19 administered by the producer responsibility organization and, for each producer, a list of
9.20 all brands of the producer's covered materials introduced in this state;

9.21 (3) copies of written agreements with each producer stating that each producer agrees
9.22 to operate under an approved stewardship plan administered by the producer responsibility
9.23 organization;

9.24 (4) a list of current board members and the executive director if different than the person
9.25 responsible for implementing approved stewardship plans; and

9.26 (5) payment of the annual fee required under subdivision 2.

9.27 (b) If more than a single producer responsibility organization is established, the producers
9.28 and producer responsibility organizations must establish a coordinating body and process
9.29 to prevent redundancy of service contracts among service providers and to ensure the efficient
9.30 delivery of waste management services. The stewardship plans of all producer responsibility
9.31 organizations must be integrated into a single stewardship plan that covers all requirements
9.32 of sections 115A.144 to 115A.1462 and encompasses all producers when submitted to the

10.1 commissioner for approval. The annual reports of all producer responsibility organizations
10.2 must be integrated into a single annual report that covers all requirements of sections
10.3 115A.144 to 115A.1462 and encompasses all producers when submitted to the commissioner.

10.4 Subd. 2. **Registration fee.** (a) As part of its annual registration with the commissioner,
10.5 a producer responsibility organization must submit to the commissioner an annual fee for
10.6 the following year, as determined by the commissioner. Beginning October 1, 2028, and
10.7 annually thereafter, the commissioner must notify registered producer responsibility
10.8 organizations in writing of the amount of the fee for the following year. If there is more
10.9 than one registered producer responsibility organization, the coordinating body described
10.10 in subdivision 1, paragraph (b), must equitably apportion payment of the annual fee between
10.11 all registered producer responsibility organizations. The annual fee must be set at an amount
10.12 anticipated to in the aggregate meet but not exceed the commissioner's estimate of the costs
10.13 required to perform the commissioner's duties as described in section 115A.1445 and to
10.14 otherwise administer, implement, and enforce sections 115A.144 to 115A.1462.

10.15 (b) The commissioner must reconcile the fees paid by a producer responsibility
10.16 organization under this subdivision with the actual costs incurred by the agency on an annual
10.17 basis, by means of credits or refunds to or additional payments required of a producer
10.18 responsibility organization, as applicable.

10.19 Subd. 3. **Initial producer responsibility organization registration; implementation**
10.20 fee. (a) Notwithstanding the other provisions of this section, the commissioner may not
10.21 allow registration of more than one producer responsibility organization under this section
10.22 before the first stewardship plan approved by the commissioner expires. If more than one
10.23 producer responsibility organization applies to register under this section before the first
10.24 stewardship plan is approved by the commissioner, the commissioner must select the producer
10.25 responsibility organization that will represent producers until the first stewardship plan
10.26 expires and must return the registration fee paid by applicants who are not selected. When
10.27 selecting a producer responsibility organization, the commissioner must consider whether
10.28 the producer responsibility organization:

10.29 (1) has a governing board consisting of producers that represent a diversity of covered
10.30 materials introduced in the state; and

10.31 (2) demonstrates adequate financial responsibility and financial controls to ensure proper
10.32 management of funds.

10.33 (b) By October 1, 2025, and annually until the first stewardship plan is approved, the
10.34 commissioner must provide written notice to the initial producer responsibility organization

11.1 registered under this section of the commissioner's estimate of the cost of conducting the
11.2 initial needs assessment and the commissioner's costs to administer sections 115A.144 to
11.3 115A.1462 during the period prior to plan approval. The producer responsibility organization
11.4 must remit payment in full for these costs to the commissioner within 45 days of receipt of
11.5 this notice. The producer responsibility organization may charge each member producer to
11.6 cover the cost of its implementation fee according to each producer's unit-, weight-, volume-,
11.7 or sales-based market share or by another method it determines to be an equitable
11.8 determination of each producer's payment obligation.

11.9 Subd. 4. **Requirement for additional producer responsibility organizations.** The
11.10 commissioner may allow registration of more than one producer responsibility organization
11.11 if:

11.12 (1) producers of a covered materials type or a specific covered material appoint a producer
11.13 responsibility organization; or

11.14 (2) producers organize under additional producer responsibility organizations that meet
11.15 the criteria established in subdivision 3, paragraph (a).

11.16 Sec. 5. **[115A.1444] ESTABLISHMENT OF PRODUCER RESPONSIBILITY**
11.17 **ADVISORY BOARD.**

11.18 Subdivision 1. **Establishment.** The Producer Responsibility Advisory Board is established
11.19 to review all programs conducted by producer responsibility organizations under sections
11.20 115A.144 to 115A.1462 and to advise the commissioner and producer responsibility
11.21 organizations regarding the implementation of sections 115A.144 to 115A.1462.

11.22 Subd. 2. **Membership.** (a) The membership of the advisory board consists of persons
11.23 appointed by the commissioner by January 1, 2025, as follows:

11.24 (1) two members representing manufacturers of covered materials or a statewide or
11.25 national trade association representing those manufacturers;

11.26 (2) two members representing recycling facilities that manage covered materials;

11.27 (3) one member representing a waste hauler or a statewide association representing waste
11.28 haulers;

11.29 (4) one member representing retailers of covered materials or a statewide trade association
11.30 representing those retailers;

11.31 (5) one member representing a statewide nonprofit environmental organization;

- 12.1 (6) one member representing a community-based nonprofit environmental justice
12.2 organization;
- 12.3 (7) one member representing a waste facility that receives and sorts covered materials
12.4 and transfers them to another facility for reuse, recycling, or composting;
- 12.5 (8) one member representing a waste facility that receives compostable materials for
12.6 composting or a statewide trade association that represents such facilities;
- 12.7 (9) two members representing an entity that develops or offers for sale covered materials
12.8 that are designed for reuse and maintained through a reuse system or infrastructure or a
12.9 statewide or national trade association that represents such entities;
- 12.10 (10) three members representing organizations of political subdivisions;
- 12.11 (11) two members representing other stakeholders or additional members of interests
12.12 represented under clauses (1) to (10) as determined by the commissioner; and
- 12.13 (12) one member representing the commissioner.
- 12.14 (b) In making appointments under paragraph (a), the commissioner:
- 12.15 (1) may not appoint members who are state legislators or registered lobbyists;
- 12.16 (2) may not appoint members who are employees of a producer required to be members
12.17 of a producer responsibility organization in this state under sections 115A.144 to 115A.1462;
12.18 and
- 12.19 (3) must endeavor to appoint members from all regions of the state.
- 12.20 Subd. 3. **Terms; removal.** A member of the advisory board appointed under subdivision
12.21 2, paragraph (a), clause (12), serves at the pleasure of the commissioner. All other members
12.22 serve for a term of four years, except that the initial term for nine of the initial appointees
12.23 must be two years so that membership terms are staggered. Members may be reappointed
12.24 but may not serve more than eight consecutive years. Removing members and filling of
12.25 vacancies is governed by section 15.059, subdivision 4. Except as otherwise provided,
12.26 chapter 15 does not apply to the board.
- 12.27 Subd. 4. **Compensation.** Members of the board must be compensated according to
12.28 section 15.059, subdivision 3.
- 12.29 Subd. 5. **Quorum.** A majority of the voting board members constitutes a quorum. If
12.30 there is a vacancy in the membership of the board, a majority of the remaining voting
12.31 members of the board constitutes a quorum.

13.1 Subd. 6. **Voting.** Action by the advisory board requires a quorum and a majority of those
13.2 present and voting. All members of the advisory board, except the member appointed under
13.3 subdivision 2, paragraph (a), clause (12), are voting members of the board.

13.4 Subd. 7. **Meetings.** The advisory board must meet at least two times per year and may
13.5 meet more frequently upon ten days' written notice at the request of the chair or a majority
13.6 of its members.

13.7 Subd. 8. **Open meetings.** Meetings of the board must comply with chapter 13D.

13.8 Subd. 9. **Chair.** At its initial meeting, and every two years thereafter, the advisory board
13.9 must elect a chair and vice-chair from among its members.

13.10 Subd. 10. **Administrative and operating support.** The commissioner must provide
13.11 administrative and operating support to the advisory board and may contract with a third-party
13.12 facilitator to assist in administering the activities of the advisory board, including establishing
13.13 a website or landing page on the agency website.

13.14 Subd. 11. **Conflict of interest policies.** The commissioner must assist the advisory board
13.15 in developing policies and procedures governing the disclosure of actual or perceived
13.16 conflicts of interest that advisory board members may have as a result of their employment
13.17 or financial holdings of themselves or of family members. Each advisory board member is
13.18 responsible for reviewing the conflict of interest policies and procedures. An advisory board
13.19 member must disclose any instance of actual or perceived conflicts of interest at each meeting
13.20 of the advisory board at which recommendations regarding stewardship plans, programs,
13.21 operations, or activities are made by the advisory board.

13.22 Sec. 6. **[115A.1445] COMMISSIONER RESPONSIBILITIES.**

13.23 The commissioner must:

13.24 (1) appoint the initial membership of the advisory board by January 1, 2025, according
13.25 to section 115A.1444;

13.26 (2) provide administrative and operating support to the advisory board, as required by
13.27 section 115A.1444, subdivision 10;

13.28 (3) complete an initial needs assessment by December 31, 2026, and update the needs
13.29 assessment every five years thereafter, according to section 115A.1450;

13.30 (4) approve stewardship plans and amendments to stewardship plans according to section
13.31 115A.1451;

14.1 (5) provide the lists of covered materials that are recyclable or compostable and exempt
14.2 materials developed by the commissioner under section 115A.1453 to all producer
14.3 responsibility organizations by March 1, 2027;

14.4 (6) post on the agency's website:

14.5 (i) the most recent registration materials submitted by producer responsibility
14.6 organizations, including all information submitted under section 115A.1443, subdivision
14.7 1;

14.8 (ii) the most recent needs assessment;

14.9 (iii) any stewardship plan or amendment submitted by a producer responsibility
14.10 organization under section 115A.1451 that is in draft form during the public comment
14.11 period;

14.12 (iv) the most recent lists of recyclable or compostable covered materials and of exempt
14.13 materials developed by the commissioner under section 115A.1453;

14.14 (v) the most recent list of exempt materials approved by the commissioner under section
14.15 115A.1453;

14.16 (vi) links to producer responsibility organization websites;

14.17 (vii) comments of the public, advisory board, and producer responsibility organizations
14.18 on the documents listed in items (ii), (iii), (iv), and (viii), and the responses of the
14.19 commissioner to those comments; and

14.20 (viii) links to adopted rules implementing sections 115A.144 to 115A.1462;

14.21 (7) provide producer responsibility organizations with information regarding Minnesota
14.22 and federal laws that prohibit toxic substances in covered materials;

14.23 (8) require and approve independent auditors to perform an annual financial audit of
14.24 program operations of each producer responsibility organization; and

14.25 (9) consider and respond in writing to all written comments received from the advisory
14.26 board.

14.27 **Sec. 7. [115A.1446] PRODUCER RESPONSIBILITY ADVISORY BOARD**
14.28 **RESPONSIBILITIES.**

14.29 The Producer Responsibility Advisory Board must:

14.30 (1) convene its initial meeting by March 1, 2025;

15.1 (2) consult with the commissioner regarding the scope of the needs assessment and to
15.2 provide written comments on needs assessments, according to section 115A.1450, subdivision
15.3 2;

15.4 (3) advise on the development of stewardship plans and amendments to stewardship
15.5 plans under section 115A.1451;

15.6 (4) submit comments to producer responsibility organizations and to the commissioner
15.7 on any matter relevant to the administration of sections 115A.144 to 115A.1462; and

15.8 (5) provide written comments to the commissioner during any rulemaking process
15.9 undertaken by the commissioner under section 115A.1459.

15.10 Sec. 8. **[115A.1447] PRODUCER RESPONSIBILITY ORGANIZATION**
15.11 **RESPONSIBILITIES.**

15.12 A producer responsibility organization must:

15.13 (1) annually register with the commissioner, according to section 115A.1443;

15.14 (2) submit a stewardship plan to the commissioner by March 1, 2028, and every five
15.15 years thereafter, according to section 115A.1451;

15.16 (3) implement stewardship plans approved by the commissioner under section 115A.1451
15.17 and to comply with the requirements of sections 115A.144 to 115A.1462;

15.18 (4) forward upon receipt from the commissioner the lists of covered materials that are
15.19 recyclable or compostable and exempt materials developed by the commissioner under
15.20 section 115A.1453 to all service providers that participate in a stewardship plan administered
15.21 by the producer responsibility organization;

15.22 (5) collect producer fees according to section 115A.1454;

15.23 (6) submit the reports required by section 115A.1456;

15.24 (7) ensure that producers operating under a stewardship plan administered by the producer
15.25 responsibility organization comply with the requirements of the stewardship plan and with
15.26 sections 115A.144 to 115A.1462;

15.27 (8) expel a producer from the producer responsibility organization if efforts to return
15.28 the producer to compliance with the plan or with the requirements of sections 115A.144 to
15.29 115A.1462 are unsuccessful. The producer responsibility organization must notify the
15.30 commissioner when a producer has been expelled under this clause;

16.1 (9) consider and respond in writing to comments received from the advisory board,
16.2 including justifications for not incorporating any recommendations;

16.3 (10) provide producers with information regarding state and federal laws that prohibit
16.4 substances in covered materials, including sections 115A.965, 116.943, 325F.075, and
16.5 325F.172 to 325F.179 and all laws prohibiting toxic substances in covered materials;

16.6 (11) maintain a website according to section 115A.1457;

16.7 (12) notify the commissioner within 30 days if a change is made to the contact information
16.8 for a person responsible for implementing the stewardship plan, a change to the board
16.9 members, or a change to the executive director; and

16.10 (13) assist service providers in identifying and using responsible markets.

16.11 **Sec. 9. [115A.1448] PRODUCER RESPONSIBILITIES.**

16.12 Subdivision 1. **Registration required; prohibition of sale.** (a) After January 1, 2025,
16.13 a producer must be a member of a producer responsibility organization registered in this
16.14 state.

16.15 (b) After January 1, 2029, no producer may introduce covered materials, either separately
16.16 or when used to package another product, unless the producer operates under a written
16.17 agreement with a producer responsibility organization to operate under an approved
16.18 stewardship plan.

16.19 (c) After January 1, 2032, no producer may introduce covered materials into the state
16.20 unless the covered materials are:

16.21 (1) collected under a program in a stewardship plan approved by the commissioner under
16.22 section 115A.1451, subdivision 4;

16.23 (2) reusable, included in a reuse system that meets the reuse rate and return rate required
16.24 under section 115A.1451, subdivision 7, and included in an approved stewardship plan;

16.25 (3) capable of waste reduction and are in a system for waste reduction included in an
16.26 approved stewardship plan;

16.27 (4) included on the list established under section 115A.1453, subdivision 1; or

16.28 (5) included on the list established under section 115A.1453, subdivision 2.

16.29 Subd. 2. **Duties.** A producer must:

16.30 (1) implement the requirements of the stewardship plan under which the producer operates
16.31 and to comply with the requirements of sections 115A.144 to 115A.1462; and

17.1 (2) pay producer fees according to section 115A.1454.

17.2 Sec. 10. **[115A.1449] SERVICE PROVIDER RESPONSIBILITIES.**

17.3 A service provider participating in an approved stewardship plan must:

17.4 (1) provide for the collection and management of covered materials generated in the
17.5 state pursuant to contractual agreements with a producer responsibility organization or
17.6 arrangements with other service providers that are entered into under an approved stewardship
17.7 plan; and

17.8 (2) if the service provider is a political subdivision, provide at least a one-year advance
17.9 notice to the producer responsibility organization if the political subdivision plans to cease
17.10 acting as a service provider.

17.11 Sec. 11. **[115A.1450] NEEDS ASSESSMENT.**

17.12 Subdivision 1. Needs assessment required. By December 31, 2026, and every five
17.13 years thereafter, the commissioner must complete a statewide needs assessment according
17.14 to this section.

17.15 Subd. 2. Input from interested parties. In conducting a needs assessment, the
17.16 commissioner must:

17.17 (1) initiate a consultation process to obtain recommendations from the advisory board,
17.18 political subdivisions, service providers, producer responsibility organizations, and other
17.19 interested parties regarding the type and scope of information that should be collected and
17.20 analyzed in the statewide needs assessment required by this section;

17.21 (2) contract with a third party who is not a producer or a producer responsibility
17.22 organization to conduct the needs assessment; and

17.23 (3) prior to finalizing the needs assessment, make the draft needs assessment available
17.24 for comment by the advisory board, producer responsibility organizations, and the public.
17.25 The commissioner must respond in writing to the comments and recommendations of the
17.26 advisory board and producer responsibility organizations.

17.27 Subd. 3. Content of needs assessment. A needs assessment must include at a minimum:

17.28 (1) an evaluation of the performance of:

17.29 (i) existing waste reduction, reuse, recycling, and composting efforts for each covered
17.30 materials type, as applicable, including collection rates, recycling rates, composting rates,
17.31 reuse rates, and return rates for each covered materials type;

18.1 (ii) the stewardship plan with respect to the recycling rate, composting rate, reuse rate,
18.2 and return rate for all covered materials; and

18.3 (iii) the extent to which postconsumer recycled content is incorporated into each covered
18.4 materials type, as applicable;

18.5 (2) an evaluation of a representative sample of management of covered materials with
18.6 mixed municipal solid waste, as source-separated recyclable materials, and as
18.7 source-separated compostable materials as received by waste management, recycling, and
18.8 composting facilities in the state, and relevant findings from any publicly available waste
18.9 stream evaluations conducted within the previous year, to evaluate the amount and portion
18.10 of covered materials being disposed of that would otherwise be recyclable or compostable;

18.11 (3) proposals for a range of potential performance targets to meet statewide requirements
18.12 as applicable to each covered materials type to be accomplished within a five-year time
18.13 frame in multiple units of measurement, including but not limited to unit-based, weight-based,
18.14 and volume-based, for each of the following:

18.15 (i) waste reduction;

18.16 (ii) reuse rates and return rates;

18.17 (iii) recycling rates;

18.18 (iv) composting rates; and

18.19 (v) postconsumer recycled content;

18.20 (4) an evaluation of the following factors for each covered material collected for recycling
18.21 or composting:

18.22 (i) current availability of recycling collection services;

18.23 (ii) recycling collection and processing infrastructure;

18.24 (iii) capacity and technology for sorting covered materials;

18.25 (iv) availability of responsible end markets;

18.26 (v) the presence and amount of processing residuals, contamination, and toxic substances;

18.27 (vi) quantity of material estimated to be available and recoverable;

18.28 (vii) projected future conditions for clauses (i) to (vi); and

18.29 (viii) other criteria or factors determined by the commissioner;

- 19.1 (5) recommended collection methods, by covered materials type, to maximize collection
19.2 efficiency and feedstock quality;
- 19.3 (6) proposed plans and metrics for how to measure progress in achieving performance
19.4 targets and statewide requirements;
- 19.5 (7) an evaluation of options for third-party certification of activities to meet obligations
19.6 of sections 115A.144 to 115A.1462;
- 19.7 (8) an inventory of the current system, including:
- 19.8 (i) infrastructure, capacity, performance, funding level, and method and sources of
19.9 financing for the existing waste reduction, reuse, collection, transportation, processing,
19.10 recycling, and composting systems for covered materials operating in the state; and
- 19.11 (ii) availability and cost of waste reduction, reuse, recycling, and composting services
19.12 for covered materials at single-family residences, multifamily residences, commercial
19.13 facilities, industrial facilities, institutional facilities, and public places, including identification
19.14 of disparities in the availability of these services in environmental justice areas compared
19.15 with other areas and proposals for reducing or eliminating those disparities;
- 19.16 (9) an evaluation of investments needed to:
- 19.17 (i) increase waste reduction, reuse, recycling, and composting rates of covered materials
19.18 in order to achieve performance targets proposed in clause (3);
- 19.19 (ii) maintain or improve operations of existing infrastructure, taking into account the
19.20 waste reduction, reuse, recycling, and composting of covered materials;
- 19.21 (iii) expand the availability and accessibility of recycling collection services for recyclable
19.22 covered materials to all residents of the state at an equivalent level of service and convenience
19.23 as collection services for mixed municipal solid waste; and
- 19.24 (iv) establish and expand the availability and accessibility of reuse services for reusable
19.25 covered materials;
- 19.26 (10) proposed formulas reimbursing service providers, based on factors identified in
19.27 section 115A.1455, subdivision 4;
- 19.28 (11) an assessment of the viability and robustness of markets for recyclable covered
19.29 materials and the degree to which these markets can be considered responsible markets;
- 19.30 (12) an assessment of the level and causes of contamination of source-separated recyclable
19.31 materials, source-separated compostable materials and collected reusables, and the impacts
19.32 of contamination on service providers, including the cost to manage this contamination;

20.1 (13) an assessment of toxic substances intentionally added to covered materials, their
20.2 potential environmental impacts and human health impacts, and whether this limits one or
20.3 more covered materials types from being used as a marketable feedstock;

20.4 (14) an assessment of current best practices to increase public awareness, educate, and
20.5 complete outreach activities accounting for culturally responsive materials and methods
20.6 and an evaluation of the impact of these practices on:

20.7 (i) using product labels as a means of informing consumers about environmentally sound
20.8 use and management of covered materials;

20.9 (ii) increasing public awareness of how to use and manage covered materials in an
20.10 environmentally sound manner and how to access waste reduction, reuse, recycling, and
20.11 composting services; and

20.12 (iii) encouraging behavior change to increase participation in waste reduction, reuse,
20.13 recycling, and composting programs;

20.14 (15) identification of the covered materials with the most significant environmental
20.15 impact; and

20.16 (16) other items identified by the commissioner that would aid the creation of the
20.17 stewardship plan, its administration, and the enforcement of sections 115A.144 to 115A.1462.

20.18 Subd. 4. **Needs assessment as baseline.** When determining the extent to which any
20.19 statewide requirement or performance target under sections 115A.144 to 115A.1462 has
20.20 been achieved, information contained in a needs assessment must serve as the baseline for
20.21 that determination, when applicable.

20.22 Subd. 5. **Participation required.** A service provider or other person with data or
20.23 information necessary to complete a needs assessment must provide the data or information
20.24 to the commissioner in a timely fashion upon request. A service provider or other person
20.25 who does not want to be identified with information submitted to the commissioner under
20.26 this subdivision may request to proceed under a nondisclosure agreement. Once a request
20.27 is made, the requestor, the commissioner, and all third parties participating in the completion
20.28 of the needs assessment in whatever capacity must enter into a nondisclosure agreement.
20.29 Once these parties have entered into a nondisclosure agreement, the requestor must submit
20.30 the necessary data or information to the contractor selected by the commissioner. The
20.31 contractor must aggregate and anonymize the data or information received from all parties
20.32 proceeding under a nondisclosure agreement under this subdivision and must then submit

21.1 the aggregated anonymized information to the commissioner or to the party or parties
21.2 contracted to complete the needs assessment.

21.3 Sec. 12. **[115A.1451] STEWARDSHIP PLAN.**

21.4 Subdivision 1. **Stewardship plan required.** By March 1, 2028, and every five years
21.5 thereafter, a producer responsibility organization must submit a stewardship plan to the
21.6 commissioner that describes the proposed operation by the organization of programs to
21.7 fulfill the requirements of sections 115A.144 to 115A.1462 and that incorporates the findings
21.8 and results of needs assessments. Once approved, a stewardship plan remains in effect for
21.9 five years, as amended, or until a subsequent stewardship plan is approved.

21.10 Subd. 2. **Advisory board review of draft plan and amendments.** A producer
21.11 responsibility organization must submit a draft stewardship plan or draft amendment to the
21.12 advisory board at least 60 days before submitting the draft plan or draft amendment to the
21.13 commissioner to allow the advisory board to submit comments and must address advisory
21.14 board comments and recommendations before submitting the draft plan or draft amendment
21.15 to the commissioner.

21.16 Subd. 3. **Content of stewardship plans.** A proposed stewardship plan must include at
21.17 least the following:

21.18 (1) performance targets applicable to each covered materials type to be accomplished
21.19 within a five-year period, established in subdivision 5, paragraph (a);

21.20 (2) a description of the methods of collection to be used for each covered materials type
21.21 and how they will meet the statewide requirement established in subdivision 7;

21.22 (3) a description of the methods of collection to be used for each covered materials type
21.23 managed through a reuse system, including infrastructure, convenience metrics, and
21.24 measurement, and how they will meet the statewide requirement established in subdivision
21.25 7;

21.26 (4) a description of the methods to be used for each covered materials type for waste
21.27 reduction, including infrastructure, convenience metrics, and measurement methods for
21.28 refill, and how they will meet the statewide requirement established in subdivision 7;

21.29 (5) proposals for exemptions from performance targets and statewide requirements for
21.30 covered materials that cannot be waste reduced or made reusable, recyclable, or compostable
21.31 due to federal or state health and safety requirements. The producer responsibility
21.32 organization must identify the specific requirements and the impact of covered materials;

- 22.1 (6) a plan for how the producer responsibility organization will measure recycling, waste
22.2 reduction, and reuse according to subdivision 6 and a description of how the organization
22.3 will measure composting and inclusion of postconsumer recycled content;
- 22.4 (7) third-party certifications as required by the commissioner or voluntarily undertaken;
- 22.5 (8) a budget and identification of funding needs for each of the five calendar years
22.6 covered by the plan, including:
- 22.7 (i) producer fees and a description of the process used to calculate the fees, including
22.8 an explanation of how the fees meet the requirements of section 115A.1454; and
- 22.9 (ii) a plan for infrastructure investments, including a description of how the process to
22.10 offer and select opportunities will be conducted in an open, competitive, and fair manner;
22.11 how it will address gaps in the system not met by service providers; and the financial and
22.12 legal instruments to be used;
- 22.13 (9) an explanation of how the program will be fully paid for by producers, without any
22.14 fee, charge, surcharge, or other cost to members of the public, businesses, service providers,
22.15 the state or any political subdivision, or any other person who is not a producer. For purposes
22.16 of this requirement, a deposit made in connection with a product's refill, reuse, or recycling
22.17 that can be redeemed by a consumer is not a fee, charge, surcharge, or other cost;
- 22.18 (10) a description of activities to be undertaken during the next five calendar years,
22.19 which must at a minimum describe how the producer responsibility organization, acting on
22.20 behalf of producers, will:
- 22.21 (i) minimize the environmental impacts and human health impacts of covered materials;
- 22.22 (ii) incorporate as program objectives the improved design of covered materials according
22.23 to section 115A.1454, subdivision 1, clause (2);
- 22.24 (iii) expand and increase the convenience of waste reduction, reuse, collection, recycling,
22.25 and composting services in conformance with the waste management hierarchy under section
22.26 115A.02;
- 22.27 (iv) ensure statewide coverage of collection services for covered materials on the
22.28 recyclable or compostable list established under section 115A.1453, subdivision 1, at no
22.29 cost to all single-family and multifamily residences and political subdivisions that arrange
22.30 for the collection of recyclable materials from public places, at the equivalent level of service
22.31 and convenience as collection services for mixed municipal solid waste; and
- 22.32 (v) ensure that postconsumer recycled materials are delivered to responsible markets;

23.1 (11) a description of how the program uses and interacts with existing collection, waste
23.2 reduction, reuse, recycling, and composting efforts and service providers and how the
23.3 producer responsibility organization will reimburse service providers for the cost of:

23.4 (i) collecting covered materials generated from all single-family residences, multifamily
23.5 residences, and public places in the state; and

23.6 (ii) managing covered materials generated from all single-family residences; multifamily
23.7 residences; public places; and commercial, industrial, and institutional facilities in the state;

23.8 (12) a description of how the producer responsibility organization will ensure that all
23.9 persons engaged in reuse, recycling, composting, and management of mixed municipal solid
23.10 waste are made aware of bid opportunities under section 115A.1455;

23.11 (13) reimbursement formulas and schedules of reimbursement rates for service providers
23.12 that elect to participate in the program and a description of how the formulas and schedules
23.13 were developed according to section 115A.1455;

23.14 (14) terms and conditions for service agreements, including:

23.15 (i) an agreement that the producer responsibility organization will treat nonpublic data
23.16 submitted by service providers electing to participate in the program as nonpublic data;

23.17 (ii) a requirement that service providers accept all covered materials on the compostable
23.18 materials list established by the commissioner under section 115A.1453; and

23.19 (iii) performance standards for service providers that include a requirement that service
23.20 providers sorting commingled recyclable materials meet minimum material standards and
23.21 bale quality standards, minimum capture rates, and maximum processing residual rates and
23.22 demonstrate materials have been sent to a responsible market;

23.23 (15) a process to resolve disputes that arise between the producer responsibility
23.24 organization and a service provider regarding the determination and payment of the
23.25 reasonable cost of services provided under an approved stewardship plan;

23.26 (16) a description of how the producer responsibility organization will provide technical
23.27 assistance to:

23.28 (i) service providers in order to deliver covered materials to responsible markets;

23.29 (ii) producers regarding toxic substances in covered materials and actions producers can
23.30 take to reduce intentionally added toxic substances in covered materials through proof of
23.31 testing or an analytical and scientifically demonstrated methodology; and

24.1 (iii) producers to make changes in product design that reduce the environmental impact
24.2 of covered materials or that increase the recoverability or marketability of covered materials
24.3 for reuse, recycling, or composting;

24.4 (17) a description of how the producer responsibility organization will increase public
24.5 awareness, educate, and complete outreach activities accounting for culturally responsive
24.6 materials and methods and evaluate the efficacy of these efforts, including:

24.7 (i) assist producers in improving product labels as a means of informing consumers
24.8 about refilling, reusing, recycling, composting, and other environmentally sound methods
24.9 of managing covered materials;

24.10 (ii) increase public awareness of how to use and manage covered materials in an
24.11 environmentally sound manner and how to access waste reduction, reuse, recycling, and
24.12 composting services; and

24.13 (iii) encourage behavior change to increase participation in waste reduction, reuse,
24.14 recycling, and composting programs;

24.15 (18) a summary of consultations held with the advisory board and other stakeholders to
24.16 provide input to the stewardship plan, a list of recommendations that were incorporated into
24.17 the stewardship plan as a result, and a list of rejected recommendations and the reasons for
24.18 rejection; and

24.19 (19) strategies to incorporate findings from any relevant studies required by the
24.20 legislature.

24.21 **Subd. 4. Plan and amendment review and approval procedure.** (a) The commissioner
24.22 must review and approve, deny, or request additional information for a draft stewardship
24.23 plan or a draft plan amendment no later than 120 days after the date the commissioner
24.24 receives it from a producer responsibility organization. The commissioner must post the
24.25 draft plan or draft amendment on the agency's website and allow public comment for no
24.26 less than 45 days before approving, denying, or requesting additional information on the
24.27 draft plan or draft amendment.

24.28 (b) If the commissioner denies or requests additional information for a draft plan or draft
24.29 amendment, the commissioner must provide the producer responsibility organization with
24.30 the reasons, in writing, that the plan or plan amendment does not meet the plan requirements
24.31 of subdivision 3. The producer responsibility organization has 60 days from the date that
24.32 the rejection or request for additional information is received to submit to the commissioner
24.33 any additional information necessary for the approval of the draft plan or draft amendment.

25.1 The commissioner must review and approve or disapprove the revised draft plan or draft
25.2 amendment no later than 60 days after the date the commissioner receives it.

25.3 (c) A producer responsibility organization may resubmit a draft plan or draft amendment
25.4 to the commissioner on not more than two occasions. If, after the second resubmission, the
25.5 commissioner determines that the draft plan or draft amendment does not meet the plan
25.6 requirements of sections 115A.144 to 115A.1462, the commissioner must modify the draft
25.7 plan or draft amendment as necessary for it to meet the requirements of sections 115A.144
25.8 to 115A.1462 and approve it.

25.9 (d) Upon recommendation by the advisory board, or upon the commissioner's own
25.10 initiative, the commissioner may require an amendment to a stewardship plan if the
25.11 commissioner determines that an amendment is necessary to ensure that the producer
25.12 responsibility organization maintains compliance with sections 115A.144 to 115A.1462.

25.13 Subd. 5. **Performance targets.** (a) The producer responsibility organization must propose
25.14 performance targets based on the needs assessment that meet the statewide requirements in
25.15 subdivision 7 that must be included in a stewardship plan approved under this section.
25.16 Performance targets must include targets for reuse rates, return rates, recycling rates,
25.17 composting rates, and postconsumer recycled content by covered materials type that are to
25.18 be achieved by the end of the stewardship plan's term. The producer responsibility
25.19 organization must select the unit that is most appropriate to measure each performance
25.20 target as informed by the needs assessment.

25.21 (b) The commissioner may require that a producer responsibility organization obtain
25.22 third-party certification of any activity or achievement of any standard required by sections
25.23 115A.144 to 115A.1462. The commissioner must provide a producer responsibility
25.24 organization with notice of at least one year prior to requiring use of third-party certification
25.25 under this paragraph.

25.26 (c) The performance targets proposed under this subdivision must demonstrate continuous
25.27 improvement in reducing the environmental and human health impacts of covered materials
25.28 over time.

25.29 Subd. 6. **Measurement criteria for performance targets.** (a) For purposes of
25.30 determining whether recycling performance targets are being met, except as modified by
25.31 the commissioner, a stewardship plan must stipulate that the amount of recycled material
25.32 must be measured at the point at which material leaves a recycling facility and must account
25.33 for:

25.34 (1) levels of estimated contamination documented by the facility;

26.1 (2) any exclusions for fuel or energy capture; and

26.2 (3) compliance with sections 115A.965, 116.943, 325F.075, and 325F.172 to 325F.179
26.3 and all other laws pertaining to toxic substances in covered materials.

26.4 (b) For purposes of determining whether waste reduction performance targets are being
26.5 met, a stewardship plan must ensure that the amount of waste reduction of covered materials
26.6 is measured in a manner that can determine the extent to which the amount of material used
26.7 for a covered material is eliminated beyond what is necessary to efficiently deliver a product
26.8 without damage or spoilage or other means of covered material redesign to reduce overall
26.9 use and environmental impacts.

26.10 (c) For purposes of determining whether reuse targets are being met, a stewardship plan
26.11 must provide for the measurement of the amount of reusable covered materials to be at the
26.12 point at which reusable covered materials meet the following criteria as demonstrated by
26.13 the producer and approved by the commissioner:

26.14 (1) whether the average minimum number of cycles of reuses within a recognized reuse
26.15 system has been met based on the number of times an item must be reused for it to have
26.16 lower environmental impacts than the single-use version of the item; and

26.17 (2) whether the demonstrated or research-based anticipated return rate of the covered
26.18 material to the reuse system has been met.

26.19 (d) For other targets, the producer responsibility organization must propose a calculation
26.20 point for review and approval as part of the stewardship plan based on findings from the
26.21 needs assessment.

26.22 Subd. 7. **Statewide requirements.** (a) The producer responsibility organization must
26.23 ensure the following requirements are met collectively by its members by the end of the
26.24 year indicated:

26.25 (1) by 2033:

26.26 (i) the combined recycling rate and composting rate must be no less than 65 percent of
26.27 covered materials by weight sold or distributed;

26.28 (ii) the reuse rate is ten percent of the number of units of packaging sold or distributed
26.29 into the state, with a return rate of no less than 90 percent;

26.30 (iii) the weight of covered materials introduced must be waste reduced by 15 percent,
26.31 compared to levels identified in the initial needs assessment; and

27.1 (iv) all covered materials introduced must contain at least ten percent postconsumer
27.2 recycled content, with all covered materials containing an overall average of at least 30
27.3 percent; and

27.4 (2) by 2038:

27.5 (i) the combined recycling rate and composting rate must be no less than 75 percent of
27.6 covered materials by weight sold or distributed into the state;

27.7 (ii) the reuse rate is 20 percent of the number of units of packaging sold or distributed
27.8 into the state, with a return rate of no less than 95 percent;

27.9 (iii) the weight of covered materials introduced must be waste reduced by 25 percent,
27.10 compared to levels identified in the initial needs estimate; and

27.11 (iv) all covered materials introduced must contain at least 30 percent postconsumer
27.12 recycled content, with all covered products containing an overall average of at least 50
27.13 percent.

27.14 (b) The commissioner may adjust any requirement established in paragraph (a) by no
27.15 more than five percent after submitting the proposed adjustment to the advisory board and
27.16 considering the board's recommendations before making the adjustment.

27.17 (c) After 2038, the commissioner may establish additional statewide requirements for:

27.18 (1) the amount of covered materials that must be recycled or composted;

27.19 (2) the number of units of packaging sold or distributed into the state that must be reusable
27.20 and the return rate that must be met when returned to an established reuse system;

27.21 (3) the weight of covered materials introduced that must be waste reduced; and

27.22 (4) the percent of postconsumer recycled content that must be used in covered materials
27.23 introduced.

27.24 The statewide requirements established under this paragraph must not be less than those
27.25 listed in paragraph (a), clause (2).

27.26 **Sec. 13. [115A.1453] RECYCLABLE OR COMPOSTABLE COVERED**
27.27 **MATERIALS LISTS; EXEMPT MATERIALS LIST.**

27.28 Subdivision 1. **List required.** By March 1, 2027, the commissioner must complete a
27.29 list of covered materials determined to be recyclable or compostable statewide through
27.30 systems where covered materials are commingled into a recyclables stream and a separate

28.1 compostables stream. These covered materials must be collected at the equivalent level of
28.2 service and convenience as collection services for mixed municipal solid waste.

28.3 Subd. 2. **Alternative collection list required.** By March 1, 2027, the commissioner
28.4 must complete a list of covered materials determined to be recyclable or compostable and
28.5 collected statewide through systems other than the system required for covered materials
28.6 on the list established in subdivision 1.

28.7 Subd. 3. **Input from interested parties.** The commissioner must consult with the
28.8 advisory board, producer responsibility organizations, service providers, political
28.9 subdivisions, and other interested parties to develop or amend the recyclable or compostable
28.10 covered materials lists.

28.11 Subd. 4. **Criteria.** In developing the lists under subdivisions 1 and 2, the commissioner
28.12 may consider the following criteria:

28.13 (1) current availability of recycling collection services;

28.14 (2) recycling collection and processing infrastructure;

28.15 (3) capacity and technology for sorting covered materials;

28.16 (4) availability of responsible end markets;

28.17 (5) presence and amount of processing residuals, contamination, and toxic substances;

28.18 (6) quantity of material estimated to be available and recoverable;

28.19 (7) projected future conditions for clauses (1) to (6);

28.20 (8) if collected for recycling, the covered material type and form must be one that is
28.21 regularly sorted and aggregated into defined streams for recycling processes or the packaging
28.22 format must be specified in a relevant Institution of Scrap Recycling Industries specification;
28.23 and

28.24 (9) other criteria or factors determined by the commissioner.

28.25 Subd. 5. **Collection requirements.** (a) A producer responsibility organization must
28.26 collect covered materials included in a list established under subdivision 1, on a statewide
28.27 basis, as follows:

28.28 (1) for residents that have curbside mixed municipal solid waste collection, provide
28.29 collection of covered materials at the same frequency and on the same day as mixed
28.30 municipal solid waste collection;

29.1 (2) provide collection of covered materials at each recycling or mixed municipal solid
29.2 waste drop-off site that is open to the public, including but not limited to canister sites,
29.3 transfer stations, and disposal facilities;

29.4 (3) provide a durable container dedicated to the collection of covered materials to every
29.5 residential unit served according to this paragraph; and

29.6 (4) in addition to the requirements of clauses (1) to (3), the producer responsibility
29.7 organization may collect or contract for the collection of covered materials from the public
29.8 by other means, including but not limited to other drop off locations or mobile collections.

29.9 (b) A producer responsibility organization must collect covered materials included in a
29.10 list established under subdivision 2, on a statewide basis, as follows:

29.11 (1) the producer responsibility organization must provide:

29.12 (i) for each county with a population of 10,000 or less, at least two permanent drop-off
29.13 collection sites;

29.14 (ii) for each county with a population greater than 10,000 but less than or equal to
29.15 100,000, at least two permanent drop-off collection sites and at least one additional permanent
29.16 drop-off collection site for each additional 10,000 in population above a population of
29.17 10,000;

29.18 (iii) for each county with a population greater than 100,000, at least 11 permanent
29.19 drop-off collection sites and at least one additional permanent year-round drop-off collection
29.20 site for each additional 50,000 in population above a population of 100,000; and

29.21 (iv) a permanent drop-off collection site located within ten miles of at least 95 percent
29.22 of state residents;

29.23 (2) the producer responsibility organization may propose an alternative to the
29.24 requirements of paragraph (b), clause (1), as part of a stewardship plan if the producer
29.25 responsibility organization demonstrates that the alternative will provide an equivalent or
29.26 greater level of service and convenience; and

29.27 (3) the producer responsibility organization may use the following additional collection
29.28 methods:

29.29 (i) curbside collection of source-separated covered materials;

29.30 (ii) curbside collection that is less frequent than collection of mixed municipal solid
29.31 waste;

29.32 (iii) mobile collection;

30.1 (iv) collection events;

30.2 (v) custom collection programs based on the use and generation of the covered material
30.3 being managed in a custom program; and

30.4 (vi) collection in the same manner provided for the covered materials in the list under
30.5 subdivision 1.

30.6 Subd. 6. **Exempt materials list.** (a) A producer may request the commissioner, on a
30.7 form prescribed by the commissioner, to classify as an exempt material one or more types
30.8 of packaging. The commissioner must submit the request to the advisory board for review
30.9 and comment before approving or denying the request.

30.10 (b) The commissioner may approve the request only if the commissioner determines
30.11 that a specific federal or state health and safety requirement prevents the packaging from
30.12 being waste reduced or made reusable, recyclable, or compostable.

30.13 (c) The commissioner must review and approve, deny, or request additional information
30.14 for a request for classification of packaging as an exempt material no later than 120 days
30.15 after the date the commissioner receives the request from a producer.

30.16 (d) The commissioner must post on the agency website a list of materials exempted
30.17 under this subdivision.

30.18 (e) An exemption granted under this section is valid for two years, after which a producer
30.19 must reapply according to this subdivision.

30.20 Subd. 7. **Amendment.** The commissioner may amend a list completed under this section
30.21 at any time and must provide amended lists to producer responsibility organizations as soon
30.22 as possible after adopting an amendment. Producer responsibility organizations must provide
30.23 amended lists to service providers as soon as possible after receiving the amendment and
30.24 incorporate changes in relevant service provider agreements and operations within a year.

30.25 Sec. 14. **[115A.1454] PRODUCER FEES.**

30.26 Subdivision 1. **Annual fee.** A producer responsibility organization must annually collect
30.27 a fee from each producer that must:

30.28 (1) be based on the total amount of covered materials each producer introduces in the
30.29 prior year calculated on a per-unit basis, such as per ton, per item, or another unit of
30.30 measurement;

31.1 (2) incentivize using materials and design attributes that reduce the environmental impacts
31.2 and human health impacts, as determined by the commissioner, of covered materials by the
31.3 following methods:

31.4 (i) eliminating intentionally added toxic substances in covered materials;

31.5 (ii) reducing the amount of packaging per individual covered material that is necessary
31.6 to efficiently deliver a product without damage or spoilage without reducing its ability to
31.7 be recycled or reducing the amount of paper used to manufacture individual paper products;

31.8 (iii) increasing covered materials managed in a reuse system;

31.9 (iv) increasing the proportion of postconsumer material in covered materials;

31.10 (v) enhancing recyclability or compostability of a covered material; and

31.11 (vi) increasing the amount of inputs derived from renewable and sustainable sources;

31.12 (3) discourage using materials and design attributes in a producer's covered materials
31.13 whose environmental impacts and human health impacts, as determined by the commissioner,
31.14 can be reduced by the methods listed under clause (2);

31.15 (4) prioritize reuse by charging covered materials that are managed through a reuse
31.16 system only once, upon initial entry into the marketplace, and by applying the lowest fee
31.17 to these covered materials; and

31.18 (5) generate revenue sufficient to pay in full:

31.19 (i) the annual registration fee required under section 115A.1443;

31.20 (ii) financial obligations to complete activities described in an approved stewardship
31.21 plan and to reimburse service providers under agreements in section 115A.1455;

31.22 (iii) the operating costs of the producer responsibility organization; and

31.23 (iv) for the establishment and maintenance of a financial reserve that is sufficient to
31.24 operate the program in a fiscally prudent and responsible manner.

31.25 Subd. 2. **Overcollections.** Revenue collected under this section that exceeds the amount
31.26 needed to pay the costs described in subdivision 1, clause (5), must be used to improve or
31.27 enhance program outcomes or to reduce producer fees according to provisions of an approved
31.28 stewardship plan.

31.29 Subd. 3. **Prohibited conduct.** Fees collected under this section may not be used for
31.30 lobbying, as defined in section 3.084, subdivision 1.

32.1 Sec. 15. **[115A.1455] SERVICE PROVIDER AGREEMENTS; REIMBURSEMENT**
32.2 **RATES.**

32.3 Subdivision 1. **Service provider agreements and reimbursement required.** The terms
32.4 and conditions of the provision of waste reduction, reuse, collection, recycling, or composting
32.5 services under an approved stewardship plan must be established under a service agreement
32.6 between a producer responsibility organization and a service provider. In addition to the
32.7 terms and conditions established in an approved stewardship plan, each agreement must:

32.8 (1) establish strong labor standards and work safety practices, including but not limited
32.9 to safety programs, health benefits, and living wages;

32.10 (2) require the service provider to meet established performance standards;

32.11 (3) prohibit the service provider from charging a fee to any person for the services
32.12 provided under the service agreement; and

32.13 (4) establish clear and reasonable timelines for reimbursement that are no less than
32.14 monthly.

32.15 Subd. 2. **Collection of recyclables.** If a household does not have access to collection
32.16 services at the equivalent level of service and convenience as collection services for mixed
32.17 municipal solid waste for covered materials on a list established under section 115A.1453,
32.18 subdivision 1, the producer responsibility organization must ensure that collection service
32.19 is available to the household through a service provider.

32.20 Subd. 3. **Bidding processes.** (a) For procurement of services for management of covered
32.21 materials and for infrastructure investments included under an approved stewardship plan,
32.22 a producer responsibility organization must use the competitive bidding processes established
32.23 in section 16C.28, subdivision 1, and publicly post bid opportunities when entering into
32.24 agreements with service providers that are not political subdivisions, except that preference
32.25 must be given to existing facilities, providers of services, and accounts in the state for waste
32.26 reduction, reuse, collection, recycling, and composting of covered materials.

32.27 (b) No producer or producer responsibility organization may own or partially own
32.28 infrastructure unless, after a bidding process described in paragraph (a), no service provider
32.29 bids on the contract, in which case the producer responsibility organization may make
32.30 infrastructure investments identified under an approved stewardship plan to implement the
32.31 requirements in sections 115A.144 to 115A.1462.

32.32 Subd. 4. **Reimbursement rates.** (a) Each service agreement must include reimbursement
32.33 rates for services that are based on formulas that:

- 33.1 (1) incorporate relevant cost information identified by the needs assessment;
- 33.2 (2) reflect conditions that affect waste reduction, reuse, collection, recycling, and
- 33.3 composting costs in the region or jurisdiction in which the services are provided, including
- 33.4 but not limited to:
- 33.5 (i) the number and size of households;
- 33.6 (ii) population density;
- 33.7 (iii) collections methods employed;
- 33.8 (iv) distance to consolidation or transfer facilities, reuse, recycling, or composting
- 33.9 facilities, or to responsible markets; and
- 33.10 (v) other factors that may contribute to regional or jurisdictional cost differences;
- 33.11 (3) reflect administrative costs of service providers, including education, public awareness
- 33.12 campaigns, and outreach program costs as applicable;
- 33.13 (4) reflect planned capital improvements to facilities and equipment costs;
- 33.14 (5) reflect the cost of managing contamination present in source-separated recyclable
- 33.15 materials and source-separated compostable materials, including disposal of contamination
- 33.16 and residuals;
- 33.17 (6) reflect the proportion of covered compostable materials within all source-separated
- 33.18 compostable materials collected or managed through composting; and
- 33.19 (7) reflect the cost of managing contamination and cleaning or sanitation needed for
- 33.20 reuse systems.
- 33.21 (b) Each service agreement with a service provider that is also a political subdivision
- 33.22 must include reimbursement rates that use a rate established in a contract between a political
- 33.23 subdivision and one or more service providers in place of paragraph (a), clauses (1) and
- 33.24 (2).
- 33.25 Subd. 5. **Local government authority.** (a) Nothing in sections 115A.144 to 115A.1462
- 33.26 shall be construed to require a political subdivision to agree to operate under a stewardship
- 33.27 plan or enter into a service agreement with a producer responsibility organization.
- 33.28 (b) Nothing in sections 115A.144 to 115A.1462 restricts the authority of a political
- 33.29 subdivision to provide waste management services to residents, to contract with any entity
- 33.30 to provide waste management services, or to exercise its authority granted under section
- 33.31 115A.94. A producer responsibility organization may not conduct activities that would

34.1 conflict, compete, or otherwise interfere with a political subdivision exercising its authority
34.2 under section 115A.94 to organize collection of solid waste, including materials collected
34.3 for recycling or composting, or to extend, renew, or otherwise manage any contracts entered
34.4 into as a result of exercising such authority or otherwise resulting from a competitive
34.5 procurement process.

34.6 Subd. 6. **Dispute.** There must be a dispute resolution process using third-party mediators
34.7 to resolve disputes related to reimbursements and service agreements.

34.8 Sec. 16. **[115A.1456] REPORTING.**

34.9 Subdivision 1. **Producer responsibility organization annual report.** (a) By July 1,
34.10 2031, and each May 1 thereafter, a producer responsibility organization must submit a
34.11 written report to the commissioner that contains, at a minimum, the following information
34.12 for the previous calendar year:

34.13 (1) the amount of covered materials introduced by each covered materials type, reported
34.14 in the same units used to establish fees under section 115A.1454, subdivision 1, clause (1);

34.15 (2) progress toward the performance targets reported in the same units used to establish
34.16 producer fees under section 115A.1454, subdivision 1, clause (1), and reported statewide
34.17 and for each county, including:

34.18 (i) the amount of covered materials successfully waste reduced, reused, recycled, and
34.19 composted by covered materials type and the strategies or collection method used; and

34.20 (ii) information about third-party certifications obtained;

34.21 (3) the total cost to implement the program and a detailed description of program
34.22 expenditures, including:

34.23 (i) the total amount of producer fees collected in the current calendar year; and

34.24 (ii) a description of infrastructure investments made during the previous year;

34.25 (4) a copy of a financial audit of program operations conducted by an independent auditor
34.26 approved by the commissioner;

34.27 (5) a description of program performance problems that emerged in specific locations
34.28 and efforts taken or proposed by the producer responsibility organization to address them;

34.29 (6) a discussion of technical assistance provided to producers regarding toxic substances
34.30 in covered materials and actions taken by producers to reduce intentionally added toxic

35.1 substances in covered materials beyond compliance with prohibitions already established
35.2 in law through proof of testing or an analytical and scientifically demonstrated methodology;

35.3 (7) a description of public awareness, education, and outreach activities undertaken,
35.4 including any evaluations conducted of their efficacy, plans for next calendar year's activities,
35.5 and an evaluation of the process established by the producer responsibility organization to
35.6 answer questions from consumers regarding collection, recycling, composting, waste
35.7 reduction, and reuse activities;

35.8 (8) a summary of consultations held with the advisory board and how any feedback was
35.9 incorporated into the report as a result of the consultations, together with a list of rejected
35.10 recommendations and the reasons for rejection;

35.11 (9) a list of any producers found to be out of compliance with sections 115A.144 to
35.12 115A.1462, and actions taken by the producer responsibility organization to return the
35.13 producer to compliance, and notification of any producers that are no longer participating
35.14 in the producer responsibility organization or have been expelled due to their lack of
35.15 compliance;

35.16 (10) any proposed amendments to the stewardship plan to improve program performance
35.17 or reduce costs, including changes to producer fees, infrastructure investments, or
35.18 reimbursement formula and rates; and

35.19 (11) any information requested by the commissioner to assist with determining
35.20 compliance with sections 115A.144 to 115A.1462.

35.21 (b) Every fourth year after a stewardship plan is approved by the commissioner, a
35.22 performance audit of the program must be completed. The performance audit must conform
35.23 to audit standards established by the United States Government Accountability Office; the
35.24 National Association of State Auditors, Comptrollers, and Treasurers; or another nationally
35.25 recognized organization approved by the commissioner.

35.26 Subd. 2. **Report following unmet target.** A producer responsibility organization that
35.27 fails to meet a performance target approved in a stewardship plan must, within 90 days of
35.28 filing an annual report under this section, file with the commissioner an explanation of the
35.29 factors contributing to the failure and propose an amendment to the stewardship plan
35.30 specifying changes in operations that the producer responsibility organization will make
35.31 that are designed to achieve the following year's targets. An amendment filed under this
35.32 subdivision must be reviewed by the advisory board and reviewed and approved by the
35.33 commissioner in the manner specified in section 115A.1451, subdivisions 2 and 4.

36.1 Subd. 3. **Commissioner's report.** By October 15, 2034, and every five years thereafter,
36.2 the commissioner must submit a report to the governor and to the chairs and ranking minority
36.3 members of the legislative committees with jurisdiction over solid waste. The report must
36.4 contain a summary of the operations of the Packaging Waste and Cost Reduction Act during
36.5 the previous five years, a summary of the needs assessment, a link to reports filed under
36.6 subdivisions 1 and 2, recommendations for policy, statutory, or regulatory changes to the
36.7 program, a list of efforts undertaken by the commissioner to enforce and secure compliance
36.8 with sections 115A.144 to 115A.1462, and any other information the commissioner deems
36.9 to be relevant.

36.10 Subd. 4. **Duty to cooperate.** Service providers must provide producer responsibility
36.11 organizations with data necessary to complete the reports required by this section upon
36.12 request.

36.13 **Sec. 17. [115A.1457] PRODUCER RESPONSIBILITY ORGANIZATION**
36.14 **WEBSITES.**

36.15 A producer responsibility organization must maintain a website that uses best practices
36.16 for accessibility that contains, at a minimum:

36.17 (1) information regarding a process that members of the public can use to contact the
36.18 producer responsibility organization with questions;

36.19 (2) a directory of all service providers operating under the stewardship plan administered
36.20 by the producer responsibility organization, grouped by location or political subdivision,
36.21 and information about how to request service;

36.22 (3) registration materials submitted to the commissioner under section 115A.1443;

36.23 (4) the draft and approved stewardship plan and any draft and approved amendments;

36.24 (5) information on how to manage covered materials included on the lists established
36.25 by the commissioner under section 115A.1453;

36.26 (6) information on reuse systems and waste reduction systems operating according to
36.27 sections 115A.144 to 115A.1462;

36.28 (7) the most recent list of exempt materials approved by the commissioner under section
36.29 115A.1453;

36.30 (8) the most recent needs assessment and all past needs assessments;

36.31 (9) annual reports filed by the producer responsibility organization;

37.1 (10) a link to administrative rules implementing sections 115A.144 to 115A.1462;

37.2 (11) comments of the advisory board on the documents listed in clauses (4) and (8), and
37.3 the responses of the producer responsibility organization to those comments;

37.4 (12) the names of producers and brands that are not in compliance with section
37.5 115A.1448;

37.6 (13) a list, that is updated at least monthly, of all member producers that will operate
37.7 under the stewardship plan administered by the producer responsibility organization and,
37.8 for each producer, a list of all brands of the producer's covered materials introduced in the
37.9 state; and

37.10 (14) education materials on waste reduction, reuse, recycling, and composting for
37.11 producers and the general public.

37.12 **Sec. 18. [115A.1458] ANTICOMPETITIVE CONDUCT.**

37.13 A producer responsibility organization that arranges collection, recycling, composting,
37.14 waste reduction, or reuse services under sections 115A.144 to 115A.1462 may engage in
37.15 anticompetitive conduct to the extent necessary to plan and implement collection, recycling,
37.16 composting, waste reduction, or reuse systems to meet the obligations under sections
37.17 115A.144 to 115A.1462, and is immune from liability under state laws relating to antitrust,
37.18 restraint of trade, and unfair trade practices.

37.19 **Sec. 19. [115A.1459] RULEMAKING.**

37.20 The commissioner may adopt rules to implement sections 115A.144 to 115A.1462. The
37.21 18-month time limit under section 14.125 does not apply to the commissioner's rulemaking
37.22 authority under this section.

37.23 **Sec. 20. [115A.1460] PROVIDING INFORMATION.**

37.24 Upon request of the commissioner for purposes of determining compliance with sections
37.25 115A.144 to 115A.1462, or for purposes of implementing sections 115A.144 to 115A.1462,
37.26 a person must furnish to the commissioner any information that the person has or may
37.27 reasonably obtain.

38.1 Sec. 21. **[115A.1461] DEPOSIT RETURN SYSTEM.**

38.2 It is the intent of the legislature that if a bottle deposit return system is enacted in the
38.3 future, it will be harmonized with sections 115A.144 to 115A.1462 in a manner that ensures
38.4 that:

38.5 (1) materials covered in that system are exempt from sections 115A.144 to 115A.1462
38.6 or related financial obligations are reduced;

38.7 (2) colocation of drop-off facilities and alternative collection sites is maximized;

38.8 (3) education and outreach is integrated between the two programs; and

38.9 (4) waste reduction and reuse strategies are prioritized between the two programs.

38.10 Sec. 22. **[115A.1462] ENFORCEMENT.**

38.11 (a) The commissioner must enforce sections 115A.144 to 115A.1462 as provided under
38.12 this section and sections 115.071 and 116.072. The commissioner may revoke a registration
38.13 of a producer responsibility organization or producer found to have violated sections
38.14 115A.144 to 115A.1462.

38.15 (b) Notwithstanding the penalty limits contained in section 115.071, subdivision 3, and
38.16 except as otherwise provided in paragraph (c), a person that violates or fails to perform a
38.17 duty imposed by sections 115A.144 to 115A.1462 or any rule adopted thereunder is liable
38.18 for a civil penalty not to exceed \$25,000 per day of violation.

38.19 (c) Notwithstanding the penalty limits contained in section 115.071, subdivision 3, a
38.20 producer responsibility organization or producer that violates a provision of or fails to
38.21 perform a duty imposed by sections 115A.144 to 115A.1462, a rule adopted thereunder, or
38.22 requirements of a stewardship plan approved by the commissioner, is liable for a civil
38.23 penalty not to exceed \$25,000 per day of violation. For a second violation occurring within
38.24 five years after the approval of a stewardship plan, a producer responsibility organization
38.25 or producer is liable for a civil penalty not to exceed \$50,000 per day of violation. For a
38.26 third or subsequent violation occurring within five years after the approval of a stewardship
38.27 plan, a producer responsibility organization or producer is liable for a civil penalty not to
38.28 exceed \$100,000 per day of violation.

38.29 Sec. 23. **WORKPLACE CONDITIONS AND EQUITY STUDY.**

38.30 (a) By January 1, 2032, the commissioner of the Pollution Control Agency must contract
38.31 with a third party that is not a producer or a producer responsibility organization to conduct

39.1 a study of the recycling, composting, and reuse facilities operating in the state. The study
39.2 must analyze, at a minimum, information about:

39.3 (1) working conditions, wage and benefit levels, and employment levels of minorities
39.4 and women at those facilities;

39.5 (2) barriers to ownership of recycling, composting, and reuse operations faced by women
39.6 and minorities;

39.7 (3) the degree to which residents of multifamily buildings have less convenient access
39.8 to recycling, composting, and reuse opportunities than those living in single-family homes;

39.9 (4) the degree to which environmental justice areas have access to fewer recycling,
39.10 composting, and reuse opportunities compared to other parts of the state;

39.11 (5) the degree to which programs to increase access, convenience, and education are
39.12 successful in raising reuse, recycling, and composting rates in areas where participation in
39.13 these activities is low;

39.14 (6) strategies to increase participation in reuse, recycling, and composting; and

39.15 (7) the degree to which residents and workers in environmental justice areas are impacted
39.16 by emissions, toxic substances, and other pollutants from solid waste facilities in comparison
39.17 to other areas of the state and provide recommendations to mitigate those impacts.

39.18 (b) The initial producer responsibility organization registered by the commissioner under
39.19 Minnesota Statutes, sections 115A.144 to 115A.1462, must cover the cost of conducting
39.20 the study through its annual registration fee and recommended actions identified in the study
39.21 must be considered as part of future stewardship plans as required under Minnesota Statutes,
39.22 section 115A.1451, including adjustments to service provider agreements and reimbursements
39.23 as established under Minnesota Statutes, section 115A.1455.

39.24 **Sec. 24. COVERED MATERIALS POLLUTION AND CLEANUP STUDY.**

39.25 (a) By January 1, 2032, the commissioner of the Pollution Control Agency, in consultation
39.26 with the commissioners of health and natural resources, must contract with a third party
39.27 that is not a producer or a producer responsibility organization to conduct a study to identify
39.28 the contribution of covered products to litter and water pollution in Minnesota. The report
39.29 must at a minimum:

39.30 (1) analyze historical and current environmental and human health impacts of littered
39.31 covered materials and their associated toxic substances in the environment;

39.32 (2) estimate the cost of cleanup and prevention; and

40.1 (3) provide recommendations for how to reduce and mitigate the impacts of litter in the
40.2 state.

40.3 (b) The contracted third party must consult with units of local government, the
40.4 commissioners of health and natural resources, and environmental justice organizations.

40.5 (c) The initial producer responsibility organization registered by the commissioner under
40.6 Minnesota Statutes, sections 115A.144 to 115A.1462, must cover the cost of conducting
40.7 the study through its annual registration fee and recommended actions identified in the study
40.8 must be considered as part of future stewardship plans, as required under Minnesota Statutes,
40.9 section 115A.1451.