

115A.1454 PRODUCER FEES.

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

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

(2) reflect the program costs for each covered materials type, net of commodity value for that covered materials type, as well as allocated fixed costs that do not vary based on covered materials type;

(3) incentivize using materials and design attributes that reduce the environmental impacts and human health impacts of covered materials by:

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

(ii) reducing the amount of:

(A) packaging per individual covered material that is necessary to efficiently deliver a product without damage or spoilage and without reducing its ability to be recycled; and

(B) paper used to manufacture individual paper products;

(iii) increasing the amount of covered materials managed in a reuse system;

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

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

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

(4) discourage using materials and design attributes in covered materials whose environmental impacts and human health impacts can be reduced by the methods listed under clause (3);

(5) prioritize reuse by charging covered materials that are managed through a reuse system only once, upon initial entry into the marketplace; and

(6) generate revenue sufficient to pay in full:

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

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

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

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

Subd. 2. **Overcollections.** Revenue collected under this section that exceeds the amount needed to pay the costs described in subdivision 1, clause (6), must be used to improve or enhance program outcomes or to reduce producer fees according to provisions of an approved stewardship plan.

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

History: *2024 c 116 art 5 s 14*