DIGEST

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HB 606 Original

2019 Regular Session

Schexnayder

Abstract: Increases fees for waste tire disposal and increases the amount of processor payments.

<u>Present law</u> provides that \$2.25 per passenger/light truck tire, \$5 per medium truck tire, and \$10 per off-road tire be collected for every tire sold. These fees are deposited into the Waste Tire Management Fund which is used to operate the waste tire program in the Dept. of Environmental Quality. One aspect of that program is to reimburse waste tire processors from the fund for recycling waste tires generated within the state.

Proposed law increases the fees in present law as follows:

| Tire Type | Present Fee | Proposed Fee |
|--|-------------|--------------|
| Passenger/light Truck/small farm service | \$2.25 | \$3.00 |
| Medium Truck | \$5.00 | \$7.00 |
| Off-road | \$10.00 | \$20.00 |

<u>Present law</u> requires permitted waste tire processing facilities to be paid a minimum of $7\frac{1}{2}$ ¢ per pound of waste tire material that is recycled or that reaches end market uses or per pound of whole waste tires that are recycled or that reach end market uses.

<u>Proposed law</u> changes <u>present law</u> by removing the set amount processing facilities shall be paid in favor of adopting a rate schedule based on either the per pound of waste tire material that is recycled or that reaches end market uses or per pound of whole waste tires that are recycled or that reach end market uses and establishing minimum amounts as follows:

- (1) 11½¢ per pound for processing waste tires that remove the steel and tire cord and produce crumb rubber with a granular consistency.
- (2) 9½¢ per pound for processing waste tires that produce a shredded rubber no larger than five-inch by five-inch in diameter.
- (3) $7\frac{1}{2}\phi$ per pound for processing waste tires to the minimum required pursuant to <u>present law</u>.

<u>Proposed law</u> prohibits charging an amount above the fees authorized by <u>proposed law</u> for the disposal, transporting, or processing of waste tires. This prohibition shall not apply to the sale or marketing of recycled waste tire material or whole waste tires.

Effective Oct. 1, 2019.

(Amends R.S. 30:2418(I)(1) and (2))