

## HOUSE SUMMARY OF SENATE AMENDMENTS

House Bill No. 591 by Representative Stuart Bishop

ENVIRONMENT/WASTE TIRES: Provides for the waste tire program in the Department of Environmental Quality

### Synopsis of Senate Amendments

1. Removes the \$2.50 fee increase on medium truck tires.
2. Changes payments to waste tire processors from the 12<sup>th</sup> day of the month following the request for payment to the 25<sup>th</sup> day of each month.
3. Removes the requirement that remaining undisputed obligations unpaid to the waste tire processors due to lack of funds shall be paid in a pro rata share from future surpluses to certain waste tire processors.
4. Adds that payments to waste tire processors shall be applied in priority from the earliest incurred undisputed obligation to the most current undisputed obligation.
5. Removes the requirement of establishing a procedure to cover the costs, when funds are available, of transporting and recycling waste tires collected at collection centers and retailers.
6. Adds the requirement of establishing a procedure for accepting payments from collection centers and retailers for the cost of transporting and recycling any tire a fee has not been collected.
7. Makes an exception from accepting payments for collection centers operated by local governments.
8. Authorizes payments to waste tire processors to be based on tire count.
9. Changes the effective date from July 1, 2013, to August 1, 2013.

### Digest of Bill as Finally Passed by Senate

Present law provides that \$2 per passenger/light truck tire, \$5 per medium truck tire, and \$10 per off-road tire be collected for every new 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 (DEQ). One aspect of that program is to reimburse waste tire processors from the fund for scrapping waste tires generated within the state.

Present law requires the owner or operator of a waste tire collection center to provide the department the location, size, and the approximate number of waste tires that are accumulated at their site within 6 months after Sep. 1, 1989.

Present law prohibits any person after Jan. 1, 1990, to knowingly and intentionally dispose of waste tires in the state, unless the waste tires are disposed of for processing, or collected for processing at a permitted solid waste disposal facility, a permitted waste tire processing facility, or a waste tire collection center.

Present law prohibits the knowingly or intentionally disposing of waste tires that are not subjected to processing or recycling in a landfill after Jan. 1, 1991.

Proposed law retains present law except removes the dates.

Present law requires the secretary of DEQ to promulgate rules, regulations, and guidelines for the administration and enforcement of a waste tire program.

Present law requires the rules and regulations to provide for technical assistance and incentives to encourage market research and development projects. Proposed law retains present law.

Present law requires the rules to provide that 5% of the funds collected from July 1, 2003 through June 30, 2008, for the waste tire fund shall be used to encourage the development and promotion of products which have a beneficial use. Any amounts in excess of \$500,000 collected in that time after June 30, 2008, shall be used solely for the purposes of the Waste Tire Management Fund. Further requires the department to make recommendations to the oversight committees for tax credits to encourage development and implementation of technologies utilizing used and recycled tire rubber. Proposed law repeals present law.

Present law requires the rules to establish a priority system for the clean up of existing waste tires. Proposed law repeals present law and requires the establishment of a procedure to accept payments from collection centers and tire retailers to cover the cost of transporting and recycling any tire that fee has not been collected.

Present law requires a waste tire processing facility to be paid by DEQ a minimum of 7-1/2¢ per pound of waste tire material that is recycled or that reaches end-market uses or that reaches end-market uses or per whole waste tires marketed and shipped to a qualified recycler.

Proposed law changes the requirement for payment for whole waste tires from that whole waste tires be marketed and shipped to a qualified recycler to that whole waste tires be recycled or reaches end market uses.

Proposed law requires the payments to waste tire processors by the 25<sup>th</sup> of each month.

Present law conditions payment to the waste tire processing facility on providing documentation required by rules and regulations. Proposed law retains present law.

Present law provides that in the event the balance of the Waste Tire Management Fund is insufficient to meet the obligations to waste tire processors, DEQ, after meeting all payments required by law, pay any undisputed amounts in a pro rata share to waste tire processors having a standard permit when the request was submitted. Proposed law retains present law.

Present law provides that remaining undisputed obligations unpaid due to lack of funds shall be paid in a pro rata share from future surpluses to certain waste tire processors. Proposed law repeals present law.

Proposed law provides that payments shall be applied in priority from the earliest incurred undisputed obligation to the most current undisputed obligation.

Present law requires the secretary to make rules for payments to processors on the basis of weight or tire count at the option of the processor. Proposed law removes that the option is made by the processor.

Present law prohibits withholding or terminating payments to a waste tire processor without written notification of the reasons and requires any disputed payments be placed in escrow until resolution. Proposed law retains present law.

Proposed law requires the department to initiate rulemaking to implement proposed law and submit the summary report to the oversight committees by Dec. 31, 2013.

(Amends R.S. 30:2418(A), (B), (C), (H)(3) and (6), (I)(2) and (3)(a), and (N))