

CONFERENCE COMMITTEE REPORT
House Bill No. 591 By Representative Stuart Bishop

June 4, 2013

To the Honorable Speaker and Members of the House of Representatives and the Honorable President and Members of the Senate.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning House Bill No. 591 by Representative Stuart Bishop, recommend the following concerning the Reengrossed bill:

1. That Senate Committee Amendments Nos. 1 through 4, 6, and 10 through 12 proposed by the Senate Committee on Environmental Quality and adopted by the Senate on May 15, 2013, be adopted.
2. That Senate Committee Amendments Nos. 5, 7, 8, and 9 proposed by the Senate Committee on Environmental Quality and adopted by the Senate on May 15, 2013, be rejected.
3. That the Legislative Bureau Amendment proposed by the Legislative Bureau and adopted by the Senate on May 16, 2013, be adopted.
4. That the Senate Floor Amendment proposed by Senator Morrish and adopted by the Senate on May 28, 2013, be adopted.
5. That the Senate Floor Amendment proposed by Senator Claitor and adopted by the Senate on May 28, 2013, be rejected.
6. That all of the Senate Floor Amendments proposed by Senator Walsworth and adopted by the Senate on May 28, 2013, be rejected.
7. That all of the Senate Floor Amendments proposed by Senator Martiny and adopted by the Senate on May 28, 2013, be rejected.
8. That the following amendments to the reengrossed bill adopted:

AMENDMENT NO. 1

On page 1, line 7, after "processors;" insert "to create and provide for the Waste Tire Program Task Force;"

AMENDMENT NO. 2

On page 3, delete lines 2 and 3 and insert the following:

"Establish a procedure for accepting voluntary payments from tire retailers to defray the costs of transporting and recycling tires collected at those facilities."

AMENDMENT NO. 3

On page 4, at the end of line 4, insert the following:

"However, beginning August 1, 2013, such payments shall be applied in priority from the earliest incurred undisputed obligation to the most current undisputed obligation."

AMENDMENT NO. 4

On page 4, line 7, after "weight" insert "or tire count"

AMENDMENT NO. 5

On page 4, line 15, after "provisions of" insert "Section 1 of"

AMENDMENT NO. 6

On page 4, between lines 18 and 19, insert the following:

"Section 3. A. The Waste Tire Program Task Force is hereby created and charged with the responsibilities to study, report, and make recommendations on the Department of Environmental Quality's waste tire program, including the laws, rules, and regulations governing the program and the fee structure and financial obligations of the program, and to submit a report of its findings and recommendations to the House Committee on Natural Resources and Environment and the Senate Committee on Environmental Quality on or before February 15, 2014.

B. The Waste Tire Program Task Force shall be composed of the following members:

- (1) The secretary of the Department of Environmental Quality; or her designee.
- (2) The chairman of the House Committee on Natural Resources and Environment, or his designee.
- (3) The chairman of the Senate Committee on Environmental Quality, or his designee.
- (4) A representative appointed by the governor.
- (5) A representative appointed by the Louisiana Motor Transport Association.
- (6) A representative appointed by the Louisiana Independent Tire Dealers Association.
- (7) A representative appointed by each of the waste tire processors permitted as of May 1, 2013.

C. Task force members shall serve without compensation, except per diem or expense reimbursement to which they may be individually entitled as members of their constituent organizations. The secretary of the Department of Environmental Quality, or her designee, shall serve as chairman of the task force and at the first meeting, the task force shall elect a vice chairman. The task force shall hold its first meeting by August 31, 2013, shall meet as necessary to complete its responsibilities, and shall disband upon submitting the report as provided in this Section."

Respectfully submitted,

Representative Stuart Bishop

Senator Dan "Blade" Morrish

Representative Gordon Dove

Senator Mike Walsworth

Representative Jack Montoucet

Senator Dan Claitor

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

CONFERENCE COMMITTEE REPORT DIGEST

House Bill No. 591 by Representative Stuart Bishop

Keyword and oneliner of the instrument as it left the House

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

Report adopts Senate amendments to:

1. Remove a \$2.50 waste tire fee increase for medium truck tires.
2. Remove 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 tire retailers.
2. Authorize payments to waste tire processors to be based on tire count.
3. Remove Senate Committee Amendments that would have repealed present law providing for funding for local governing authorities to remediate waste tires, and encouraging the return of waste tires to collection centers.
4. Change the effective date from July 1, 2013, to August 1, 2013.

Report rejects Senate amendments which would have:

1. Changed payments to waste tire processors from the 12th day of the month following the request for payment to the 25th day of each month.
2. Removed 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.
3. Added that payments to waste tire processors shall be applied in priority from the earliest incurred undisputed obligation to the most current undisputed obligation.
4. Added the requirement of establishing a procedure for accepting payments from collection centers, except those operated by local governments, and retailers for the cost of transporting and recycling any tire a fee has not been collected.

Report amends the bill to:

1. Establish a procedure for accepting voluntary payments from tire retailers to defray the costs of transporting and recycling tires collected at those facilities.
2. Provides that payments to processors may be based on weight or count.
3. Provides that beginning August 1, 2013, payments to processors shall be applied in priority from the earliest incurred undisputed obligation to the most current undisputed obligation.

4. Creates the Waste Tire Program Task Force charged with the responsibilities to study, report, and make recommendations on the waste tire program to the oversight committees on or before February 15, 2014.

Digest of the bill as proposed by the Conference Committee

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 tire retailers to defray the cost of transporting and recycling any tire collected at those facilities.

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 12th day of the month following the request for payment.

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 retains present law.

Proposed law Provides that beginning August 1, 2013, payments to processors 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.

Proposed law creates the Waste Tire Program Task Force charged with the responsibilities to study, report, and make recommendations on the waste tire program to the oversight committees on or before February 15, 2014.

Proposed law provides that the task force shall be composed of the following members:

- (1) The secretary of the Department of Environmental Quality; or her designee.
- (2) The chairman of the House Committee on Natural Resources and Environment, or his designee.
- (3) The chairman of the Senate Committee on the Environment, or his designee.
- (4) A representative appointed by the governor.
- (5) A representative appointed by the Louisiana Motor Transport Association.
- (6) A representative appointed by the Louisiana Independent Tire Dealers Association.
- (7) A representative each appointed by each of the waste tire processors permitted as of May 1, 2013.

Proposed law provides that the members shall serve without compensation, except per diem or expense reimbursement to which they may be individually entitled as members of their constituent organizations.

Proposed law provides that the secretary of the Department of Environmental Quality, or her designee, shall serve as chairman of the task force and at the first meeting, the task force shall elect a vice chairman.

Proposed law provides that the task force shall hold its first meeting by August 31, 2013, shall meet as necessary to complete its responsibilities, and shall disband after submitting its report.

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