## **DIGEST**

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HB 1096 Original

2016 Regular Session

Hilferty

**Abstract:** Bases payments to waste tire processors on the process used to recycle the waste tires.

<u>Present law</u> provides that \$2 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 (DEQ). One aspect of that program is to reimburse waste tire processors from the fund for recycling waste tires generated within the state.

<u>Present law</u> requires permitted waste tire processing facilities to be paid a minimum of  $7 \frac{1}{2} \phi$  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 reaches end market uses.

<u>Proposed law</u> changes the minimum payment to processors  $\underline{\text{from}}$  7 ½¢ per pound  $\underline{\text{to}}$  an amount based on the process used to recycle the waste tires as follows:

- (1)  $9\frac{1}{2}$ ¢ for processing that removes the steel and tire cord and produces crumb rubber with a granular consistency.
- (2)  $7\frac{1}{2} \not\in$  for processing that produces a shredded rubber no larger than 5 inch by 5 inch.
- (3) 5 ½ ¢ for processing that reduces the volume of the waste tire by more than half, which is the minimum required by <u>present law</u> or not provided of in the previous two categories.

<u>Present law</u> requires payments to processors be made on or before the 12<sup>th</sup> day of the month following the submission of the request for payment. Payment is conditioned on the facility providing documentation required by law or DEQ rules and regulations. <u>Proposed law</u> retains <u>proposed law</u>.

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