Regular Session, 2013

HOUSE BILL NO. 591

# BY REPRESENTATIVE STUART BISHOP

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

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

| 1  | AN ACT  |
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| 2  | To amend and reenact R.S. 30:2418(A), (B), (C), (H)(3) and (6), (I)(2) and (3)(a), and (N), |
| 3  | relative to waste tires; to provide for waste tires; to provide for the disposal of waste   |
| 4  | tires; to provide for waste tire collection centers; to provide for notifications by waste  |
| 5  | tire collections centers; to provide for the authority to promulgate certain rules and      |
| 6  | regulations; to provide for payments to waste tire processors; to provide an effective      |
| 7  | date; and to provide for related matters.   |
| 8  | Be it enacted by the Legislature of Louisiana:  |
| 9  | Section 1. R.S. 30:2418(A), (B), (C), (H)(3) and (6), (I)(2) and (3)(a), and (N) are        |
| 10 | hereby amended and reenacted to read as follows:  |
| 11 | §2418. Waste tires  |
| 12 | A. The owner or operator of a waste tire collection center shall, within six                |
| 13 | months after September 1, 1989, provide the department with a notification of the           |
| 14 | site's location, size, and the approximate number of waste tires that are accumulated       |
| 15 | at the site.  |
| 16 | B. After January 1, 1990, it It is unlawful for any person to dispose                       |
| 17 | knowingly and intentionally of waste tires in the state, unless the waste tires are         |
| 18 | disposed of for processing, or collected for processing, at a permitted solid waste         |
| 19 | disposal facility, a permitted waste tire processing facility, or a waste tire collection   |
| 20 | center.   |

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

| 1  | C. Waste tires that are not subjected to processing or recycling may not be            |
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| 2  | deposited knowingly and intentionally in a landfill as a method of ultimate disposal   |
| 3  | after January 1, 1991. However, notwithstanding any other law or rule to the           |
| 4  | contrary, waste tires which have been prepared for disposal by cutting, separating,    |
| 5  | shredding, or other means in accordance with the rules or standards of the             |
| 6  | department may be disposed of in a landfill.   |
| 7  | * * *  |
| 8  | H. The secretary shall promulgate rules, regulations, and guidelines for the           |
| 9  | administration and enforcement of the waste tire program provided for in this          |
| 10 | Chapter, which shall be subject to legislative review and approval by the Senate       |
| 11 | Committee on Environmental Quality and the House Committee on Natural                  |
| 12 | Resources and Environment. The rules, regulations, and guidelines shall provide for    |
| 13 | but not be limited to:   |
| 14 | * * *  |
| 15 | (3) Providing technical assistance and incentives to encourage market                  |
| 16 | research and development projects. Beginning on July 1, 2003, and continuing until     |
| 17 | June 30, 2008, five percent of all monies from fees collected on the sale of tires and |
| 18 | deposited in the fund provided for in Subsection G of this Section shall be used to    |
| 19 | encourage the development of products which are marketable and provide a               |
| 20 | beneficial use and for promotion of those products which have a beneficial use. The    |
| 21 | department shall make recommendations to the House Committee on Natural                |
| 22 | Resources and Environment and Senate Committee on Environmental Quality for tax        |
| 23 | credits to encourage the development and implementation of technologies utilizing      |
| 24 | used and recycled tire rubber. Upon expiration of the term provided for in this        |
| 25 | Subsection, any unexpended and unobligated monies deposited in the Waste Tire          |
| 26 | Management Fund pursuant to this Subsection in excess of five hundred thousand         |
| 27 | shall be available for expenditure pursuant to Subsection G of this Section.           |
| 28 | * * *  |

| 1  | (6) Establishing a priority system for the clean up of existing waste tires.             |
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| 2  | Establishing a procedure, should funds be available, to cover the costs of transporting  |
| 3  | and recycling waste tires collected at collection centers and tire retailers.            |
| 4  | * * *  |
| 5  | I.   |
| 6  | * * *  |
| 7  | (2) A permitted waste tire processing facility shall be paid a minimum of                |
| 8  | seven and a half cents per pound of waste tire material that is recycled or that reaches |
| 9  | end-market end market uses or per pound of whole waste tires marketed and shipped        |
| 10 | to a qualified recycler that are recycled or that reaches end market uses. This          |
| 11 | payment shall be made to the facility on or before the twelfth day of the month          |
| 12 | following the submission of the request for payment and shall be conditioned on the      |
| 13 | facility providing to the department any documentation, including but not limited to     |
| 14 | manifests, statements, or certified scale-weight tickets, required by law or by rules    |
| 15 | and regulations promulgated by the department.   |
| 16 | (3)(a) In the event the balance of the fund is insufficient to meet the                  |
| 17 | obligations to waste tire processors provided for above in Paragraph (2) of this         |
| 18 | Subsection, the department, after meeting all payments required by law, shall pay        |
| 19 | any undisputed obligations in a pro rata share to waste tire processors having a         |
| 20 | standard permit when the request for payment was submitted. Any remaining                |
| 21 | undisputed obligations which would have been paid to waste tire processors but for       |
| 22 | the insufficiency of the Waste Tire Management Fund shall be paid from future            |
| 23 | surplus funds in the Waste Tire Management Fund as provided in Subparagraph (b)          |
| 24 | of this Paragraph.   |
| 25 | * * *  |

26 N. The secretary shall promulgate rules to make payments to processors on 27 the basis of weight <del>or tire count at the option of the processor</del>. Payments to a waste 28 tire processor, or any portion thereof, shall not be temporarily or permanently 29 withheld or terminated prior to written notification by the department of the reasons

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| 1  | for such withholding or termination to the processor by certified mail. Any such             |
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| 2  | disputed funds shall be immediately placed in escrow pending final resolution of the         |
| 3  | matter.  |
| 4  | * * *  |
| 5  | Section 2. The Department of Environmental Quality shall initiate the rulemaking             |
| 6  | process pursuant to R.S. 49:953 to implement the provisions of this Act and shall submit the |
| 7  | report required pursuant to R.S. 49:968(D) to the House Committee on Natural Resources       |
| 8  | and Environment and the Senate Committee on Environmental Quality by December 31,            |
| 9  | 2013.  |
| 10 | Section 3. This Act shall become effective on July 1, 2013; if vetoed by the governor        |
| 1  | and subsequently approved by the legislature, this Act shall become effective on July 1,     |
| 12 | 2013, or on the day following such approval by the legislature, whichever is later.          |

# 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)]

## Stuart Bishop

HB No. 591

Abstract: Provides for the waste tire program in the Dept. of Environmental Quality

<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 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.

<u>Present law</u> 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 six months after Sept. 1, 1989.

<u>Present law</u> 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.

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

<u>Proposed law</u> retains <u>present law</u> except removes the dates.

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

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

<u>Present law</u> 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. <u>Proposed law</u> repeals <u>present law</u>.

<u>Present law</u> requires the rules to establish a priority system for the clean up of existing waste tires. <u>Proposed law</u> repeals <u>present law</u> and requires the establishment of a procedure, should funds be available, to cover the costs of transporting and recycling waste tires collected at collection centers and tire retailers.

<u>Present law</u> requires a waste tire processing facility to be paid by DEQ a minimum of  $7-\frac{1}{2}\phi$  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.

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

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

<u>Proposed law</u> requires the payments to waste tire processors by the 12th day of the month following the submission of the request for payment.

<u>Present law</u> 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. <u>Proposed law</u> retains <u>present law</u>.

<u>Present law</u> requires the secretary to make rules for payments to processors on the basis of weight or tire count at the option of the processor. <u>Proposed law</u> removes the option to make payments on the basis of tire count.

<u>Present law</u> 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. <u>Proposed law</u> retains <u>present law</u>.

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

Effective July 1, 2013.

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

#### Summary of Amendments Adopted by House

- Committee Amendments Proposed by <u>House Committee on Municipal, Parochial and</u> <u>Cultural Affairs</u> to the <u>original</u> bill.
- 1. Changes provisions for establishing a procedure for accepting payments <u>from</u> collection centers and retailers for the costs of transporting and recycling ineligible tires <u>to</u> establishing a procedure when funds are available to cover those costs.
- 2. Changes the payments to waste tire processors <u>from</u> the 25th day of each month <u>to</u> the 12th day of the month following the request for payment.
- 3. Retains <u>present law</u> providing that payments to processors due to insufficiencies in the Waste Tire Management Fund shall be paid from future surplus in a pro rata share.
- 4. Retains <u>present law</u> provisions providing for funding to local governing authorities to remediate waste tires, encouraging the establishment of collection centers at retailers.
- 5. Removes requirement that the Dept. of Environmental Quality initiate rulemaking on or before Aug. 10, 2013.
- 6. Changes the submission of the summary report <u>from</u> the Senate Committee on Natural Resources <u>to</u> the Senate Committee on Environmental Quality.