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## ENGROSSED SUBSTITUTE SENATE BILL 5080

State of Washington 60th Legislature 2007 Regular Session

By Senate Committee on Transportation (originally sponsored by Senators Marr, Swecker, Murray, Weinstein, Kauffman, Rasmussen, Hatfield, Hobbs, Berkey, Pridemore, Regala, Tom, McCaslin, Oemig, Jacobsen and Rockefeller)

READ FIRST TIME 01/22/07.

- 1 AN ACT Relating to extending tire replacement fees; amending RCW
- 2 70.95.510, 70.95.521, 70.95.530, and 70.95.555; adding a new section to
- 3 chapter 70.95 RCW; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The legislature restates its goal to fully
- 6 clean up unauthorized waste tire piles in Washington state in an
- 7 expeditious fashion. In partnership with local governments and the
- 8 private sector, the legislature encourages ongoing efforts to prevent
- 9 the creation of future unauthorized waste tire piles. The legislature
- 10 notes a positive trend in tire recycling in recent years and encourages
- 11 all parties to continue these strong recycling efforts.
- 12 **Sec. 2.** RCW 70.95.510 and 2005 c 354 s 2 are each amended to read 13 as follows:
- 14 (1) There is levied a one dollar per tire fee on the retail sale of
- 15 new replacement vehicle tires ((for a period of five years, beginning
- 16 July 1, 2005)). The fee imposed in this section ((shall)) must be paid
- 17 by the buyer to the seller, and each seller shall collect from the
- 18 buyer the full amount of the fee. The fee collected from the buyer by

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- the seller less the ten percent amount retained by the seller as provided in RCW 70.95.535(1) ((shall)) must be paid to the department of revenue in accordance with RCW 82.32.045.
  - (2) The department of revenue shall incorporate into the agency's regular audit cycle a reconciliation of the number of tires sold and the amount of revenue collected by the businesses selling new replacement vehicle tires at retail. The department of revenue shall collect on the business excise tax return from the businesses selling new replacement vehicle tires at retail:
    - (a) The number of tires sold; and

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- (b) The fee levied in this section.
- 12 (3) All other applicable provisions of chapter 82.32 RCW have full 13 force and application with respect to the fee imposed under this 14 section. The department of revenue shall administer this section.
- 15 (4) For the purposes of this section, "new replacement vehicle 16 tires" means tires that are newly manufactured for vehicle purposes and 17 does not include retreaded vehicle tires.
- 18 **Sec. 3.** RCW 70.95.521 and 2005 c 354 s 3 are each amended to read 19 as follows:
- The waste tire removal account is created in the state treasury.

  ((All receipts from tire fees imposed under RCW 70.95.510 must be deposited in the account. Moneys in the account may be spent only after appropriation.)) Expenditures from the account may be used for the cleanup of unauthorized waste tire piles ((and)), measures that prevent future accumulation of unauthorized waste tire piles, and road wear related maintenance on state and local public highways.
- NEW SECTION. Sec. 4. A new section is added to chapter 70.95 RCW to read as follows:
  - (1) All receipts from tire fees imposed under RCW 70.95.510, except as provided in subsection (2) of this section, must be deposited in the waste tire removal account created under RCW 70.95.521. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used for the cleanup of unauthorized waste tire piles and measures that prevent future accumulation of unauthorized waste tire piles.

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(2) On July 1st of odd-numbered years, the state treasurer must transfer any cash balance in excess of one million dollars from the waste tire removal account created under RCW 70.95.521 to the motor vehicle account for the purpose of road wear related maintenance on state and local public highways.

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- 6 **Sec. 5.** RCW 70.95.530 and 2005 c 354 s 5 are each amended to read 7 as follows:
- 8 (1) Moneys in the waste tire removal account may be appropriated to 9 the department of ecology:
- 10 (a) To provide for funding to state and local governments for the 11 removal of discarded vehicle tires from unauthorized tire dump sites; 12 and
- 13 (b) To accomplish the other purposes of RCW 70.95.020 as they 14 relate to waste tire cleanup under this chapter((; and
  - (c) To conduct a study of existing tire cleanup sites. The office of financial management shall oversee the study process and approve the completed study. The completed study shall be delivered to the house of representatives and senate transportation committees by November 15, 2005. In conducting the study, the department shall consult on a regular basis with interested parties. The following identified elements at a minimum shall be included in the completed study:
- 22 (i) Identification of existing tire cleanup sites in the state of Washington;
  - (ii) The estimated number of tires in each tire cleanup site;
- 25 (iii) A map identifying the location of each one of the tire 26 cleanup sites;
  - (iv) A photograph of each one of the tire cleanup sites;
- 28 (v) The estimated cost for cleanup of each tire [cleanup] site by cost component;
- (vi) The estimated reimbursement of costs to be recovered from persons or entities that created or have responsibility for the tire cleanup site;
- (vii) Identification of the type of reimbursements for recovery by
  each of the tire cleanup sites;
- (viii) The estimated time frame to begin the cleanup project and the estimated completion date for each tire cleanup site;

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(ix) An assessment of local government functions relating to unauthorized tire piles, including cleanup, enforcement, and public health;

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- (x) Identification of needs in the areas in (c)(ix) of this subsection for each one of the counties; and
- (xi) A statewide cleanup plan based on multiple funding options between twenty cents and sixty cents for each new tire sold at retail in the state starting on July 1, 2005. The plan shall include the estimated time frame to begin each of the tire cleanup sites and the estimated completion date for each one of the sites. In addition, the plan must include a process to be followed in selecting entities to perform the tire site cleanups. The 2006 legislature shall determine the final distribution of the tire cleanup fee and the appropriations for this statewide tire cleanup plan)).
- (2) In spending funds in the account under this section, the department of ecology shall identify communities with the most severe problems with waste tires and provide funds first to those communities to remove accumulations of waste tires.
- (3) ((Immediately after July 1, 2005, the department of ecology shall initiate a pilot project in a city with a population between three and four thousand within a county with a population less than twenty thousand to contract to clean up a formerly licensed tire pile in existence for ten or more years. To begin the project, the department shall seek to use financial assurance funds set aside for clean up of the tire pile. For purposes of this subsection, population figures are the official 2004 population as estimated by the office of financial management for purposes of state revenue allocation.)) On September first of even-numbered years, the department of ecology shall provide a report to the house and senate transportation committees on the progress being made on the cleanup of unauthorized waste tire piles in the state and efforts underway to prevent the formation of future unauthorized waste tire piles. The report should detail any additional unauthorized waste tire piles discovered since the last report and present a plan to clean up these new unauthorized waste tire piles if they have not already done so, as well as include a listing of authorized waste tire piles and transporters. The report shall also include the status of funds available to the program and a needs assessment of the program. On September 1, 2008, the department shall

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- 1 <u>also make recommendations to the committees for an ongoing program to</u>
- 2 prevent the formation of future unauthorized waste tire piles. Such a
- 3 program, if required, must include joint efforts with local governments
- 4 and the tire industry.

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5 **Sec. 6.** RCW 70.95.555 and 2005 c 354 s 6 are each amended to read 6 as follows:

Any person engaged in the business of transporting or storing waste tires shall be licensed by the department. To obtain a license, each applicant must:

- (1) Provide assurances that the applicant is in compliance with this chapter and the rules regarding waste tire storage and transportation;
  - (2) Accept liability for and authorize the department to recover any costs incurred in any cleanup of waste tires transported or newly stored by the applicant in violation of this section, or RCW 70.95.560, 70.95.515, or 70.95.570, or rules adopted thereunder, after July 1, 2005;
- (3) ((Until January 1, 2006, post a bond in the sum of ten thousand dollars in favor of the state of Washington for waste tires transported or stored before July 1, 2005. In lieu of the bond, the applicant may submit financial assurances acceptable to the department;
  - (4))) After January 1, 2006, for waste tires transported or stored before July 1, 2005, or for waste tires transported or stored after July 1, 2005, post a bond in an amount to be determined by the department sufficient to cover the liability for the cost of cleanup of the transported or stored waste tires, in favor of the state of Washington. In lieu of the bond, the applicant may submit financial assurances acceptable to the department;
- 29 (((5))) (4) Be registered in the state of Washington as a business 30 and be in compliance with all state laws, rules, and local ordinances;
- $((\frac{(6)}{(6)}))$  (5) Have a federal tax identification number and be in compliance with all applicable federal codes and regulations; and
- $((\frac{7}{}))$  (6) Report annually to the department the amount of tires transported and their disposition. Failure to report shall result in revocation of the license.

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