HOUSE BILL REPORT SB 5976

As Reported by House Committee On:

Transportation

Title: An act relating to extending tire replacement fees.

Brief Description: Extending tire replacement fees.

Sponsors: Senator Haugen.

Brief History:

Committee Activity:

Transportation: 4/6/09 [DP].

Brief Summary of Bill

- Eliminates the sunset date on the imposition of the \$1 fee on the retail sale of each new replacement tire.
- Transfers balances exceeding \$1 million on September 1 of odd-numbered years from the Waste Tire Removal Account to the Motor Vehicle Account for the purpose of funding road wear-related maintenance on state and local public highways.
- Requires a report from the Department of Ecology on September 1 of evennumbered years to the legislative transportation committees on the status of waste tire pile cleanup and prevention efforts.
- Removes obsolete language from statute.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass. Signed by 19 members: Representatives Clibborn, Chair; Liias, Vice Chair; Armstrong, Campbell, Dickerson, Eddy, Finn, Johnson, Moeller, Morris, Rolfes, Sells, Simpson, Springer, Takko, Upthegrove, Wallace, Williams and Wood.

Minority Report: Do not pass. Signed by 9 members: Representatives Roach, Ranking Minority Member; Rodne, Assistant Ranking Minority Member; Cox, Driscoll, Ericksen, Herrera, Klippert, Kristiansen and Shea.

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Staff: Jerry Long (786-7306)

Background:

From October 1989 until September 1995, a \$1 fee was assessed on the retail sale of each new replacement tire. Revenue generated by the fee was used to fund state and local efforts to remove discarded tires from unauthorized dump sites as well as fund local enforcement and education programs.

In 2002 the Legislature required the Department of Ecology (DOE) to track and report on increases and decreases in the state's tire recycling rates. In 2005 the Legislature reinstated the \$1 tire fee on the retail sale of each new replacement tire which is scheduled to sunset June 30, 2010. The fee is deposited into the Waste Tire Removal Account (WTRA) and is subject to appropriation. The monies in the WTRA are used for the cleanup of unauthorized waste tire piles and to implement measures to prevent future accumulation of such piles.

The Legislature also mandated a study that identified 54 unauthorized tire piles and recommended that the DOE create a grant program for local government for waste tire cleanup. Since then a Tire Cleanup Program (Program) has been operating and is staffed by one person at the DOE. There has been cleanup of approximately 100 sites and 80 more sites have been identified. The DOE expects to have the remainder of the identified sites cleaned up by the end of 2010. Unauthorized waste tire piles are defined as sites with more than 800 tires that are unlicensed for waste tire storage.

In the 2008 Transportation Budget, the Legislature authorized the transfer of \$5.6 million from the WTRA to the Motor Vehicle Account (MVA) for the purpose of funding road wear-related maintenance on public highways.

The permitting of solid waste facilities is a function of jurisdictional health departments in cooperation with the DOE. Individuals who engage in the business of transporting or storing waste tires are licensed by the DOE.

Summary of Bill:

The sunset date on the imposition of the \$1 fee on the retail sale of each new replacement tire is eliminated. Monies collected from the fee must be deposited in the WTRA. Expenditures from the WTRA are subject to appropriation and may be used to clean up unauthorized tire piles, to prevent the future accumulation of unauthorized waste tire piles, and for funding road wear-related maintenance on state and local public highways.

On September 1 of odd-numbered years, the State Treasurer must transfer any remaining cash balances exceeding \$1 million in the WTRA to the MVA for the purpose of funding road wear-related maintenance on state and local public highways.

On September 1 of even-numbered years the DOE must report to the legislative transportation committees on the status of waste tire pile cleanup and prevention efforts. The

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report must detail the number of unauthorized waste tire piles discovered since the last report, a plan to clean up those sites, a listing of authorized waste tire piles and transporters, and the status of funds available to the program. The first report, due September 1, 2010, must also include recommendations to the transportation committees for any ongoing prevention programs as well as any joint efforts with local governments and the tire industry.

The bill removes the requirement for the DOE to conduct a study of existing tire cleanup sites since the study has been completed.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the

bill is passed.

Staff Summary of Public Testimony:

(In support) House Bill 2085, which re-established the tire fee in 2005, has worked very well in cleaning up old unauthorized tire piles. Getting rid of old tires helps remove the stagnate water which collects in the tires. This helps public health and safety since stagnant water breeds mosquitoes which can carry the West Nile Virus. The Program has been very successful by cleaning up approximately 100 waste tire sites so far. By the end of 2010, the remainder of the tire sites will be cleaned up and the Program will be concentrating on prevention and enforcement. The Program currently is spending approximately \$2.5 million per biennium, but expects the expenses to be reduced to \$1 million per biennium once the rest of the tire piles have been cleaned up.

The tire industry is a partner in this effort by running tire buy-back programs and helping to recycle old tires. About 80 percent of tires are recycled with 20 percent still being land filled. Out of the 39 counties, 31 still have tire pile issues. In the future, local ordinances need to be updated and improved to help with enforcement and prevention.

It is nice not to have a stop-and-go program. Once the remainder of the tire piles are cleaned up, the funding can go towards enforcement and prevention activities. Washington has been very proactive in this area and the tire industry would like to see the Program continue.

The state, local governments, the DOE, and the tire industry have worked together to make sure this program is a success.

(Opposed) None.

Persons Testifying: Eric Johnson, Washington Association of Counties; Laurie Davies, Department of Ecology; and Gene Schlatter and Pat Dunn, Les Schwab Tire Company.

Persons Signed In To Testify But Not Testifying: None.