

SENATE BILL REPORT

SB 5976

As Passed Senate, April 1, 2009

Title: An act relating to extending tire replacement fees.

Brief Description: Extending tire replacement fees.

Sponsors: Senator Haugen.

Brief History:

Committee Activity: Transportation: 2/18/09, 2/19/09 [DP, w/oRec].
Passed Senate: 4/01/09, 36-11.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass.

Signed by Senators Haugen, Chair; Marr, Vice Chair; Swecker, Ranking Minority Member; Becker, Berkey, Delvin, Eide, Jarrett, Kastama, Kauffman, Kilmer, King, Ranker and Sheldon.

Minority Report: That it be referred without recommendation.

Signed by Senator Benton.

Staff: David Ward (786-7341)

Background: From October 1989 until September of 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. The fee is scheduled to sunset June 30, 2010. The Waste Tire Removal Account (WTRA) was also created in the State Treasury and monies in the account are used for the cleanup of unauthorized waste tire piles and to implement measures to prevent future accumulation of such piles. Unauthorized waste tire piles are defined as sites with more than 800 tires that are unlicensed for waste tire storage.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Since May 2007 contracts let by DOE to tire recyclers and haulers have resulted in the cleanup of over 41,000 of an estimated 52,000 tons of waste tires from nearly 100 unauthorized waste tire piles. The remainder of the cleanup effort is expected to be completed during the 2009-11 biennium.

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 DOE while 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 cleanup unauthorized tire piles, measures to prevent the future accumulation of unauthorized waste tire piles, and road wear-related maintenance on state and local public highways.

Monies appropriated to DOE are to fund state and local government waste tire removal from unauthorized tire sites, as well as prevention, planning, and enforcement support for local jurisdictions.

On September 1 of odd-numbered years, the State Treasurer must transfer cash balances exceeding \$1 million in the WTRA to the MVA for the purpose of funding road-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 report must detail the number of unauthorized waste tire piles discovered since the last report, a plan to cleanup those sites, a listing of authorized waste tire piles and transporters, and the status of funds available to the program. The first report, due on September 1, 2010, must also include recommendations to the committees for any ongoing prevention program as well as any joint efforts with local governments and the tire industry.

Appropriation: None.

Fiscal Note: Requested on February 11, 2009.
[OFM requested ten-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: The tire industry has been and is supportive of using the funding for unauthorized waste tire pile clean-up and abatement as well as public highway maintenance. We also appreciate the cooperative effort from both DOE and the

counties in this effort. The counties are also supportive and the waste tire pile program has worked well in eliminating legacy tire piles and the public health risks associated with them. A continued effort focused on prevention and enforcement is the way forward for this program. Lastly, DOE has cleaned-up nearly four million of an estimated five million tons of waste tires in 31 of 38 counties where they are found. Continuation of effort through the 2009-11 biennium should complete the task with the future of the program focused on prevention, education, and support of county efforts in this area.

Persons Testifying: PRO: Gene Schlatter, Pat Dunn, Les Schwab Tires Center; Laurie Davies, DOE; Eric Johnson, Washington Association of Counties.