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HOUSE BILL 1191

State of Washington 65th Legislature 2017 Regular Session

By Representatives Taylor, Orcutt, McCaslin, Shea, and Rodne
Read first time 01/13/17. Referred to Committee on Appropriations.

AN ACT Relating to eliminating the fee on the retail sale of vehicle tires; amending RCW 70.95.555, 82.08.036, and 82.12.038; creating new sections; repealing RCW 70.95.510, 70.95.515, 70.95.521, 70.95.530, 70.95.532, and 70.95.535; providing effective dates; and declaring an emergency.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. 1. When the legislature enacted the Sec. assessment on the retail sale of vehicle tires in 1985, the revenue was supposed to be used to clean up discarded vehicle tires from unauthorized dump sites, to encourage storage, proper disposal, and recycling of discarded vehicle tires, and to stimulate private recycling programs throughout the state. In 2009, the legislature authorized the funding to be used for other activities unrelated to the clean up of tires. During the 2013-2015 fiscal biennium, estimated seven million five hundred thousand dollars was collected from the one dollar fee on each new tire sold. Yet, fewer than five hundred thousand dollars was actually used to clean up sites of dumped tires. The legislature intends with this act to eliminate a fee that is no longer being used for its intended purpose.

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- 1 <u>NEW SECTION.</u> **Sec. 2.** The following acts or parts of acts are 2 each repealed:
- (1) RCW 70.95.510 (Fee on the retail sale of new replacement 3 vehicle tires) and 2009 c 261 s 2, 2005 c 354 s 2, 1989 c 431 s 92, & 4 1985 c 345 s 5; and 5
- 6 (2) RCW 70.95.515 (Fee on the retail sale of new replacement 7 vehicle tires—Failure to collect, pay to department—Penalties) and 2005 c 354 s 4. 8
- 9 NEW SECTION. Sec. 3. The following acts or parts of acts are each repealed, effective June 30, 2018: 10
- 11 (1) RCW 70.95.521 (Waste tire removal account) and 2009 c 261 s 3, 2007 c 518 s 708, & 2005 c 354 s 3; 12
- 13 (2) RCW 70.95.530 (Waste tire removal account—Use—Information required to be posted to department's web site) and 2014 c 76 s 6, 14 2009 c 261 s 5, 2005 c 354 s 5, 1988 c 250 s 1, & 1985 c 345 s 7; 15
- (3) RCW 70.95.532 (Waste tire removal account—Use of moneys— 16 Transfer of any balance in excess of one million dollars to the motor 17 18 vehicle account) and 2010 c 247 s 704 & 2009 c 261 s 4; and
- 19 (4) RCW 70.95.535 (Disposition of fee) and 1989 c 431 s 93.

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- 20 **Sec. 4.** RCW 70.95.555 and 2009 c 261 s 6 are each amended to 21 read as follows:
- 22 Any person engaged in the business of transporting or storing 23 waste tires shall be licensed by the department. To obtain a license, 24 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, $70.95.560((\frac{70.95.515}{10.95.515}))$ or 70.95.570, or rules adopted thereunder, after July 1, 2005;
- (3) ((After January 1, 2006, for waste tires transported or stored before July 1, 2005, or for waste tires transported or stored 34 35 after July 1, 2005,)) Post a bond in an amount to be determined by 36 the department sufficient to cover the liability for the cost of 37 cleanup of the transported or stored waste tires, in favor of the

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- state of Washington. In lieu of the bond, the applicant may submit financial assurances acceptable to the department;
- 3 (4) Be registered in the state of Washington as a business and be 4 in compliance with all state laws, rules, and local ordinances;

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- (5) Have a federal tax identification number and be in compliance with all applicable federal codes and regulations; and
- 7 (6) Report annually to the department the amount of tires 8 transported and their disposition. Failure to report shall result in 9 revocation of the license.
- 10 **Sec. 5.** RCW 82.08.036 and 1989 c 431 s 45 are each amended to 11 read as follows:
- 12 The tax levied by RCW 82.08.020 shall not apply to consideration($(\div (1))$) received as core deposits or credits in a 13 retail or wholesale sale((; or (2) received or collected upon the 14 15 sale of a new replacement vehicle tire as a fee imposed under RCW 16 70.95.510)). For purposes of this section, ((the term)) "core 17 deposits or credits" means the amount representing the value of returnable products such as batteries, starters, brakes, and other 18 19 products with returnable value added for the purpose of recycling or 20 remanufacturing.
- 21 **Sec. 6.** RCW 82.12.038 and 1989 c 431 s 46 are each amended to 22 read as follows:
 - The provisions of this chapter shall not $apply((\div (1)))$ to the value of core deposits or credits in a retail or wholesale $sale((\div or (2)))$ to the fees imposed under RCW 70.95.510 upon the sale of a new replacement vehicle tire)). For purposes of this section, ((the term)) "core deposits or credits" means the amount representing the value of returnable products such as batteries, starters, brakes, and other products with returnable value added for the purpose of recycling or remanufacturing.
- NEW SECTION. Sec. 7. Any moneys remaining in the waste tire removal account on June 30, 2018, must be transferred to the motor vehicle fund.
- NEW SECTION. Sec. 8. Except for section 3 of this act, this act is necessary for the immediate preservation of the public peace,

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- 1 health, or safety, or support of the state government and its
- 2 existing public institutions, and takes effect July 1, 2017.

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