

1 **WASTE TIRE RECYCLING AMENDMENTS**

2 2008 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Neal B. Hendrickson**

5 Senate Sponsor: Brent H. Goodfellow

6

7 **LONG TITLE**

8 **General Description:**

9 This bill reduces the partial reimbursement paid to waste tire recyclers and landfill
10 owners for certain waste tire disposal and recycling uses.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ reduces the partial reimbursement paid to waste tire recyclers for certain waste tire
14 recycling uses;
- 15 ▶ reduces the partial reimbursement paid to landfill owners for waste tire disposal;
- 16 ▶ directs that the interest on Waste Tire Recycling Fund monies be deposited into the
17 fund; and
- 18 ▶ makes technical corrections.

19 **Monies Appropriated in this Bill:**

20 None

21 **Other Special Clauses:**

22 None

23 **Utah Code Sections Affected:**

24 **AMENDS:**

25 **19-6-807**, as last amended by Laws of Utah 2005, Chapter 148

26 **19-6-809**, as last amended by Laws of Utah 2005, Chapter 132

27 **19-6-812**, as last amended by Laws of Utah 2005, Chapter 132



28

29 *Be it enacted by the Legislature of the state of Utah:*

30 Section 1. Section **19-6-807** is amended to read:

31 **19-6-807. Special revenue fund -- Creation -- Deposits.**

32 (1) There is created a restricted special revenue fund entitled the "Waste Tire Recycling
33 Fund."

34 (2) The fund shall consist of:

35 (a) the proceeds of the fee imposed under Section 19-6-805;

36 (b) ~~[penalties]~~ a penalty collected under this part; ~~[and]~~

37 (c) ~~[assets]~~ an asset transferred to and a loan ~~[repayments]~~ repayment deposited in the
38 fund pursuant to Section 19-6-824~~[-]; and~~

39 (d) interest on fund monies.

40 (3) Money in the fund shall be used for:

41 (a) partial reimbursement ~~[of]~~ for the costs of transporting, processing, recycling, or
42 disposing of a waste ~~[tires]~~ tire as provided in this part; and

43 (b) payment of administrative costs of a local health ~~[departments]~~ department as
44 provided in Section 19-6-817~~[-];~~

45 ~~[(c) payment of costs incurred by the Division of Finance in accounting for and~~
46 ~~tracking outstanding loans made under the Waste Tire Recycling Industrial Assistance Loan~~
47 ~~Program; and]~~

48 ~~[(d) payment of costs incurred by the Governor's Office of Economic Development in~~
49 ~~collecting outstanding loans made under the Waste Tire Recycling Industrial Assistance Loan~~
50 ~~Program.]~~

51 (4) The Legislature may appropriate money from the fund to pay for costs of the
52 Department of Environmental Quality in administering and enforcing this part.

53 Section 2. Section **19-6-809** is amended to read:

54 **19-6-809. Partial reimbursement.**

55 (1) (a) A recycler may submit an application under Section 19-6-813 to the local health
56 department having jurisdiction over the applicant's business address for partial reimbursement
57 ~~[of]~~ for the cost of transporting and processing a waste ~~[tires]~~ tire or ~~[materials]~~ a material
58 derived from a waste ~~[tires]~~ tire that:

- 59 (i) ~~[meet]~~ meets the requirements of Subsections (3) and (4); and
- 60 (ii) ~~[are]~~ is used within the state for:
- 61 (A) energy recovery or production;
- 62 (B) the creation of an ultimate ~~[products]~~ product;
- 63 (C) the production of crumb rubber, if a contract exists for the sale of the crumb rubber
- 64 for use, either within or outside the state, as a component in an ultimate product;
- 65 (D) the production of a chipped ~~[tires]~~ tire, if:
- 66 (I) the chipped ~~[tires are to be applied to a beneficial use]~~ tire is beneficially used,
- 67 either within or outside the state~~[-];~~ and
- 68 (II) a contract exists for ~~[their]~~ the sale of the chipped tire; or
- 69 (E) ~~[any]~~ a use defined ~~[by board rule]~~ in rule as recycling.
- 70 (b) A recycler is not eligible to receive partial reimbursement ~~[of]~~ for transportation or
- 71 processing costs related to the creation of an ultimate product if:
- 72 (i) the recycler used crumb rubber as a component of the ultimate product; and
- 73 (ii) the recycler, or another recycler, previously received under this section partial
- 74 reimbursement ~~[of]~~ for transportation or processing costs related to the production of the crumb
- 75 rubber.
- 76 (c) A recycler who qualifies under this section for partial reimbursement may waive the
- 77 reimbursement and request in writing that the reimbursement be paid to a person who:
- 78 (i) delivers a waste ~~[tires]~~ tire or material derived from a waste ~~[tires]~~ tire to the
- 79 recycler; or
- 80 (ii) processes the waste ~~[tires]~~ tire prior to the recycler's receipt of the waste ~~[tires]~~ tire
- 81 or ~~[materials]~~ a material derived from the waste ~~[tires]~~ tire for recycling.
- 82 (2) Subject to the limitations in Section 19-6-816, a recycler is entitled to:
- 83 (a) ~~[\$90]~~ \$65 as partial reimbursement for each ton of waste tires or material derived
- 84 from waste tires converted to crumb rubber, if a contract exists for the sale of the crumb rubber
- 85 for use as a component in an ultimate product;
- 86 (b) ~~[\$75]~~ \$50 as partial reimbursement for each ton of waste tires or material derived
- 87 from waste tires recycled, other than as crumb rubber; and
- 88 (c) ~~[\$45]~~ \$20 as partial reimbursement for each ton of chipped tires used for a
- 89 beneficial use.

90 (3) (a) ~~[In order for a]~~ A recycler ~~[to be]~~ is eligible for a partial reimbursement~~[-]~~ if the
 91 recycler ~~[shall establish]~~ establishes, in cooperation with a tire ~~[retailers or transporters]~~ retailer
 92 or transporter, or both, a reasonable schedule to remove waste tires in sufficient quantities to
 93 allow for economic transportation of waste tires located in ~~[any]~~ a municipality, as defined in
 94 Section 10-1-104, within the state ~~[as defined in Section 10-1-104]~~.

95 (b) A recycler ~~[complying with]~~ who is eligible for partial reimbursement under
 96 Subsection (3)(a) may also receive partial reimbursement for recycling ~~[tires]~~ a tire received
 97 from ~~[locations]~~ a location within the state other than those associated with a retail tire
 98 ~~[businesses]~~ business, including a waste ~~[tires]~~ tire from a waste tire ~~[piles and]~~ pile or an
 99 abandoned waste tire ~~[piles, under]~~ pile, as provided by Section 19-6-810.

100 (4) A recycler who applies for partial reimbursement under Subsection (1) shall
 101 demonstrate to the local health department identified in Subsection (1)(a) that:

102 (a) the waste ~~[tires or materials]~~ tire or material derived from a waste ~~[tires]~~ tire that
 103 ~~[qualify]~~ qualifies for the reimbursement was:

104 ~~[(a)-(i) were]~~ (i) (A) removed and transported by a registered waste tire transporter, a
 105 recycler, or a tire retailer; or

106 ~~[(ii) were]~~ (B) generated by a private person who:

107 (I) is not a waste tire transporter as defined in Section 19-6-803~~[-]~~; and ~~[that person]~~

108 (II) brings the waste ~~[tires]~~ tire to the recycler; and

109 ~~[(b) were]~~ (ii) generated in the state; and

110 ~~[(c)]~~ (b) if the ~~[tires are]~~ tire is from a waste tire pile or abandoned waste tire pile, the
 111 recycler ~~[complies]~~ complied with the ~~[applicable provisions]~~ requirements of Section
 112 19-6-810.

113 Section 3. Section **19-6-812** is amended to read:

114 **19-6-812. Landfilling shredded tires -- Reimbursement.**

115 (1) ~~[Waste tires received from any source may]~~ A waste tire may be disposed of in a
 116 landfill ~~[in Utah operated by a state or local governmental entity or in a commercial landfill in~~
 117 ~~Utah]~~ if:

118 (a) the land fill is operated in compliance with ~~[all relevant]~~ the requirements of Title
 119 19, Chapter 6, Part 1, Solid and Hazardous Waste Act~~[-if:]~~;

120 ~~[(a)]~~ (b) the waste ~~[tires are]~~ tire is shredded; and

121 ~~[(b)]~~ (c) the waste ~~[tires are]~~ tire is stored in a segregated cell or other landfill facility
122 that ensures that the disposed shredded waste ~~[tires are]~~ tire is in a clean and accessible
123 condition so ~~[they]~~ that the waste tire may be reasonably retrieved and recycled at a future time.

124 (2) ~~[(a)]~~ The owner or operator of ~~[the]~~ a landfill may apply ~~[for and receive]~~ to the
125 local health department having jurisdiction over the applicant's business address for
126 reimbursement of ~~[\$30]~~ \$20 per ton of waste tires placed in ~~[a]~~ the landfill if:

127 (a) the waste tires are disposed in compliance with Subsection (1)~~[-, but only if];~~

128 (b) the waste tires are generated from [tires used in] within the state~~[-, and not from~~
129 ~~used tires or waste tires brought in from out of state.]; and~~

130 ~~[(b) An application for payment under this subsection shall include complete records,~~
131 ~~including]~~

132 (c) the application includes:

133 (i) the site from which the waste tires are removed~~[-];~~

134 (ii) the landfill where the waste tires are disposed~~[-];~~ and

135 (iii) the amount of shredded tires disposed.

136 (3) ~~[The]~~ An application ~~[process for receiving payment]~~ for reimbursement under this
137 section is substantially the same as the application process ~~[for]~~ required of recyclers applying
138 for partial reimbursement under ~~[this part]~~ Section 19-6-813.

139 (4) ~~[Waste tires, in any form,]~~ A waste tire, for which reimbursement is paid under this
140 section, ~~[are not subject to any further or]~~ is not eligible for additional reimbursement under
141 this part ~~[at any time].~~

142 ~~[(5) Reimbursement under this section may only be made for waste tires that have been~~
143 ~~shredded and placed in a landfill in compliance with this section.]~~

H.B. 132 - Waste Tire Recycling Amendments

Fiscal Note

2008 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations for operation of the Waste Tire Program. Provisions of the bill direct that the interest earned on the Waste Tire Recycling Fund be deposited into that fund rather than into the General Fund. The estimated earnings for FY 2009 are \$5,000 and for FY 2010 are \$9,500.

	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2009</u> <u>Approp.</u>	<u>FY 2010</u> <u>Approp.</u>	<u>FY 2008</u> <u>Revenue</u>	<u>FY 2009</u> <u>Revenue</u>	<u>FY 2010</u> <u>Revenue</u>
General Fund	\$0	\$0	\$0	\$0	(\$4,500)	(\$9,500)
Trust Funds	\$0	\$0	\$0	\$0	\$4,500	\$9,500
Total	\$0	\$0	\$0	\$0	\$0	\$0

Individual, Business and/or Local Impact

Provisions of the bill will reduce the amount paid to waste tire recyclers by \$25 per ton. However, income paid out to the recyclers is estimated to increase by \$21,200 from FY 08 to FY 09. This increase will be realized because of increased tonnage that offsets the reduction in per ton reimbursements. No income is realized at this time by landfills and none is estimated with the decreased fees set by the bill for landfills.