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## **HOUSE BILL NO. 496**

Offered January 10, 2024 Prefiled January 8, 2024

A BILL to amend and reenact §§ 10.1-1422.1, 10.1-1422.3, and 58.1-641 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 10.1-1418.6, relating to waste tire disposal by producers and haulers; fee; requirements.

## Patron—Garrett

Referred to Committee on Agriculture, Chesapeake and Natural Resources

Be it enacted by the General Assembly of Virginia:

1. That §§ 10.1-1422.1, 10.1-1422.3, and 58.1-641 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 10.1-1418.6 as follows:

§ 10.1-1418.6. Disposal of waste tires by tire producers; requirements; report.

A. For the purposes of this section:

"Hauler" means a person licensed by the Department who picks up or transports waste tires from a tire producer for the purpose of removal to a permitted processing facility or recycling center.

"Processing facility" means a site used for the processing of waste tires, including stamping, stripping, shredding, or crumbling, that operates under a permit issued by the local, state, or federal government.

"Tire producer" means, with respect to new tires marketed to consumers in the Commonwealth separately from any new vehicle or equipment, a person in the business of manufacturing 50 or more tires in a year in the Commonwealth and who, in the course of such business, acquires waste tires.

"Waste tires" means tires of passenger vehicles and light trucks that have been discarded because they are no longer suitable for their original intended purpose because of wear, damage, or defect.

- B. A tire producer shall transfer all waste tires to a processing facility or a recycling center through a hauler. Such tire producer shall ensure that the waste tires for disposal are placed in a secure location that is not readily accessible to the public. No later than October 1, 2024, and October 1 annually thereafter, a tire producer shall register with the Department on a form provided by the Department.
- C. A hauler that transports waste tires pursuant to this section shall transfer such tires to either a processing facility or a recycling center. Beginning February 1, 2025, a hauler shall submit a quarterly report to the Department on a form provided by the Department. Such report shall include (i) the name, address, and identification number of the hauler; (ii) the number of waste tires that the hauler transported and where the hauler transported the waste tires; (iii) the name and location of the tire producer from whom the hauler collected the waste tires; and (iv) any other information the Department deems necessary.
- D. The Department shall adopt rules and regulations in accordance with the provisions of the Administrative Process Act (§ 2.2-4000 et seq.) for the implementation of this section. Such rules and regulations shall include (i) minimum standards for the operation, maintenance, monitoring, reporting, and suspension of each tire producer; (ii) procedures for reporting noncompliance by tire producers; and (iii) a procedure to provide reimbursements to haulers of \$1.00 per tire.

§ 10.1-1422.1. Disposal of waste tires.

The Department shall develop and implement a plan for the management and transportation of all waste tires in the Commonwealth. Such plan shall also include the requirements for the transportation and disposal of waste tires by tire producers pursuant to § 10.1-1418.6.

## § 10.1-1422.3. Waste Tire Trust Fund established; use of moneys; purpose of Fund.

- A. All moneys collected pursuant to § 58.1-642, minus the necessary expenses of the Department of Taxation for the administration of this tire recycling fee as certified by the Tax Commissioner, shall be paid into the treasury and credited to a special nonreverting fund known as the Waste Tire Trust Fund, which is hereby established. Any moneys remaining in the Fund shall not revert to the general fund but shall remain in the Fund. Interest earned on such moneys shall remain in the Fund and be credited to it. The Department of Waste Management is authorized and empowered to release moneys from the Fund, on warrants issued by the State Comptroller, for the purposes enumerated in this section, or any regulations adopted thereunder.
  - B. Moneys from the Fund shall be expended to:
  - 1. Pay the costs of implementing the waste tire plan authorized by § 10.1-1422.1, as well as the costs

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 of any programs created by the Department pursuant to such a plan;

- 2. Provide partial reimbursement to persons for the costs of using waste tires or chips or similar naterials: and
- 3. Pay the costs to remove waste tire piles from property pursuant to § 10.1-1418.4, to the extent funds are available from the increased revenues generated by the increased tire recycling fee collected beginning July 1, 2003, and ending July 1, 2006, in accordance with § 58.1-641; and
- 4. Pay the costs of implementing the requirements for the transportation and disposal of waste tires by haulers in accordance with § 10.1-1418.6.
- C. Reimbursements under § 10.1-1422.4 shall not be made until regulations establishing reimbursement procedures have become effective.

§ 58.1-641. Imposition of tire recycling fee.

A. Beginning July 1, 2008, but before July 1, 2011, there is hereby levied and imposed upon every retailer of tires in the Commonwealth, in addition to all other taxes and fees of every kind now imposed by law, a tire recycling fee of \$1.00 for each new tire sold by a retailer. Beginning July 1, 2011, but before July 1, 2024, the fee shall be levied and imposed at a rate of \$5.0 for each new tire sold by a retailer. Beginning July 1, 2024, the fee shall be levied and imposed at a rate of \$2.00 for each new tire sold by a retailer.