ARKANSAS SENATE

84th General Assembly - Regular Session, 2003

Amendment Form

Subtitle of Senate Bill No. 905

"TO REVISE ARKANSAS LAW REGARDING WASTE TIRES."

Amendment No. 2 to Senate Bill No. 905.

Amend Senate Bill No. 905 as engrossed, S3/13/03:

Delete all language after the enacting clause and substitute the following: "SECTION 1. Arkansas Code § 8-9-402 is amended to read as follows: 8-9-402. Definitions.

As used in this subchapter, unless the context otherwise requires: (1) "Automobile tire" means any <u>motor vehicle</u> tire with a rim the principle of "F" of the principle of the principle of "F" of the principle of th

size of less than nineteen and one-half inches (19.5") load rating of "E" or lower;

(2) "Compacted and baled tires" means tires that have been mechanically compressed and tied with interlocking wrappings which have been approved by the Arkansas Department of Environmental Quality;

(3) "Load rating" means the system of trade designations which identifies the weight carrying capacity range of a tire;

(3)(4) "Motor vehicle" means an automobile, motorcycle, truck, trailer, semitrailer, truck tractor and semitrailer combination, or any other vehicle operated <u>primarily</u> on the roads of this state, used to transport persons or property and propelled by power other than muscular power, but the term does not include traction engines, road rollers, such vehicles as run only upon a track, bicycles, mopeds, or farm tractors and trailers;

(5) "Specialty tire" means any tire not specifically covered by any other definition in this section including, but not limited to, traction engines, road rollers, vehicles that run only on a track, bicycles, and farm tractors and trailers;

(4)(6) "Tire" means a continuous solid or pneumatic rubber covering which is used for encircling the <u>a</u> wheel of <u>a motor vehicle</u>;

(5)(7) "Tire manufacturer" means a manufacturing operation engaged in the final assembly of the basic components of a tire;

(6)(8) "Truck or specialty tire" means any motor vehicle tire with a rim size of nineteen and one half inches (19.5") or larger greater than twenty inches (20") and a load rating of "E" or higher;

(7)(9) "Used tire" means a tire that is repairable or retreadable for its original intended purpose but shall not include a tire being held for ninety (90) days or less for the purpose of retreading or repairing the tire;



(8)(10) "Waste tire" means a tire that is no longer repairable or retreadable or no longer suitable for its original intended purpose because of wear, damage, or defect;

(9)(11) "Waste tire collection center" means a site where used or waste tires are collected from the public prior to being offered for recycling and where fewer than three thousand (3,000) loosely stored tires are kept on the site on any given day or up to a maximum of ten thousand (10,000) tires which have been compacted or baled;

(10)(12) "Waste tire processing facility" means a site where equipment is used to cut, chip, grind, or otherwise alter used or waste tires;

(11)(13) "Waste tire site" means a site at which one thousand (1,000) or more unpermitted used or waste tires are accumulated, whether loosely stored or compacted and baled or a combination thereof; and

(12)(14) "Waste tires originating from a tire manufacturer" means those new tires which originate from a tire assembly process and are determined by the tire manufacturer to be either defective or unfit for use on a motor vehicle.

SECTION 2. Arkansas Code § 8-9-404(a), regarding waste tire fees, is amended to read as follows:

(a) There shall be imposed a fee upon the sale of each new motor vehicle <u>new automobile tire and truck</u> tire sold at retail.

(1)(A) The fee shall be charged by the tire retailer to the person who purchases a motor vehicle <u>new automobile tire or truck</u> tire for use on a motor vehicle and not for resale.

(B) No fee shall be collected on any motor vehicle tire sold by a tire retailer for resale under subdivision (a)(7) of this section.

(2)(A) Such The fee shall be imposed at the rate of one dollar and seventy-five cents (\$1.75) two dollars (\$2.00) per automobile tire and or truck tire.

(B)(i) Solid waste management districts are authorized to enact an additional fee on truck tires provided that their costs of properly removing and disposing of truck tires exceeds one dollar and seventy-five cents (\$1.75) per truck tire. Solid waste management districts imposing an additional fee on truck tires may not impose a fee in excess of the costs of properly removing and disposing of such tires less one dollar and seventyfive cents (\$1.75) per tire. Fees imposed pursuant to subdivision (a)(2) of this section shall be reviewed and approved by the Arkansas Department of Environmental Quality.

(ii) Provided, however, in no instance shall the fee prescribed in subdivision (a)(2)(B) of this section exceed four dollars (\$4.00) per tire.

(B) An additional fee shall be imposed at the rate of three dollars (\$3.00) per truck tire.

(C) Solid waste management districts may charge a fee for the collection and disposal of specialty tires.

(C)(D) It shall be the responsibility of the tire retailer to accept, at no additional cost to the customer other than those in accordance with subdivision (a)(2)(B) of this section the fees imposed under this section, any or all used or waste tires for which a new replacement tire was purchased. (D)(E) For any used or waste tires collected through a tire retailer's business, the retailer shall ensure that said tires are transported by a licensed hauler to a permitted waste tire collection center, a solid waste management facility, a waste tire processing facility, or a registered used tire dealer.

(3) Except for the fees for the collection and disposal of <u>specialty tires</u>, Such the fees shall be added to the total cost to the purchaser at retail after all applicable sales taxes on the tires have been computed and shall be separately stated on the invoice or bill of sale.

(4)(A) Except for the fees for the collection and disposal of <u>specialty tires</u>, The the fees imposed shall be paid monthly to the Director of the Department of Finance and Administration.

(B) Provided, however, the tire retailer may retain five percent (5%) of the fee levied by subdivision subdivisions (a)(2)(A) and (a)(2)(B) of this section as an administrative cost.

(5)(A) The fees remitted in subdivision (a)(4)(A) shall be collected by the Director of the Department of Finance and Administration and shall be subject to the Arkansas Tax Procedure Act, § 26-18-101 et seq.

(B)(i) Each tire retailer and each new motor vehicle dealer shall file a return with the Director of the Department of Finance and Administration and with the applicable solid waste management district on or before the twentieth of each month showing the total fees collected for both passenger <u>automobile</u> and truck tires during the preceding calendar month and shall remit the fees with the return.

(ii) The Director of the Department of Finance and Administration shall prescribe the form and contents of the return. At a minimum, the form must indicate separately the number of <u>passenger</u> <u>automobile</u> tires and number of truck tires sold for which a fee was collected. In addition, the form must indicate which solid waste management district the tires were sold in.

(6) The fees imposed by this section do not apply to recapped tires or tires included as part of the equipment of a new motor vehicle.

(7) The terms "sold at retail" and "retail sales" do not include the sale of new tires to a person solely for the purpose of resale, provided the subsequent retail sale in this state is subject to the fee.

SECTION 3. Arkansas Code § 8-9-404(d), regarding waste tire fees, is amended to read as follows:

(d)(1) Except as provided in subdivision (d)(2) of this section, The the Waste Tire Grant Fund shall be administered by the Arkansas Department of Environmental Quality, which shall authorize grants from the Waste Tire Grant Fund according to the provisions of this subchapter. Provided, however, that all subdivision (a)(2)(B) fees levied by solid waste management districts shall be remitted monthly to the solid waste management districts within which the fees were collected.

(2) The fees collected under subdivision (a)(2)(B) of this section shall be remitted to the solid waste management district in which the truck tires were disposed.

SECTION 4. Arkansas Code § 8-9-405(c), regarding waste tire grants, is amended to add an additional subdivision to read as follows:

(4) Any formula for distribution of grant funds that takes into

account population data shall use data from the latest available federal decennial census."

The Amendment was read the first time, rules suspended and read the second time and ______By: Senator Hill JSE/RCK - 033120030828 _______Secretary Secretary