

1 State of Arkansas As Engrossed: S3/29/23 H4/5/23 H4/6/23

2 94th General Assembly

# A Bill

3 Regular Session, 2023

SENATE BILL 508

4

5 By: Senators J. Payton, Irvin

6 By: Representative Gonzales

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## For An Act To Be Entitled

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AN ACT TO AMEND THE USED TIRE RECYCLING AND

10

ACCOUNTABILITY ACT; TO AMEND THE USED TIRE PROGRAMS;

11

TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

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## Subtitle

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TO AMEND THE USED TIRE RECYCLING AND

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ACCOUNTABILITY ACT; TO AMEND THE USED

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TIRE PROGRAMS; AND TO DECLARE AN

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EMERGENCY.

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BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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*SECTION 1. Arkansas Code § 8-9-404(a)(6)(A), concerning the collection of rim removal fees under the Used Tire Recycling and Accountability Act, is amended to read as follows:*

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*(6)(A) The rim removal fees remitted under subdivision (a)(5)(A)*

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*of this section shall be collected by the secretary and shall be subject to*

28

*the Arkansas Tax Procedure Act, § 26-18-101 et seq. and the business closure*

29

*procedures under § 26-18-1001 et seq.*

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*SECTION 2. Arkansas Code § 8-9-404(c)(2), concerning the payment of*

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*import fees under the Used Tire Recycling and Accountability Act, is amended*

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*to read as follows:*

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*(2) The import fee imposed under this subsection shall be paid*

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*by the person who imports the used tire to the department in accordance with*

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*the Arkansas Tax Procedure Act, § 26-18-101 et seq., the business closure*



1 procedures under § 26-18-1001 et seq., and any rules promulgated by the  
2 department.

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4 SECTION 3. Arkansas Code § 8-9-404(d)(6)(A), concerning the collection  
5 of commercial generator fees under the Used Tire Recycling and Accountability  
6 Act, is amended to read as follows:

7 (6)(A) The commercial generator fees remitted in subdivision  
8 (d)(5)(A) of this section shall be collected by the secretary and shall be  
9 subject to the Arkansas Tax Procedure Act, § 26-18-101 et seq. and the  
10 business closure procedures under § 26-18-1001 et seq.

11  
12 SECTION 4. Arkansas Code § 8-9-405(e)(1), concerning quarterly  
13 disbursements from the Used Tire Recycling Fund, is amended to read as  
14 follows:

15 (e)(1) Quarterly disbursements from the fund shall be paid each  
16 quarter from all ~~available~~ moneys ~~collected and~~ available for disbursement in  
17 that quarter.

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19 SECTION 5. Arkansas Code § 8-9-408, concerning accountability  
20 requirements and business plans for used tire programs, is amended to add an  
21 additional subsection to read as follows:

22 (f) A business plan or revised business plan that results in a  
23 business plan rate increase is subject to review by Legislative Council.

24  
25 SECTION 6. Arkansas Code § 8-9-410 is amended to read as follows:

26 8-9-410. ~~Consolidation of used~~ Used tire programs.

27 ~~The General Assembly finds:~~

28 ~~(1) The smaller the population and geographical area that a used~~  
29 ~~tire program serves, the more unsustainable the used tire program is;~~

30 ~~(2) In contrast, it has been noted nationally and within the~~  
31 ~~state that used tire programs that serve a larger population and greater~~  
32 ~~geographical area collect and process a large number of tires, are~~  
33 ~~sustainable, and optimize the use of economies of scale;~~

34 ~~(3) Before January 1, 2017, there were eleven (11) waste tire~~  
35 ~~districts in the state; and~~

36 ~~(4) It is in the best interest of the state for the used tire~~

~~programs to combine to form inter-district used tire programs to operate in an efficient and financially sustainable manner~~ (a)(1) In order to address efficiency in tire processing, including without limitation transportation, there is created four (4) used tire programs in the state.

(2) The four (4) used tire programs created under subdivision (a)(1) of this section are composed as follows:

(A) Used Tire Program 1 consists of the following counties: Benton, Carroll, Boone, Marion, Baxter, Washington, Madison, Newton, Searcy, Crawford, Franklin, Johnson, Pope, Van Buren, Sebastian, Logan, Conway, Scott, Yell, and Perry;

(B) Used Tire Program 2 consists of the following counties: Fulton, Sharp, Randolph, Clay, IZard, Lawrence, Greene, Stone, Independence, Jackson, Craighead, Mississippi, Cleburne, Faulkner, White, Poinsett, Woodruff, Cross, Pulaski, and Crittenden;

(C) Used Tire Program 3 consists of the following counties: Polk, Montgomery, Sevier, Howard, Pike, Clark, Little River, Hempstead, Nevada, Miller, Lafayette, Saline, Dallas, Ouachita, Union, Garland, Hot Spring, and Columbia; and

(D) Used Tire Program 4 consists of the following counties: Grant, Jefferson, Arkansas, Phillips, Cleveland, Lincoln, Desha, Calhoun, Bradley, Drew, Ashley, Lonoke, Prairie, Monroe, St. Francis, Lee, and Chicot.

(b)(1) Each new used tire program is governed by a tire accountability board that is composed of eleven (11) members:

(A) Five (5) county judges, elected by the county judges of the used tire program;

(B) Two (2) county judges, appointed from the two (2) most populous counties in the used tire program according to the most recent federal census; and

(C) Four (4) mayors, elected by the mayors of all of the cities in the used tire program.

(2) Each member of the tire accountability board shall serve for a term of three (3) years.

(3) The members of the tire accountability board shall draw lots for staggered terms at the first organizational meeting.

(4) A vacancy on the tire accountability board shall be filled

1 through the process described in the bylaws of the tire accountability board.

2 (c)(1) A tire accountability board shall:

3 (A) Elect a chair and a vice-chair at an organizational  
4 meeting;

5 (B) Develop bylaws to govern the tire accountability  
6 board, including without limitation rules related to the replacement of  
7 members of the tire accountability board in the event of a vacancy; and

8 (C) Submit a business plan to the Division of  
9 Environmental Quality for approval on or before September 1, 2023.

10 (2) The division shall approve or seek additional information  
11 regarding the business plan submitted under subdivision (c)(1)(C) of this  
12 section within sixty (60) days.

13 (d) The tire accountability board in each of the used tire programs  
14 enter into an interlocal agreement to determine the highest level of  
15 efficiency regarding tire processing in the respective used tire program.

16 (e) Arkansas Legislative Audit shall audit the four (4) used tire  
17 program on the following schedule:

18 (1) Used Tire Program 1 and Used Tire Program 3 every odd-  
19 numbered year; and

20 (2) Used Tire Program 2 and Used Tire Program 4 every even-  
21 numbered year.

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23 SECTION 7. DO NOT CODIFY. TEMPORARY LANGUAGE.

24 (a) Upon the effective date of this act, reimbursements from the Used  
25 Tire Recycling Fund shall be made by the Division of Environmental Quality in  
26 accordance with a business plan previously approved by the division until a  
27 new business plan is approved by the division.

28 (b) A current tire district shall not enter into a new contract or  
29 extend an existing contract unless approved by the new used tire programs  
30 created under this act.

31 (c)(1) The County Judges Association of Arkansas and the Arkansas  
32 Municipal League shall assist the used tire programs by facilitating an  
33 election for the tire accountability board required under Section 6 of this  
34 act.

35 (2) The County Judges Association of Arkansas and the Arkansas  
36 Municipal League shall facilitate the first election process within thirty

1 (30) days of the effective date of this act.

2 (3)(A) The County Judges Association of Arkansas and the  
3 Arkansas Municipal League shall report the outcome of the tire accountability  
4 board member elections of each used tire programs to the Arkansas Pollution  
5 Control and Ecology Commission.

6 (B) The tire accountability board shall hold an  
7 organizational meeting within thirty (30) days of the notification to the  
8 commission required under subdivision (c)(3)(A) of this section.

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10 SECTION 8. Arkansas Code § 8-9-414, concerning the powers and duties  
11 of the Arkansas Pollution Control and Ecology Commission under the Used Tire  
12 Recycling and Accountability Act, is amended to add an additional subsection  
13 to read as follows:

14 (f) The commission shall waive the imposition of any permit fee  
15 imposed under this subchapter on any used tire program created by § 8-9-410.

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17 SECTION 9. Effective date.

18 Sections 1 through 3 of this act are effective on and after October 1,  
19 2023.

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21 SECTION 10. EMERGENCY CLAUSE. It is found and determined by the  
22 General Assembly of the State of Arkansas that the State of Arkansas is  
23 responsible for the appropriate disposal of waste tires and for protecting  
24 the public health and our shared environment; that discarded, uncollected,  
25 and unprocessed waste tires are breeding habitats for disease-carrying  
26 vectors and pose toxic-fume fire hazards; that it is more appropriate to  
27 process waste tires rather than continue to exhaust our landfills and  
28 monofills; that the tire processing capacity within the State of Arkansas is  
29 at capacity and is not sufficient to address our waste tire responsibility;  
30 that transportation of the waste tires to neighboring states is too costly to  
31 pursue; and that without increasing the capacity for processing tires within  
32 the State of Arkansas, a public health and safety emergency exists.  
33 Therefore, an emergency is declared to exist, and Sections 4 through 8 of  
34 this act being immediately necessary for the preservation of the public  
35 peace, health, and safety shall become effective on:

36 (1) The date of its approval by the Governor;

