Hall of the House of Representatives

91st General Assembly - Regular Session, 2017

Amendment Form

Subtitle of House Bill No. 1267

TO CREATE THE USED TIRE RECYCLING AND ACCOUNTABILITY PROGRAM.

Amendment No. 1 to House Bill No. 1267

Amend House Bill No. 1267 as originally introduced: Page 2, delete line 32 and substitute:

"approved by the Arkansas Department of Environmental Quality;

(2)(A) "Commercial generator" means a person who sells new tires or provides delivery of new tires as part of fleet services to any one (1) or more of the following:

(i) A municipality

(ii) A county;

(iii) A state agency;

(iv) A federal agency;

(v) A school district;

(vi) A political subdivision of the state; or

(vii) A person who in the ordinary course of business buys tires in bulk for use on commercial vehicles.

(B) "Commercial generator" does not include a tire retailer;"

AND

Page 2, line 33, delete "(2)" and substitute "(3)"

AND

Page 3, line 9, delete "(3)" and substitute "(4)"

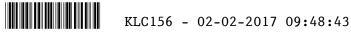
AND

Page 3, line 27, delete "(4)" and substitute "(5)"

AND

Page 3, line 31, delete "(5)" and substitute "(6)"

AND



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Page 3, line 34, delete "(6)" and substitute "(7)"
AND
Page 4, line 5, delete "(7)" and substitute "(8)"
AND
Page 4, line 7, delete "(8)" and substitute "(9)"
AND
Page 4, line 11, delete "(9)" and substitute "(10)"
AND
Page 4, line 14, delete "(10)" and substitute "(11)"
AND
Page 4, line 17, delete "(11)" and substitute "(12)"
AND
Page 4, line 27, delete "(12)" and substitute "(13)"
AND
Page 4, line 36, delete "(13)" and substitute "(14)"
AND
Page 5, line 6, delete "(14)" and substitute "(15)"
AND
Page 5, delete line 20 and substitute:
                  "(ix) A salvage yard.
                "Tire generator" does not include a commercial generator;"
AND
Page 5, line 21, delete "(15)" and substitute "(16)"
AND
Page 5, line 23, delete "(16)" and substitute "(17)"
AND
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Page 5, line 26, delete "(17)" and substitute "(18)"

AND

Page 5, line 34, delete "8-9-404;" and substitute "8-9-404 or a commercial generator;"

AND

Page 5, line 35, delete "(18)" and substitute "(19)"

AND

Page 6, line 3, delete "(19)" and substitute "(20)"

AND

Page 6, line 16, delete "(20)" and substitute "(21)"

AND

Page 6, line 19, delete "(21)" and substitute "(22)"

AND

Page 6, line 23, delete "(22)" and substitute "(23)"

AND

Page 6, line 25, delete "(23)" and substitute "(24)"

AND

Page 6, line 32, delete "(24)" and substitute "(25)"

AND

Page 7, line 5, delete "(25)" and substitute "(26)"

AND

Page 7, line 9, delete "(26)" and substitute "(27)"

AND

Page 13, line 24, delete "There" and substitute "Beginning on January 1, 2018, there"

AND

Page 14, delete line 22 and substitute:

"General Assembly.

(d)(1) Beginning on January 1, 2018, there shall be imposed a

- <u>commercial</u> generator fee upon the transaction of a commercial generator selling or delivering a new tire as part of fleet services.
- (2) The commercial generator fee shall be charged by the commercial generator to a person who in the ordinary course of business is an end user that removes used tires from the rim and replaces them with a new tire.
- (3) (A) The commercial generator fee shall be imposed at the rate of three dollars (\$3.00) for each new tire that is sold or delivered to an end user that removes used tires from the rim and replaces them with a new tire.
- (B) Except for the commercial generator fees imposed under this section, the commercial generator shall not charge any other fee to the end user.
- (C)(i) For any used tires collected by a commercial generator, the first transportation of the used tire from the end user to the commercial generator's facility does not require a licensed tire transporter.
- (ii) Any subsequent transportation of the used tire by the commercial generator for recycling or disposal requires a licensed tire transporter and shall be accounted for using the electronic uniform used tire manifest system.
- (D) Each commercial generator who was not registered with the Department of Finance and Administration on the effective date of this act shall be registered with the Department of Finance and Administration on or before December 1, 2017, and shall comply with all requirements related to collecting and reporting commercial generator fees.
- (4) The commercial generator fees imposed under this section shall be added to the total cost charged by the commercial generator to the end user after all applicable gross receipts or compensating use taxes on the tires have been computed and shall be separately stated on the invoice or bill of sale.
- (B) However, the commercial generator may retain five percent (5%) of the commercial generator fee imposed under subdivision (d)(3)(A) of this section for administrative costs.
- (6)(A) The commercial generator fees remitted in subdivision (d)(5)(A) of this section shall be collected by the director and shall be subject to the Arkansas Tax Procedure Act, § 26-18-101 et seq.
- (B)(i)(a) Each commercial generator shall file a return with the Director of the Department of Finance and Administration on or before the twentieth of each month.
- generator fees collected for each tire sold or delivered to the end user during the preceding calendar month.
- (c) The commercial generator shall remit the commercial generator fees with the return.
- (ii) The Director of the Department of Finance and Administration shall prescribe the form and contents of the return.
- (7) The Department of Finance and Administration shall deposit the proceeds from commercial generator fees collected under subsection (d) of this section into the State Treasury as special revenues to the credit of the

following funds in the following percentages:

(A) Ninety-three percent (93%) to be deposited into the Used Tire Recycling Fund; and

(B) Seven percent (7%) to be deposited into the Arkansas Department of Environmental Quality Fee Trust Fund.

(8) As used in this section, "proceeds from commercial generator fees" means all moneys collected and received by the Department of Finance and Administration under this section for commercial generator fees imposed under subsection (d) of this section and interest and penalties on delinquent commercial generator fees."

AND

Page 18, delete line 5 and substitute:

"full for that quarter; and"

AND

Page 18, delete lines 9 through 19

AND

Page 19, delete lines 6 through 25 and substitute:

"(1) Level One Funding for reimbursement for disposing of used tires at the approved business plan rate;"

AND

Page 19, line 26, delete "(5) Level Five" and substitute "(2) Level Two"

AND

Page 19, line 29, delete "(6) Level Six" and substitute "(3) Level Three"

AND

Page 20, line 10, delete "may" and substitute "shall"

AND

Page 20, line 19, delete "Beginning" and substitute "(a) Beginning"

AND

Page 20, delete line 26, and substitute the following:
"(C) Tire collection centers;"

AND

Page 20, line 24, delete "(1)" and substitute "(A)"

AND

Page 20, line 25, delete "(2)" and substitute "(B)"

AND

Page 20, line 27, delete "(4)" and substitute "(D)"

AND

Page 20, line 28, delete "(A)" and substitute "(i)"

AND

Page 20, delete line 30, and substitute the following:

"(ii) Imports a tire under § 8-9-404(c); and (E) Commercial generators;

(b) If any of the persons or entities listed in subsection (a) of this section cannot use the electronic uniform used tire manifest system, the person or entity may submit to the used tire program an equivalent paper version which shall be entered into the electronic uniform used tire manifest system."

AND

Page 21, line 1, delete " $\underline{2018}$ " and substitute " $\underline{2018}$ and approved by their board."

AND

Page 24, delete line 22 and substitute "registered tire retailers and for any tires in excess of the maximum under § 8-9-414(b)(7)."

AND

Page 25, line 7, delete "and" and substitute "commercial generators, and"

AND

Page 25, line 34, delete "and" entirely

AND

Page 26, delete line 1, and substitute:

"the used tire programs; and

(3) Clarify and add definitions for sizes of tires using technical information and specifications."

AND

Page 26, line 18, delete "generators," and substitute "generators, commercial

KLC/JNS - 02-02-2017 09:48:43 KLC156 Chief Clerk
The Amendment was read
AND Page 29, delete line 4, and substitute " $(c)(3)(A)(ii)$, and $(d)(7)(B)$ "
Page 29, line 3, delete "8-9-404(b)(1)(B) and" and substitute "8-9-404(b)(1)(B),"
AND
Page 28, line 33, delete "8-9-404(a)(5)(B);" and substitute "8-9-404(a)(5)(B) and commercial generators under § 8-9-404(d)(5)(B);"
AND
generators,"