



GL #27

STATE OF ARKANSAS
SARAH HUCKABEE SANDERS
GOVERNOR

March 10, 2026

Senator Jonathan Dismang, Co-Chair
Representative Lane Jean, Co-Chair
Joint Budget Committee
Arkansas General Assembly
State Capitol Building
Little Rock, AR 72201

Dear Co-Chairs:

I respectfully request the following amendments to the 2026-2027 Operations Appropriation Bill for the Department of Energy and Environment - Division of Environmental Quality.

Immediately following Section 40, please insert the following new sections and renumber accordingly:

SECTION XX. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code § 8-9-404(a)(3)(B), concerning definitions and commercial generator fees, is amended to read as follows:

(a)(3)(B) Except for the rim removal fees fee imposed under this section, a tire retailer shall not charge any other fee to a person who purchases the service of removal of a tire from a rim and replaces it with a used tire.

SECTION XX. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code § 8-9-404(d)(3), concerning definitions and commercial generator fees, is amended to read as follows:

(d)(3)(A) The commercial generator fee shall be imposed at the rate of three dollars

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(\$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)~~ (B)

(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)~~ (C) Each commercial generator shall register with the department and comply with all requirements related to collecting and reporting commercial generator fees.

SECTION XX. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code §8-9-404(e), Rim removal fees - Import fees - Commercial generator fees - Definitions, is repealed:

~~(e)(1) It is the purpose and intent of this section that only one (1) of the following fees imposed under this section be charged for the transaction of removing a tire from a rim that is related to the sale of a replacement tire:~~

~~(A) The rim removal fee; or~~

~~(B) The commercial generator fee.~~

~~(2) If a person establishes that he or she has paid one (1) of the fees for a tire, the tire retailer or tire generator shall not charge an additional fee for that tire.~~

SECTION XX. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code § 8-9-405(a)(1), Used tire program reimbursements, is amended to read as follows:

(a) The Division of Environmental Quality shall establish the Used Tire Recycling and Accountability Program to:

(1) Reimburse used tire programs for used tire transportation, recycling, and disposal costs at a rate not to exceed \$2.31 per tire;

SECTION XX. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code § 8-9-405(b)(9) and (10), concerning used tire program reimbursements, is amended to read as follows:

(9)

~~(A) Establish tire collection centers within each county served by the used tire program that accepts tires from tire retailers at no charge if the tire retailer establishes that it:~~

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~~(i) Collects the rim removal fee imposed under § 8-9-404(a);~~
and

~~(ii) Complies with the electronic uniform used tire manifest system under § 8-9-407.~~

~~(B) The tire collection centers under this subdivision (b)(9) may be at any one (1) or more of the following:~~

~~(i) (A) A solid waste disposal facility;~~

~~(ii) (B) A tire processing facility; or~~

~~(iii) (C) A tire retailer; and~~

~~(10) Establish at least one (1) tire collection centers within each county served by the used tire program that adequately serves the program area.~~

The above requests will allow the Department to stabilize funding for the Used Tire Recycling and Accountability Program by capping the reimbursement rates for all used tire districts to the actual amount available for reimbursement (\$2.31 per tire according to Legislative Audit's 2022 Waste Tire report) and by removing the restriction on participating retailers of charging additional fees to cover costs to transport and recycle or dispose of used tires. The current reimbursement rates of \$2.80 to \$2.92 per tire are unsustainable and create a persistent deficit which must be covered by the Used Tire Recycling Fund.

Thank you for your consideration.

Sincerely,



Sarah Huckabee Sanders
Governor of Arkansas

Hall of the House of Representatives

95th General Assembly - Fiscal Session, 2026

Amendment Form

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Subtitle of House Bill 1066

AN ACT FOR THE DEPARTMENT OF ENERGY AND ENVIRONMENT - DIVISION OF ENVIRONMENTAL QUALITY APPROPRIATION FOR THE 2026-2027 FISCAL YEAR.

Amendment No. ___ to House Bill 1066

Amend House Bill 1066 as originally introduced:

Page 21, immediately following SECTION 40, insert the following SECTIONS to read as follows:

"SECTION 41. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code § 8-9-404(a)(3)(B), concerning limitations on fees charged by tire retailers under the Used Tire Recycling and Accountability Act, is amended to read as follows:

(B) Except for the rim removal ~~fees~~ fee imposed under this section, a tire retailer shall not charge any other fee to a person who purchases the service of removal of a tire from a rim and replaces the removed tire with a used tire.

SECTION 42. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code § 8-9-404(d)(3)(B), concerning limitations on fees charged by commercial generators under the Used Tire Recycling and Accountability Act, is repealed.

~~(B) Except for the commercial generator fees imposed under this section, the commercial generator shall not charge any other fee to the end user.~~

SECTION 43. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code § 8-9-404(e), concerning limitations on the imposition of certain fees related to

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tire removal under the Used Tire Recycling and Accountability Act, is repealed.

~~(e)(1) It is the purpose and intent of this section that only one (1) of the following fees imposed under this section be charged for the transaction of removing a tire from a rim that is related to the sale of a replacement tire:~~

~~(A) The rim removal fee; or~~

~~(B) The commercial generator fee.~~

~~(2) If a person establishes that he or she has paid one (1) of the fees for a tire, the tire retailer or tire generator shall not charge an additional fee for that tire.~~

SECTION 44. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code § 8-9-405(a)(1), concerning reimbursement to used tire programs under the Used Tire Recycling and Accountability Act, is amended to read as follows:

(1) Reimburse used tire programs for used tire transportation, recycling, and disposal costs at a rate not to exceed two dollars and thirty-one cents (\$2.31) per used tire;

SECTION 45. SPECIAL LANGUAGE - CODE AMENDMENT. Arkansas Code § 8-9-405(b)(9) and (10), concerning the requirement to establish tire collection centers for reimbursement eligibility of used tire programs under the Used Tire Recycling and Accountability Act, are amended to read as follows:

(9)(A) Establish tire collection centers that adequately serve the used tire program area within each county served by the used tire program that accepts tires from tire retailers at no charge if the tire retailer establishes that it:

~~(i) Collects the rim removal fee imposed under § 8-9-404(a); and~~

~~(ii) Complies with the electronic uniform used tire manifest system under § 8-9-407.~~

(B) The tire collection centers under this subdivision (b)(9) may be at any one (1) or more of the following:

(i) A solid waste disposal facility;

(ii) A tire processing facility; or

(iii) A tire retailer;~~and~~

~~(10) Establish at least one (1) tire collection center within each county served by the used tire program."~~

AND

Appropriately renumber the subsequent SECTION numbers of the bill.

The Amendment was read _____
By: Joint Budget Committee
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Chief Clerk