

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

H

2

HOUSE BILL 242*
Committee Substitute Favorable 3/26/97

Short Title: Scrap Tire Disposal Tax Amend.

(Public)

Sponsors:

Referred to:

February 17, 1997

A BILL TO BE ENTITLED

AN ACT TO EXTEND THE SCRAP TIRE DISPOSAL TAX AT ITS CURRENT RATE, TO AMEND THE SCRAP TIRE DISPOSAL ACT TO DISCOURAGE THE DISPOSAL OF SCRAP TIRES FROM OUTSIDE THE STATE, AND TO COMPLETE THE CLEANUP OF NUISANCE TIRE COLLECTION SITES, AS RECOMMENDED BY THE ENVIRONMENTAL REVIEW COMMISSION.

The General Assembly of North Carolina enacts:

Section 1. Section 9 of Chapter 548 of the 1993 Session Laws reads as rewritten:

"Sec. 9. Section 4 of this act becomes effective January 1, 1994. Section 8 of this act becomes effective June 30, 1997. All other sections of this act become effective October 1, 1993. ~~Sections 1 through 6 of this act expire June 30, 1997. Section 7 of this act expires June 30, 1995. Any funds remaining in the Scrap Tire Disposal Account created by this act on June 30, 1997, shall be transferred to the Solid Waste Management Trust Fund. The expiration of the additional tax imposed by Section 1 of this act does not affect the rights or liabilities of the State, a taxpayer, or another person that arise during the time the additional tax is in effect. The first quarterly report required by G.S. 130A-309.63(e), as enacted by this act, is due within 60 days after the quarter that ends on December 31, 1993.~~"

Section 2. G.S. 130A-309.63 reads as rewritten:

1 **"§ 130A-309.63. Scrap Tire Disposal Account.**

2 (a) Creation. – The Scrap Tire Disposal Account is established as a nonreverting
3 account within the Department. The Account consists of revenue credited to the Account
4 from the proceeds of the scrap tire disposal tax imposed by Article 5B of Chapter 105 of
5 the General Statutes.

6 (b) Use. – The Department may use revenue in the Account only as authorized by
7 this section. The Department may use up to ~~twenty-five percent (25%)~~ fifty percent (50%)
8 of the revenue in the Account to make grants to units of local government to assist them
9 in disposing of scrap tires. To administer the grants, the Department shall establish
10 procedures for applying for a grant and the criteria for selecting among grant applicants.
11 The criteria shall include the financial ability of a unit of local government to provide for
12 scrap tire disposal, the severity of a unit of local government's scrap tire disposal
13 problem, the effort made by a unit of local government to ensure that only tires generated
14 in the normal course of business in this State are provided free disposal, and the effort
15 made by a unit of local government to provide for scrap tire disposal within the resources
16 available to it. The Department may use up to forty percent (40%) of the revenue in the
17 Account to make grants to encourage the use of processed scrap tire materials. These
18 grants may be made to encourage the use of tire-derived fuel, crumb rubber, carbon
19 black, or other components of tires for use in products such as fuel, tires, mats, auto parts,
20 gaskets, flooring material, and other applications of processed tire materials. These
21 grants shall be made in consultation with the Department of Commerce, the Division of
22 Environmental Assistance and Pollution Prevention of the Department, and, where
23 appropriate, the Department of Transportation. Grants to encourage the use of processed
24 scrap tire materials shall not be used to process tires.

25 (c) Eligibility. – A unit of local government is not eligible for a grant unless its
26 costs for disposing of scrap tires for the six-month period preceding the date the unit of
27 local government files an application for a grant exceeded the amount the unit of local
28 government received during that period from the proceeds of the scrap tire tax under G.S.
29 105-187.19. A grant to a unit of local government may not exceed the unit of local
30 government's unreimbursed cost for the six-month period.

31 (d) Cleanup of Nuisance Tire Sites. – The Department may use the remaining
32 revenue in the Account only to clean up scrap tire collection sites that the Department has
33 determined are a nuisance. The Department may use funds in the Account to clean up a
34 nuisance tire collection site only if no other funds are available for that purpose. The
35 Department may use funds in the Account to establish and support a position to provide
36 regulatory assistance to local governments to develop programs to prevent scrap tires
37 from outside the State from being presented for free disposal and to complete the cleanup
38 of nuisance tire collection sites.

39 (e) Reports. – The Department shall report annually on the Scrap Tire Disposal
40 Account to the Environmental Review Commission. The report shall be submitted by 1
41 October of each year for the fiscal year ending the preceding 30 June. The report shall
42 show the beginning and ending balances in the Account for the reporting period, the

1 amount credited to the Account during the reporting period, and the amount of revenue
2 used for grants and to clean up nuisance tire collection sites."

3 Section 3. Section 8 of Chapter 548 of the 1993 Session Laws, which under
4 Section 9 of Chapter 548 of the 1993 Session Laws would become effective 30 June
5 1997, is repealed.

6 Section 4. This act is effective when it becomes law.