

REFERENCE TITLE: waste tires; funding formula

State of Arizona
House of Representatives
Forty-fifth Legislature
First Regular Session
2001

HB 2558

Introduced by
Representative Binder

AN ACT

AMENDING SECTIONS 44-1302 AND 44-1305, ARIZONA REVISED STATUTES; RELATING TO
WASTE TIRE DISPOSAL.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 44-1302, Arizona Revised Statutes, is amended to
3 read:

4 44-1302. Sale of new tires; fees; acceptance of waste tires;
5 notice; definition

6 A. A retail seller of new motor vehicle tires shall collect a fee of
7 two per cent of the purchase price for each tire sold but not more than two
8 dollars **FIFTY CENTS** for each tire sold, which shall be listed separately on
9 any invoice.

10 B. If in a sale of a motor vehicle by a manufacturer to a wholesaler
11 or retailer the cost of the tires as a separate component of the motor
12 vehicle is not specified by the manufacturer, the fee per tire to be
13 collected shall not exceed one-half of the maximum fee permitted under this
14 section for a motor vehicle with a gross vehicle weight under ten thousand
15 pounds.

16 C. A wholesale seller of new motor vehicle tires who sells tires to
17 this state or a political subdivision of this state or who sells tires to a
18 private entity which does not resell the tires shall collect a fee of two per
19 cent of the purchase price for each tire sold but not more than two dollars
20 **FIFTY CENTS** for each tire sold, which shall be listed separately on any
21 invoice.

22 D. The fee shall be paid to the department of revenue for deposit on a
23 quarterly basis in the waste tire fund established pursuant to section
24 44-1305. Unless the context otherwise requires, title 42, chapter 5, article
25 1 governs the administration of the fees imposed by this section, except
26 that:

27 1. A separate license is not required for the fee imposed by this
28 section. The fee shall be reported and paid on forms prescribed by the
29 department.

30 2. A separate bond is not required of employees of the department in
31 administering the fee.

32 3. The fee imposed by this section may be included without segregation
33 in any notice and lien filed for unpaid transaction privilege taxes.

34 4. The fee imposed by this section shall not be included in computing
35 the tax base, gross proceeds of sales or gross income from the sale of new
36 motor vehicle tires for the purposes of title 42, chapter 5 and is not
37 subject to any transaction privilege, sales, use or other similar tax levied
38 by a city, town, ~~or~~ or special taxing district.

39 E. A retail seller of new motor vehicle tires or a wholesale seller of
40 new motor vehicle tires shall accept waste tires from customers at the point
41 of transfer. A seller shall accept up to the number of new tires sold at
42 that point of transfer annually and may accept additional tires from
43 customers. The seller shall accept tires from a customer if the customer
44 presents a receipt within thirty days of the date of purchase. This
45 subsection does not apply to sellers of new motor vehicles.

1 F. A designated waste tire collection site established pursuant to
2 section 44-1304, subsection G, shall require a manifest for the disposal of
3 waste tires at the site and shall establish registration procedures for the
4 collection site.

5 G. A seller of motor vehicle tires or the seller's designee complying
6 with this section shall provide a manifest to the designated collection site
7 established pursuant to section 44-1304, subsection G, to dispose of waste
8 tires and shall be preregistered at the designated collection site.

9 H. A county or private enterprise under contract with a county may
10 refuse to accept waste tires and may impose a tire tipping fee, not exceeding
11 an amount necessary to recover the costs of administering a waste tire
12 program established pursuant to section 44-1305, if any of the following
13 conditions exists:

14 1. The private enterprise is not receiving waste tire fund monies from
15 the county pursuant to section 44-1305.

16 2. Waste tires are manifested as originating outside of the county.

17 3. A seller of motor vehicle tires complying with subsection E of this
18 section, ~~is~~ is not preregistered at a collection site where registration is
19 required.

20 4. The county's pro rata share of the total waste tire fund is two per
21 cent or less, and after a year of receiving monies from the waste tire fund,
22 the county determines that the cost of waste tire disposal exceeds the amount
23 received.

24 I. A designated waste tire collection site established pursuant to
25 section 44-1304, subsection G, shall not refuse to accept waste tires from a
26 resident of the county who is not a seller of motor vehicle tires and shall
27 not impose a tire tipping fee for up to five waste tires per year from a
28 resident of the county who is not a seller of motor vehicle tires. Such
29 waste tire collection sites may impose a tire tipping fee on waste tires in
30 excess of five tires per year from a resident of the county who is not a
31 seller of motor vehicle tires.

32 J. A seller of motor vehicle tires who is subject to subsection E of
33 this section shall post a written notice which is clearly visible in the
34 public sales area of the establishment and which contains the following
35 language:

36 "It is unlawful to throw away a motor vehicle tire.

37 Recycle all used tires.

38 This retailer is required to accept scrap tires if any new
39 or recapped tires are purchased here. When any new tire is
40 purchased, an additional fee will be charged."

41 K. An advertisement or other printed promotional material related to
42 the retail sale of tires shall contain the following notice in bold print:

43 "State or local taxes or surcharges for environmental
44 protection will be an extra charge."

1 L. A credit of ten cents per tire is allowed against the fee imposed
2 by this article for expenses incurred by the payer of the fee for accounting
3 for and reporting the fees.

4 M. This section does not apply to a person whose retail sales of new
5 motor vehicle tires are not in the ordinary course of business.

6 N. For purposes of this section, "retail seller of new motor vehicle
7 tires" and "wholesale seller of new motor vehicle tires" includes those
8 persons who sell or lease new motor vehicles to others in the ordinary course
9 of business.

10 Sec. 2. Section 44-1305, Arizona Revised Statutes, is amended to read:

11 44-1305. Waste tire fund and program

12 A. A waste tire fund is established to be administered by the
13 department of revenue consisting of monies collected from the fees applied to
14 tires pursuant to this article. Monies in the fund are exempt from lapsing
15 under section 35-190.

16 B. At the end of each calendar quarter the department of revenue shall
17 certify to the department of administration and to the department of
18 environmental quality the amounts to be paid from the fund as follows:

19 1. An amount not to exceed three and one-half per cent of the monies
20 in the fund shall be transferred to the department of environmental quality
21 for deposit in the solid waste fee fund established by section 49-881 for
22 monitoring and enforcing this article.

23 2. An amount not to exceed five per cent or two hundred fifty thousand
24 dollars, whichever is less, may be used by the director of the department of
25 environmental quality for tire fire cleanup expenses if no other funds are
26 available.

27 3. The remainder of the monies shall be distributed among the counties
28 in this state in proportion to the ~~number~~ TONNAGE of ~~motor vehicles~~
29 ~~registered in the county as of the preceding July 1~~ IN-STATE WASTE TIRES THAT
30 IS COLLECTED BY EACH COUNTY AT WASTE TIRE COLLECTION SITES AND REPORTED TO
31 THE DEPARTMENT OF ENVIRONMENTAL QUALITY FOR THE PRECEDING FISCAL YEAR. Such
32 monies shall be used by the counties for the purposes prescribed by
33 subsection C of this section.

34 C. Each county shall establish a waste tire program and shall submit
35 by September 1 of each year a waste tire management plan to the department of
36 environmental quality for review and approval. A waste tire program may
37 include contracts with private enterprise to do any of the following, either
38 individually or collectively:

39 1. Develop a plan to manage waste tires in the county.

40 2. Construct or operate or contract for the construction or operation
41 of a waste tire processing facility and purchase equipment for that facility.

42 3. Contract for a waste tire processing facility service.

43 4. Remove or contract for the removal of waste tires from the county
44 or other region.

- 1 5. Establish waste tire collection centers at solid waste disposal
2 facilities or waste tire processing facilities.
- 3 6. Develop an accounting system for the waste tires managed with
4 monies from the waste tire fund **THAT INCLUDES MEASUREMENT OF QUANTITIES OF**
5 **TIRES BY TONNAGE AND THAT DISTINGUISHES BETWEEN IN-STATE AND OUT OF STATE**
6 **SOURCES OF TIRES.**
- 7 D. A county with a population of less than four hundred thousand
8 persons as determined by the most recent United States decennial census may
9 join with any other county and pool their financial resources to establish a
10 program pursuant to this section to address the waste tire problem.
- 11 E. The department of revenue shall provide an annual report to the
12 legislature and to the department of environmental quality on the collection
13 and distribution of monies in the waste tire fund.