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**Transportation Committee**

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**HB 3054**

**Brief Description:** Restoring the vehicle tire fee.

**Sponsors:** Representatives Simpson, G., Skinner, Hankins, Wood, Rockefeller, Clibborn, Hatfield, Clements, Armstrong and Delvin.

**Brief Summary of Bill**

- Reinstates the one dollar per tire fee on the retail sale of new replacement tires and expands the fee to used tires.
- Creates the Vehicle Tire Recycling Account to provide funding to the Department of Ecology for state and local waste tire management programs.

**Hearing Date:** 2/5/04

**Staff:** Page Scott (786-7301).

**Background:**

A \$1 fee was assessed on the retail sale of each new vehicle replacement tire sold from October 1989, until September 1994. The fee was collected by the tire seller, who was entitled to retain 10 percent of all fees collected. Revenue generated by the fee was authorized to be used to fund state and local efforts to remove discarded tires from unauthorized dump sites, to fund local enforcement, to fund local pilot projects for on-site tire shredding, to implement a public education program, to produce marketing studies on tire recycling, and to fund a tire study. In 2002, the Legislature enacted a requirement that the Department of Ecology (DOE) track and report the annual and cumulative increases and decreases in the state's tire recycling rates.

Individuals who engage in the business of transporting or storing waste tires are required to be licensed by the DOE. A violation of this licensing requirement is punishable as a gross misdemeanor.

**Summary of Bill:**

The \$1 per tire fee on the retail sale of new replacement tires is reinstated and expanded to include used tires. The fee must be collected by the tire seller, who must remit 100 percent of the fee to the Department of Revenue (DOR). Tire retailers are authorized to collect a separate service fee to be used for their own management of waste tires.

Of the \$1 fee collected, 30 cents must be deposited in the Motor Vehicle Account and used by the Department of Transportation for road maintenance. Of the \$1 collected, 3 cents must be deposited into the State Patrol Highway Account and used by the Washington State Patrol for inspection and enforcement activities relating to junk vehicles, hulk haulers, scrap processors, vehicle wreckers, and junkyards. The DOR shall deduct 2 percent (2 cents) for administration and collection costs. The remaining 65 cents must be deposited into the Vehicle Tire Recycling Account (VTRA) created by this act.

Revenue in the VTRA must be used by the DOE for purposes including, but not limited to: assisting state and local governments with removing tires from illegal tire piles, implementing a public education program, conducting product marketing studies for recycled tires and alternatives to land disposal, conducting scrap tire demonstration projects, funding local citizen scrap tire amnesty events, or funding statewide tire carrier tracking, reporting, and enforcement.

At least 23 percent of the VTRA funds must be awarded in the form of competitive grants to county governments for removal of illegal waste tire piles. The DOE shall identify communities with the most severe waste tire problems and prioritize tire pile sites with more than 1,000 waste tires.

County governments that receive enforcement funding from the VTRA must submit annual reports to the DOE detailing the uses of the funds and what enforcement activities were supported.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.