

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 153*

Finance Committee Substitute Adopted 4/7/97

House Committee Substitute Favorable 5/20/97

Short Title: Scrap Tire Tax Changes.

(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 FOR FIVE MORE YEARS, 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 ~~Section 1 through 6~~ of this act ~~expire June 30, 1997. expires June 30, 2002.~~ 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

1 G.S. 130A-309.63(e), as enacted by this act, is due within 60 days after the quarter that
2 ends on December 31, 1993."

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

4 **"§ 130A-309.63. Scrap Tire Disposal Account.**

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

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

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

35 (d) Cleanup of Nuisance Tire Sites. – The Department may use the remaining
36 revenue in the Account only to clean up scrap tire collection sites that the Department has
37 determined are a nuisance. The Department may use funds in the Account to clean up a
38 nuisance tire collection site only if no other funds are available for that purpose.

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 is repealed.

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