

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

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HOUSE BILL 533  
Committee Substitute Favorable 6/22/22

Short Title: County Waste Management Assistance.

(Public)

Sponsors:

Referred to:

April 13, 2021

A BILL TO BE ENTITLED

AN ACT TO RESTORE ASSISTANCE TO COUNTIES WITH THE CLEANUP OF SCRAP TIRES.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** G.S. 105-187.19(b) reads as rewritten:

"(b) Each quarter, the Secretary shall credit ~~thirty percent (30%)~~ seventeen percent (17%) of the net tax proceeds to the Scrap Tire Disposal Account and thirteen percent (13%) of the net tax proceeds to the General Fund. The Secretary shall distribute the remaining seventy percent (70%) of the net tax proceeds among the counties on a per capita basis according to the most recent annual population estimates certified to the Secretary by the State Budget Officer."

**SECTION 1.(b)** G.S. 130A-309.63 as it existed immediately prior to repeal is reenacted and reads as rewritten:

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

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

(b) Use. – The Department may use revenue in the Account only as authorized by this section.

(1) The Department may use up to fifty percent (50%) of the revenue in the Account to make grants to units of local government to assist them in disposing of scrap tires. To administer the grants, the Department shall establish procedures for applying for a grant and the criteria for selecting among grant applicants. The criteria shall include the financial ability of a unit of local government to provide for scrap tire disposal, the severity of a unit of local government's scrap tire disposal problem, the effort made by a unit of local government to ensure that only tires generated in the normal course of business in this State are provided free disposal, and the effort made by a unit of local government to provide for scrap tire disposal within the resources available to it.

(2) The Department may use up to forty percent (40%) of the revenue in the Account to make grants to encourage the use of processed scrap tire materials. These grants may be made to encourage the use of tire-derived fuel, crumb rubber, carbon black, or other components of tires for use in products such as fuel, tires, mats, auto parts, gaskets, flooring material, or other applications of processed tire materials. These grants shall be made in consultation with the



1 Department of Commerce, the Division of Environmental Assistance and  
 2 Outreach of the Department, and, where appropriate, the Department of  
 3 Transportation. Grants to encourage the use of processed scrap tire materials  
 4 shall not be used to process tires.

5 (3) The Department may use revenue in the Account to support a position to  
 6 provide local governments with assistance in developing and implementing  
 7 scrap tire management programs designed to complete the cleanup of nuisance  
 8 tire collection sites and prevent scrap tires generated from outside of the State  
 9 from being presented for free disposal in the State.

10 (4) The Department may use the remaining revenue in the Account only to clean  
 11 up scrap tire collection sites that the Department has determined are a  
 12 nuisance. The Department may use funds in the Account to clean up a  
 13 nuisance tire collection site only if no other funds are available for that  
 14 purpose.

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

21 ~~(e)(d)~~ Reporting. – The Department shall include in the report to be delivered to the  
 22 Environmental Review Commission ~~on or before 15 January of each year~~ pursuant to  
 23 G.S. 130A-309.06(c) a description of the implementation of the North Carolina Scrap Tire  
 24 Disposal Act for the fiscal year ending the preceding ~~30 June~~ June 30. The description of the  
 25 implementation of the North Carolina Scrap Tire Disposal Act shall include the beginning and  
 26 ending balances in the Account for the reporting period, the amount credited to the Account  
 27 during the reporting period, and the amount of revenue used for grants and to clean up nuisance  
 28 tire collection sites."

29 **SECTION 1.(c)** G.S. 130A-309.64 is repealed.

30 **SECTION 1.(d)** G.S. 130A-309.06(c) reads as rewritten:

31 "(c) The Department shall report to the Environmental Review Commission and the Fiscal  
 32 Research Division on or before April 15 of each year on the status of solid waste management  
 33 efforts in the State. The report shall include all of the following:

34 ...

35 (10) A description of the implementation of the North Carolina Scrap Tire Disposal  
 36 Act that includes the beginning and ending balances in the Scrap Tire Disposal  
 37 Account for the reporting period, the amount credited to the Scrap Tire  
 38 Disposal Account during the reporting period, and the amount of revenue used  
 39 for grants and to clean up nuisance tire collection ~~under the provisions of G.S.~~  
 40 ~~130A-309.64~~ as required by G.S. 130A-309.63(d).

41 ...."

42 **SECTION 1.(e)** G.S. 130A-309.09C(g) reads as rewritten:

43 "(g) In addition to any other penalties provided by law, a unit of local government that  
 44 does not comply with the requirements of G.S. 130A-309.09A(b), G.S. 130A-309.09A(d), and  
 45 G.S. 130A-309.09B(a) shall not be eligible for grants from the Solid Waste Management Trust  
 46 ~~Fund~~ Fund, the Scrap Tire Disposal Account, or the White Goods Management Account and  
 47 shall not receive the proceeds of the scrap tire disposal tax imposed by Article 5B of Chapter 105  
 48 of the General Statutes or the proceeds of the white goods disposal tax imposed by Article 5C of  
 49 Chapter 105 of the General Statutes to which the unit of local government would otherwise be  
 50 entitled. The Secretary shall notify the Secretary of Revenue to withhold payment of these funds  
 51 to any unit of local government that fails to comply with the requirements of

1 G.S. 130A-309.09A(b), G.S. 130A-309.09A(d), and G.S. 130A-309.09B(a). Proceeds of the  
2 scrap tire disposal tax that are withheld pursuant to this subsection shall be credited to the General  
3 Fund and may be used as provided in ~~G.S. 130A-309.64.~~ G.S. 130A-309.63. Proceeds of the  
4 white goods disposal tax that are withheld pursuant to this subsection shall be credited to the  
5 General Fund and may be used as provided in ~~G.S. 130A-309.83.~~ G.S. 130A-309.82."

6 **SECTION 2.** Section 1 of this act becomes effective October 1, 2022, and applies to  
7 quarterly crediting of the proceeds of the scrap tire disposal tax occurring on or after that date.  
8 The remainder of this act is effective when it becomes law.