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HOUSE BILL NO. 496

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Agriculture, Chesapeake and Natural Resources

on _____)

(Patron Prior to Substitute--Delegate Garrett)

A BILL to amend and reenact §§ 10.1-1422.1, 10.1-1422.3, and 58.1-641 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 10.1-1418.6, relating to waste tire disposal by producers and haulers; fee; requirements.

Be it enacted by the General Assembly of Virginia:

1. That §§ 10.1-1422.1, 10.1-1422.3, and 58.1-641 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 10.1-1418.6 as follows:

§ 10.1-1418.6. Disposal of waste tires by tire producers; requirements; report.

A. For the purposes of this section:

"Hauler" means a person or business licensed by the Department who picks up or transports waste tires from a tire producer for the purpose of removal to a permitted processing facility or recycling center.

"Processing facility" means a person, business, or governmental entity licensed by the Department who processes waste tires, including stamping, stripping, shredding, or crumbling, that operates under a permit issued by the local, state, or federal government.

"Recycling center" means a person or business licensed by the Department who repurposes a tire previously deemed to be a waste tire by a producer, in whole or in part, for commercial use, including the resale of such tire for its originally intended use for passenger vehicles or light trucks.

"Tire producer" means a person or business who in the course of business disposes of 50 or more tires in a year for passenger vehicles or light trucks in the Commonwealth or acquires 50 or more waste or used tires in a year from such vehicles in the course of the sale of new tires or application of new tires to such vehicles.

26 "Waste tires" means tires of passenger vehicles and light trucks that have been discarded because
27 they are no longer suitable for their original intended purpose because of wear, damage, or defect.

28 B. A tire producer shall transfer all waste tires to a processing facility or a recycling center through
29 a hauler. Such tire producer shall ensure that the waste tires for disposal are placed in a secure location
30 that is not readily accessible to the public. No later than October 1, 2024, and October 1 annually
31 thereafter, a tire producer shall register with the Department on a form provided by the Department.

32 C. A hauler that transports waste tires pursuant to this section shall transfer such tires to either a
33 processing facility or a recycling center. Beginning February 1, 2025, a hauler shall submit a quarterly
34 report to the Department on a form provided by the Department. Such report shall include (i) the name,
35 address, and identification number of the hauler; (ii) the number of waste tires that the hauler transported
36 and where the hauler transported the waste tires; (iii) the name and location of the tire producer from
37 whom the hauler collected the waste tires; and (iv) any other information the Department deems necessary.

38 D 1. To qualify for a hauler license, an applicant shall provide the following information on an
39 application provided by the Department, and such application shall be readily available on the
40 Department's website: (i) the name and form of the applicant's corporate entity, mailing address, contact
41 information, federal and state tax identification information, workers' compensation insurance policy
42 number or certificate of compliance with the Virginia's Workers' Compensation Commission, and facility
43 site name and address; (ii) the Vehicle Identification Number (VIN), make, model, year, license plate, and
44 ownership or rental status for all vehicles used for the hauling of tires; and (iii) the intended destination
45 information for the disposal of tires, to include the business name and address. Such applicant shall also
46 state whether any hauled tires are to be stored at its facility and, if so, the location and description of the
47 manner by which waste tires are stored; how the accumulation of tires at the facility shall be managed, as
48 well as the storage capacity at the facility, including drop boxes, containers, trailers, other fully enclosed
49 structures, and stockpiles; the average number of tires stored on site at any given time; the maximum
50 number of tires that can be stored on site at any given time; the maximum number of tires, by number or
51 weight, that can be received on a daily basis; a description of how the facility will comply with indoor and
52 outdoor storage standards for scrap tires under the specifications described in the National Fire Protection

53 Association's NFPA 231D: Standard for Storage of Rubber Tires; a description of how the facility will
54 control mosquitoes and other insect infestations to prevent public nuisances or health hazards; a
55 description of the measures that will be taken in construction of the facility to keep liquid runoff from
56 entering the waters of the Commonwealth in the event of a tire fire; and assurance that the facility will
57 develop an emergency preparedness manual that lists: (a) the names and telephone numbers of persons to
58 contact in the event of a fire, flood, and any other emergency involving the facility; (b) the emergency
59 response equipment present at the facility or available for use at the facility; (c) the location of the
60 equipment and how it should be used in the event of a fire or other emergency; (d) the procedures to be
61 followed by facility personnel, from discovery of an emergency until the situation is corrected, including
62 the measures that shall be taken to minimize the occurrence, recurrence, or spread of fire, explosions, and
63 releases; (e) a list of the locations of known water supplies, fire hydrants, dry chemical extinguishers, or
64 other materials that may be used for firefighting purposes; and (f) a description of the procedure for
65 reporting emergency situations to the Department without delay.

66 2. To qualify for a processing facility license, an applicant shall provide the following information
67 on an application provided by the Department, and such application shall be readily available on the
68 Department's website: (i) the name and form of the applicant's corporate entity, mailing address, contact
69 information, federal and state tax identification information, workers' compensation insurance policy
70 number or certificate of compliance with the Virginia's Workers' Compensation Commission, and facility
71 site name and address and (ii) the Vehicle Identification Number (VIN), make, model, year, license plate,
72 and ownership or rental status for all vehicles used for any off-site transportation of tires, whether in whole
73 or part. Such applicant shall also state the hours of operation of the facility; a general description of the
74 facility's operations, a technical description of methods or procedures used for the processing of tires; a
75 description of the manner by which waste tires are stored; how the accumulation of tires at the facility
76 shall be managed, as well as the storage capacity at the facility, including drop boxes, containers, trailers,
77 other fully enclosed structures, and stockpiles; the average number of tires stored on site at any given time;
78 the maximum number of tires that can be stored on site at any given time; the maximum number of tires,
79 by number or weight, that can be received on a daily basis; the maximum quantity, by number or weight,

80 to be accumulated or stored on site at the facility at any given time of each raw material, product, and
81 residuals from processing; all on-site equipment that will be used for the placement, movement, shredding,
82 chipping, or transportation of tires, in whole and in part; a description of the existing and proposed markets
83 for the facility's tires or tire-derived products or raw material; a description of how the facility will comply
84 with indoor and outdoor storage standards for scrap tires under the specifications described in the National
85 Fire Protection Association's NFPA 231D: Standard for Storage of Rubber Tires; a description of how the
86 facility will control mosquitoes and other insect infestations to prevent public nuisances or health hazards;
87 a description of the measures that will be taken in construction of the facility to keep liquid runoff from
88 entering the waters of the Commonwealth in the event of a tire fire; and assurance that the facility will
89 develop an emergency preparedness manual that lists: (a) the names and telephone numbers of persons to
90 contact in the event of a fire, flood, and any other emergency involving the facility; (b) the emergency
91 response equipment present at the facility or available for use at the facility; (c) the location of the
92 equipment, and how it should be used in the event of a fire or other emergency; (d) the procedures to be
93 followed by facility personnel from discovery of an emergency until the situation is corrected, including
94 the measures that shall be taken to minimize the occurrence, recurrence, or spread of fire, explosions, and
95 releases; (e) a list of the location of known water supplies, fire hydrants, dry chemical extinguishers, or
96 other materials that may be used for firefighting purposes; and (f) a description of the procedure for
97 reporting emergency situations to the Department without delay. Such facility shall also provide a letter
98 to the county or city where the proposed facility will be located requesting that the facility be added to the
99 solid waste management plan during the next review period or seek a letter of affirmation that such facility
100 is already included in such solid waste management plan. A copy of the response from the county or city
101 shall be included with the application.

102 3. To qualify for a tire recycling license, an applicant shall provide the following information on
103 an application provided by the Department, and such application shall be readily available on the
104 Department's website: (i) the name and form of the applicant's corporate entity, mailing address, contact
105 information, federal and state tax identification information, workers' compensation insurance policy
106 number or certificate of compliance with the Virginia's Workers' Compensation Commission, and facility

107 site name and address and (ii) the Vehicle Identification Number (VIN), make, model, year, license plate,
108 and ownership or rental status for all vehicles used for the off-site transportation of tires, whether in whole
109 or in part. Such applicant shall also state the hours of operation of the facility; a general description of
110 facility's operations; a technical description of methods or procedures used for the recycling of tires; a
111 description of the manner by which waste tires are stored; how the accumulation of waste tires at the
112 facility shall be managed, as well as the storage capacity at the facility, including drop boxes, containers,
113 trailers, other fully enclosed structures, and stockpiles; the average number of tires stored on site at any
114 given time; the maximum number of tires that can be stored on site at any given time; the maximum
115 number of tires, by number or weight, that can be received on a daily basis; and the maximum quantity,
116 by number or weight, to be accumulated or stored on site at the facility at any given time of each raw
117 material, product, and residuals from recycling; all on-site equipment that will be used for the placement,
118 movement, shredding, chipping, and transportation of tires, in whole and in part; a description of the
119 existing and proposed markets for the facility's tires or tire-derived products or raw material; a description
120 of how the facility will comply with indoor and outdoor storage standards for scrap tires under the
121 specifications described in the National Fire Protection Association's NFPA 231D: Standard for Storage
122 of Rubber Tires; a description of how the facility will control mosquitoes and other insect infestations to
123 prevent public nuisances or health hazards; a description of the measures that will be taken in construction
124 of the facility to keep liquid runoff from entering the waters of the State in the event of a tire fire; and
125 assurance that the facility will develop an emergency preparedness manual that lists: (a) the names and
126 telephone numbers of persons to contact in the event of a fire, flood, and any other emergency involving
127 the facility; (b) the emergency response equipment present at the facility or available for use at the facility;
128 (c) the location of the equipment, and how it should be used in the event of a fire or other emergency; (d)
129 the procedures to be followed by facility personnel from discovery of an emergency until the situation is
130 corrected, including the measures that shall be taken to minimize the occurrence, recurrence, or spread of
131 fire, explosions, and releases; (e) a list of the location of known water supplies, fire hydrants, dry chemical
132 extinguishers, or other materials that may be used for firefighting purposes; and (f) a description of the
133 procedure for reporting emergency situations to the Department without delay.

134 E. The Department shall adopt rules and regulations in accordance with the provisions of the
135 Administrative Process Act (§ 2.2-4000 et seq.) for the implementation of this section. Such rules and
136 regulations shall include (i) minimum standards for the operation, maintenance, monitoring, reporting,
137 and suspension of each tire producer; (ii) procedures for reporting noncompliance by tire producers; and
138 (iii) a procedure to provide reimbursements to haulers of \$1 per tire.

139 F. The Office of the Attorney General may, upon request of the Department, take enforcement
140 action against any person who violates the provisions of this section.

141 **§ 10.1-1422.1. Disposal of waste tires.**

142 The Department shall develop and implement a plan for the management and transportation of all
143 waste tires in the Commonwealth. Such plan shall also include the requirements for the transportation and
144 disposal of waste tires by tire producers pursuant to § 10.1-1418.6.

145 **§ 10.1-1422.3. Waste Tire Trust Fund; use of moneys; purpose of Fund.**

146 A. All moneys collected pursuant to § 58.1-642, minus the necessary expenses of the Department
147 of Taxation for the administration of this tire recycling fee as certified by the Tax Commissioner, shall be
148 paid into the treasury and credited to a special nonreverting fund known as the Waste Tire Trust Fund (the
149 Fund), which is hereby established. Any moneys remaining in the Fund shall not revert to the general fund
150 but shall remain in the Fund. Interest earned on such moneys shall remain in the Fund and be credited to
151 it. ~~The Department of Waste Management~~ is authorized and empowered to release moneys from the Fund,
152 on warrants issued by the State Comptroller, for the purposes enumerated in this section, or any regulations
153 adopted thereunder.

154 B. Moneys from the Fund shall only be expended to:

155 1. Pay the costs of implementing the waste tire plan authorized by § 10.1-1422.1, as well as the
156 costs of any programs created by the Department pursuant to such a plan;

157 2. Provide partial reimbursement to persons or businesses for the costs of compliance with the
158 requirement for producers to secure the location of waste tires on site and for the costs of using waste tires,
159 shredded tire materials, or chips or similar end-use tire materials, and such reimbursements shall be in an
160 aggregate amount of no less than 20 percent of the moneys collected in the Fund in the fiscal year; and

161 3. Pay the costs to remove waste tire piles from property pursuant to § 10.1-1418.4, to the extent
162 funds are available from the increased revenues generated by the increased tire recycling fee collected
163 beginning ~~July 1, 2003, and ending July 1, 2006~~ July 1, 2024, in accordance with § 58.1-641; and

164 4. Pay the costs of implementing the requirements for the transportation and disposal of waste tires
165 by haulers in accordance with § 10.1-1418.6 in an aggregate amount of no less than 50 percent of the
166 moneys collected in the Fund for the fiscal year or \$1 for every tire collected, whichever is greater, unless
167 the claims for reimbursement do not amount to 50 percent of moneys collected in such fiscal year.

168 C. In no case shall any moneys in the Fund be used for any other purpose except for the activities
169 specified in subsection B.

170 D. Reimbursements under § 10.1-1422.4 shall not be made until regulations establishing
171 reimbursement procedures have become effective.

172 **§ 58.1-641. Imposition of tire recycling fee.**

173 A. Beginning July 1, 2008, but before July 1, 2011, there is hereby levied and imposed upon every
174 retailer of tires in the Commonwealth, in addition to all other taxes and fees of every kind now imposed
175 by law, a tire recycling fee of ~~\$1.00~~ \$1 for each new tire sold by a retailer. Beginning July 1, 2011, but
176 before July 1, 2024, the fee shall be levied and imposed at a rate of ~~\$.50~~ \$0.50 for each new tire sold by a
177 retailer. Beginning July 1, 2024, the fee shall be levied and imposed at a rate of \$2 for each tire sold by a
178 retailer.

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