

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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HOUSE BILL 1573*

Short Title: Scrap Tire Amendment.

(Public)

Sponsors: Representative Gibson.

Referred to: Environment and Natural Resources, if favorable, Finance.

June 6, 2002

1 A BILL TO BE ENTITLED
2 AN ACT TO REPEAL THE SUNSET OF THE EXISTING SCRAP TIRE DISPOSAL
3 TAX STRUCTURE, AS RECOMMENDED BY THE ENVIRONMENTAL
4 REVIEW COMMISSION.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Section 9 of Chapter 548 of the 1993 Session Laws, as
7 amended by Section 1 of S.L. 1997-209, reads as rewritten:

8 "Sec. 9. Section 4 of this act becomes effective January 1, 1994. Section 8 of this act
9 becomes effective June 30, 1997. All other sections of this act become effective October
10 1, 1993. ~~Section 1 of this act expires June 30, 2002. Section 7 of this act expires June~~
11 ~~30, 1995. The expiration of the additional tax imposed by Section 1 of this act does not~~
12 ~~affect the rights or liabilities of the State, a taxpayer, or another person that arise during~~
13 ~~the time the additional tax is in effect. The first quarterly report required by G.S.~~
14 ~~130A-309.63(e), as enacted by this act, is due within 60 days after the quarter that ends~~
15 ~~on December 31, 1993."~~

16 **SECTION 2.** G.S. 130A-309.63 reads as rewritten:

17 **"§ 130A-309.63. Scrap Tire Disposal Account.**

18 (a) Creation. – The Scrap Tire Disposal Account is established as a nonreverting
19 account within the Department. The Account consists of revenue credited to the
20 Account from the proceeds of the scrap tire disposal tax imposed by Article 5B of
21 Chapter 105 of the General Statutes. The Department may use revenue in the Account
22 only as authorized by this section.

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

25 (1) The Department may use up to fifty percent (50%) of the revenue in
26 the Account to make grants to units of local government to assist them
27 in disposing of scrap tires. To administer the grants, the Department
28 shall establish procedures for applying for a grant and the criteria for
29 selecting among grant applicants. The criteria shall include the

1 financial ability of a unit of local government to provide for scrap tire
2 disposal, the severity of a unit of local government's scrap tire disposal
3 problem, the effort made by a unit of local government to ensure that
4 only tires generated in the normal course of business in this State are
5 provided free disposal, and the effort made by a unit of local
6 government to provide for scrap tire disposal within the resources
7 available to it.

8 (2) The Department may use up to forty percent (40%) of the revenue in
9 the Account to make grants to encourage the use of processed scrap
10 tire materials. These grants may be made to encourage the use of
11 tire-derived fuel, crumb rubber, carbon black, or other components of
12 tires for use in products such as fuel, tires, mats, auto parts, gaskets,
13 flooring material, or other applications of processed tire materials.
14 These grants shall be made in consultation with the Department of
15 Commerce, the Division of Environmental Assistance and Pollution
16 Prevention of the Department, and, where appropriate, the Department
17 of Transportation. Grants to encourage the use of processed scrap tire
18 materials shall not be used to process tires.

19 (3) The Department may use up to three percent (3%) of the revenue in the
20 Account or a total of fifty-five thousand dollars (\$55,000), whichever
21 is less, to support a position to provide local governments with
22 assistance in developing and implementing scrap tire management
23 programs.

24 (4) The Department may use the remaining revenue in the Account only to
25 clean up scrap tire collection sites that the Department has determined
26 are a nuisance. The Department may use funds in the Account to clean
27 up a nuisance tire collection site only if no other funds are available for
28 that purpose.

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

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

40 (e) Reporting. – The Department shall include in the report to be delivered to the
41 Environmental Review Commission on or before 15 January of each year pursuant to
42 G.S. 130A-309.06(c) a description of the implementation of the North Carolina Scrap
43 Tire Disposal Act for the fiscal year ending the preceding 30 June. The description of
44 the implementation of the North Carolina Scrap Tire Disposal Act shall include the

1 beginning and ending balances in the Account for the reporting period, the amount
2 credited to the Account during the reporting period, and the amount of revenue used for
3 grants and to clean up nuisance tire collection sites."

4 **SECTION 3.** Sections 1 and 3 of this act become effective 30 June 2002.
5 Section 2 of this act becomes effective July 1, 2002.