

**TIRE RECYCLING FEE MODIFICATION**

2010 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Neal B. Hendrickson**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill increases the waste tire recycling fee for certain tires.

**Highlighted Provisions:**

This bill:

- ▶ increases the waste tire recycling fee for certain tires; and
- ▶ makes technical corrections.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill takes effect on July 1, 2010.

**Utah Code Sections Affected:**

AMENDS:

**19-6-805**, as last amended by Laws of Utah 2001, Chapter 165

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*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **19-6-805** is amended to read:

**19-6-805. Recycling fee.**

(1) (a) [A] Except as provided in Subsection (1)(b), a consumer who purchases a new tire from a tire retailer shall pay the tire retailer a recycling fee [is imposed upon each purchase from a tire retailer of a new tire by a consumer. The fee shall be paid by the consumer to the



28 ~~tire retailer~~ as specified in Subsection (2) at the time the new tire is purchased.

29 (b) The recycling fee required under Subsection (1)(a) does not apply to recapped or  
30 resold used tires.

31 (2) The recycling fee for each tire with a rim diameter [~~up to and including 24.5 inches,~~  
32 ~~single or dual bead capacity~~] of:

33 (a) less than 22.5 inches is \$1[-]; and

34 (b) 22.5 inches to and including 24.5 inches is \$2.

35 (3) If a tire retailer lists a recycling fee on the receipt or invoice of a tire purchased  
36 under Subsection (1), the tire retailer shall list the correct amount of the recycling fee, as  
37 provided in Subsection (2), on the receipt or invoice.

38 Section 2. **Effective date.**

39 This bill takes effect on July 1, 2010.

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**Legislative Review Note**  
as of **9-14-09 7:49 AM**

**Office of Legislative Research and General Counsel**

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**H.B. 63 - Tire Recycling Fee Modification**

**Fiscal Note**

2010 General Session  
State of Utah

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**State Impact**

Provisions of this bill increases the recycling fee charged on new tires sold with rim diameters 22.5 inches through 24.5 inches by \$1 per tire. This increase is estimated to generate \$333,600 in additon revenue to the Waste Tire Recycling Fund. It is anticipated that \$8,300 will be returned to the tire dealers, \$8,100 to the Tax Commission, and \$317,200 to the Waste Tire Recycling Fund to fill the gap experienced the past few yers created by reimbursements to tire recyclers as permitted in the current statute.

	<u>FY 2010</u> <u>Approp.</u>	<u>FY 2011</u> <u>Approp.</u>	<u>FY 2012</u> <u>Approp.</u>	<u>FY 2010</u> <u>Revenue</u>	<u>FY 2011</u> <u>Revenue</u>	<u>FY 2012</u> <u>Revenue</u>
Trust Funds	\$0	\$333,600	\$333,600	\$0	\$333,600	\$333,600
<b>Total</b>	<b>\$0</b>	<b>\$333,600</b>	<b>\$333,600</b>	<b>\$0</b>	<b>\$333,600</b>	<b>\$333,600</b>

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**Individual, Business and/or Local Impact**

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for local governments. Some tire dealers will realize additional revenues estimated at \$8,300 annually while consumers of large diameter tires (usually businesses) will pay \$1 per tire more in fees.