

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bill 5380 (Substitute S-3 as reported)
Sponsor: Representative David Mead
House Committee: Conservation and Outdoor Recreation
Senate Committee: Natural Resources and Environmental Affairs

CONTENT

The bill would amend Part 169 (Scrap Tires) of the Natural Resources and Environmental Protection Act to do the following:

- Specify that a person could discard scrap tires only at a registered collection site, a landfill, an end-user, a scrap-tire processor, a tire retailer, or a scrap tire recycler.
- Require a person who arranged for the removal of scrap tires to do so through a registered scrap tire hauler.
- Exempt an owner of a collection site who had complied with the site requirements for at least one year from the requirement to obtain a performance bond.
- Require the owner or operator of a collection site to ensure that the tires were maintained in a manner that would limit the potential of mosquito breeding.
- Expand record-keeping requirements for scrap tire haulers; require other persons involved in the removal or receipt of scrap tires to keep records; and require records to be maintained for three years.
- Reduce the number of full-time equated positions funded by the Scrap Tire Regulatory Fund.
- Provide for grants from the Fund to users of scrap tire processed material and to scrap tire end-users.
- Require the Michigan Department of Environmental Quality (DEQ) to give priority to funding activities at collection sites with pre-1991 scrap tires and sites posing an imminent health, safety, or environmental threat.
- Increase the criminal penalties for violations of Part 169.

The bill is tie-barred to Senate Bill 1324, which would increase the tire disposal surcharge and delete the expiration date on the surcharge.

MCL 324.16901 et al.

Legislative Analyst: Nobuko Nagata

FISCAL IMPACT

The bill would have no impact on State revenues or expenditures. It would not affect the existing level of DEQ expenditures and revenues for the Scrap Tire Program. Fiscal year 2001-02 appropriations for the Scrap Tire Program from the Scrap Tire Regulatory Fund are approximately \$1.8 million, from which \$600,000 is appropriated for grants to reduce scrap tire accumulations. The Program currently operates with 12.0 to 13.0 FTE positions. This number would be expected to fall as scrap tire accumulations decreased.

The bill would have an indeterminate impact on local governments. There are no data available to indicate how many people are convicted of misdemeanors for illegally disposing of scrap tires. Local units incur the cost of probation and incarceration, which varies by county from \$27 to \$65 per day. Libraries would receive any additional penal fine revenue.

Date Completed: 6-5-02

Fiscal Analysts: Pam Graham, Bethany Wicksall