



Senate Fiscal Agency
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**BILL ANALYSIS**

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House Bill 6235 (as passed by the House)
Sponsor: Representative Chris Kolb
House Committee: Land Use and Environment
Senate Committee: Natural Resources and Environmental Affairs

Date Completed: 11-29-04

CONTENT

The bill would amend Part 169 (Scrap Tires) of the Natural Resources and Environmental Protection Act to allow money in the Scrap Tire Regulatory Fund to be used for capital expenditure grants. The bill would define "capital expenditure" as an expenditure for land and improvements, transportation improvements, infrastructure improvements, or equipment acquisition intended to enhance or improve the overall value of scrap tires or scrap tire processed materials into a product of higher value.

The Scrap Tire Regulatory Fund is funded by a \$1.50 tire disposal surcharge on each motor vehicle certificate of title. The Fund must be used for 1) administrative costs of the Department of Environmental Quality associated with Part 169; 2) administrative costs of the Secretary of State associated with the collection of the tire disposal surcharge; and 3) the cleanup or collection of abandoned scrap tires and scrap tires at collection sites. (Money spent for cleanup or collection may be used for reimbursement grants to users of scrap tire processed material and grants to end-users who receive scrap tires or tire chips.) Under the bill, money in the Fund also could be used for grants for capital expenditures.

MCL 324.16901 & 324.16908

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Jessica Runnels

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