

STATEMENT OF PURPOSE

RS32214 / S1089

This legislation repeals the existing Idaho Waste Tire Disposal Act and replaces it with the Idaho Waste Tire and Recycling Act. The revised act removes dated and obsolete sections of the Waste Tire Disposal Act and establishes a new waste tire recycling fee of fifty cents (\$.50) for three (3) years for each tire sold in the State. Fees collected from the sale of new tires are collected and deposited into the fund by the State Tax Commission. The fund is to be administered by the Idaho Department of Environmental Quality for a pilot project that has three purposes: (1) to clean up abandoned waste tire piles located in various locations throughout the State; (2) to provide for partial reimbursement for the costs of transporting, processing, and recycling waste tires generated within the State; and, (3) provide funding to the Department of Environmental Quality to administer the act. Monies in the fund may only be expended subject to legislative appropriation. The fee has a three-year sunset clause. The act requires the department to annually provide for a detailed report on the project for three (3) years. To date, the department has identified 22 abandoned waste tire piles across the State.

FISCAL NOTE

This legislation does not impact the State's General Fund. It does create a new dedicated fund that is projected to generate one million dollars (\$1,000,000) per year. Over the three-year life span of the fee, the total revenue generated is \$3,000,000. The methodology used to develop this estimate is multiplying an estimated population of two million inhabitants in the State times \$.50. The generally accepted standard used to determine the number of waste tires generated annually is the number of inhabitants in the State.

According to the Department of Environmental Quality, the projected one-time cost of remediating the abandoned waste tire piles is \$620,000 (155,000 piled tires times \$4.00 per tire). The Department of Environmental Quality estimates that the three-year projected cost of administration of the act by the department is \$520,000. Finally, the cost of rebates to the tire recyclers and tire transporters in Idaho is \$1,860,000. Total cost of the act over three years is \$3,000,000.

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DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).