

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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HOUSE BILL 533

Short Title: County Waste Management Assistance. (Public)

Sponsors: Representatives Sauls and Penny (Primary Sponsors).

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Transportation, if favorable, Finance, if favorable, Rules, Calendar, and Operations of the House

April 13, 2021

A BILL TO BE ENTITLED

AN ACT TO RESTORE ASSISTANCE TO COUNTIES WITH THE CLEANUP OF SCRAP TIRES.

The General Assembly of North Carolina enacts:

SECTION 1.(a) G.S. 105-187.19(b) reads as rewritten:

"(b) Each quarter, the Secretary shall credit ~~thirty percent (30%)~~ seventeen percent (17%) of the net tax proceeds to the Scrap Tire Disposal Account and thirteen percent (13%) of the net tax proceeds to the General Fund. The Secretary shall distribute the remaining seventy percent (70%) of the net tax proceeds among the counties on a per capita basis according to the most recent annual population estimates certified to the Secretary by the State Budget Officer."

SECTION 1.(b) G.S. 130A-309.63 as it existed immediately prior to repeal is reenacted and reads as rewritten:

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

(a) Creation. – The Scrap Tire Disposal Account is established as a nonreverting account within the Department. The Account consists of revenue credited to the Account from the proceeds of the scrap tire disposal tax imposed by Article 5B of Chapter 105 of the General Statutes.

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

(1) The Department may use up to fifty percent (50%) of the revenue in the Account to make grants to units of local government to assist them in disposing of scrap tires. To administer the grants, the Department shall establish procedures for applying for a grant and the criteria for selecting among grant applicants. The criteria shall include the financial ability of a unit of local government to provide for scrap tire disposal, the severity of a unit of local government's scrap tire disposal problem, the effort made by a unit of local government to ensure that only tires generated in the normal course of business in this State are provided free disposal, and the effort made by a unit of local government to provide for scrap tire disposal within the resources available to it.

(2) The Department may use up to forty percent (40%) of the revenue in the Account to make grants to encourage the use of processed scrap tire materials. These grants may be made to encourage the use of tire-derived fuel, crumb rubber, carbon black, or other components of tires for use in products such as



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1 fuel, tires, mats, auto parts, gaskets, flooring material, or other applications of
 2 processed tire materials. These grants shall be made in consultation with the
 3 Department of Commerce, the Division of Environmental Assistance and
 4 Outreach of the Department, and, where appropriate, the Department of
 5 Transportation. Grants to encourage the use of processed scrap tire materials
 6 shall not be used to process tires.

7 (3) The Department may use revenue in the Account to support a position to
 8 provide local governments with assistance in developing and implementing
 9 scrap tire management programs designed to complete the cleanup of nuisance
 10 tire collection sites and prevent scrap tires generated from outside of the State
 11 from being presented for free disposal in the State.

12 (4) The Department may use the remaining revenue in the Account only to clean
 13 up scrap tire collection sites that the Department has determined are a
 14 nuisance. The Department may use funds in the Account to clean up a
 15 nuisance tire collection site only if no other funds are available for that
 16 purpose.

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

23 ~~(e)(d)~~ Reporting. – The Department shall include in the report to be delivered to the
 24 Environmental Review Commission ~~on or before 15 January of each year~~ pursuant to
 25 G.S. 130A-309.06(c) a description of the implementation of the North Carolina Scrap Tire
 26 Disposal Act for the fiscal year ending the preceding ~~30 June~~ June 30. The description of the
 27 implementation of the North Carolina Scrap Tire Disposal Act shall include the beginning and
 28 ending balances in the Account for the reporting period, the amount credited to the Account
 29 during the reporting period, and the amount of revenue used for grants and to clean up nuisance
 30 tire collection sites."

31 **SECTION 1.(c)** G.S. 130A-309.64 is repealed.

32 **SECTION 1.(d)** G.S. 130A-309.06(c) reads as rewritten:

33 "(c) The Department shall report to the Environmental Review Commission and the Fiscal
 34 Research Division on or before April 15 of each year on the status of solid waste management
 35 efforts in the State. The report shall include all of the following:

36 ...

37 (10) A description of the implementation of the North Carolina Scrap Tire Disposal
 38 Act that includes the beginning and ending balances in the Scrap Tire Disposal
 39 Account for the reporting period, the amount credited to the Scrap Tire
 40 Disposal Account during the reporting period, and the amount of revenue used
 41 for grants and to clean up nuisance tire collection under the provisions of G.S.
 42 130A-309.64 as required by G.S. 130A-309.63(d).

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44 **SECTION 1.(e)** G.S. 130A-309.09C(g) reads as rewritten:

45 "(g) In addition to any other penalties provided by law, a unit of local government that
 46 does not comply with the requirements of G.S. 130A-309.09A(b), G.S. 130A-309.09A(d), and
 47 G.S. 130A-309.09B(a) shall not be eligible for grants from the Solid Waste Management Trust
 48 ~~Fund~~ Fund, the Scrap Tire Disposal Account, or the White Goods Management Account and
 49 shall not receive the proceeds of the scrap tire disposal tax imposed by Article 5B of Chapter 105
 50 of the General Statutes or the proceeds of the white goods disposal tax imposed by Article 5C of
 51 Chapter 105 of the General Statutes to which the unit of local government would otherwise be

1 entitled. The Secretary shall notify the Secretary of Revenue to withhold payment of these funds
2 to any unit of local government that fails to comply with the requirements of
3 G.S. 130A-309.09A(b), G.S. 130A-309.09A(d), and G.S. 130A-309.09B(a). Proceeds of the
4 scrap tire disposal tax that are withheld pursuant to this subsection shall be credited to the General
5 Fund and may be used as provided in G.S. 130A-309.64. Proceeds of the white goods disposal
6 tax that are withheld pursuant to this subsection shall be credited to the General Fund and may
7 be used as provided in G.S. 130A-309.83."

8 **SECTION 2.** This act becomes effective July 1, 2021.