

SB 09 - 289
 Senator Schwartz / Representative Primavera
 Frequently Asked Question's
 Waste Tire Recycling Development Fee

- Q. Does the bill raise the existing \$1.50 Recycling Development Fee?**
- A. No. The bill allows for a more efficient and auditable collection of the existing \$1.50 fee. Under the bill the \$1.50 fee will be collected at the point of sale of a new tire from a tire retailer rather than when worn tires are returned to the retailer. It is estimated that 4.5 million tires are purchased in Colorado annually and eventually enter the waste stream yet under current law in 2008 only the \$1.50 was collected on only 3.1 million waste tires. A survey of tire retailers showed that tire retailers currently charge fees for tire disposal ranging from \$1.50 to \$4.25 at the point of sale. The bill requires DOR to conduct a retailer and public awareness program regarding the waste tire recycling development fee.
- Q. Does the bill change the allocation of the \$1.50 among the current programs?**
- A. No. The bill modifies the allocation within one existing program, the "End User and Processor" program. The End User and Processor program takes \$.45 of the current \$1.50. The current system reimburses all eligible uses at \$50 per ton. Under the bill, all eligible uses will be reimbursed at \$60 per ton of waste tires. If available funds do not equal the reimbursement requests, reimbursements will be made on a pro rat basis.
- Q. Why raise the reimbursement rate?**
- A. Colorado has the largest collection of waste tires in the nation in two tire monofills in Hudson and southern El Paso County. There are an estimated 60 million waste tires in the two monofills. Additionally, Colorado produces approximately 4.5 million waste tires per year. ***Colorado needs to develop a true tire recycling business sector and the green jobs related to that sector.*** By providing an increased reimbursement for the use of waste tires, Colorado can begin to stimulate an important component of a truly added value use of tires instead of just disposing of tire in monofills. The higher reimbursement amount is deigned to encourage the development of businesses and markets to consume the 60 million waste tires in the monofills and the annual waste stream of 4.5 million tires.
- Q. Why does the bill prohibit the disposal of whole tires in monofills?**
- A. Unlike ten years ago when the current statue was enacted, the West Nile Virus is a significant health threat. The water trapped in the open cavities within whole tires creates a potential breeding ground for mosquitoes that may carry the West Nile Virus. Additionally, when whole tires inadvertently catch on fire the only real way to extinguish such fires is to bury the burning tires. The air trapped inside the cavities within whole tires allows such fires to continue to burn for weeks or even months after the tires have been buried. By shredding waste tires before they are placed in a monofill greatly reduces the risk of these two very real dangers of storing tires long term. The bill requires counties to report on the status of monofills to DPHE annually and for DPHE to adopt a 10 year plan to eliminate tire monofills.
- Q. Are there other changes to the programs?**
- A. Yes. Additionally, the bill 1) ~~allows projects using rubberized asphalt created with material from recycled tires to qualify for grants under the existing "Recycling Incentives" program~~ 2) directs the pollution prevention advisory board to make grants from the advanced technology fund to consortium, 3) ~~allows residents in counties of fewer than 50,000 residents to bring unlimited numbers of tires to waste tire collection events for a per tire incentive payment under the "Cleanup and Processing Program"~~ and 4) allows DOLA to reallocate unused funds at the end of the quarter between existing funding categories.
- Q. How will the program be audited?**
- A. The Department of Revenue will audit the collection of the \$1.50 fee at the time of the sale of new tires and notify retailers of the new requirements of this bill and require retailers to print "SECTION 25-17-202, CRS REQUIRES RETAILERS TO COLLECT A \$1.50 WASTE TIRE RECYCLING DEVELOPMENT FEE ON THE SALE OF EACH NEW MOTOR VEHICLE TIRE". ~~conduct a retailer and public awareness program.~~ The Department of Local Affairs will audit the various programs it administers.