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February 27, 2019

COMMITTEE SUBSTITUTE
FOR

SENATE BILL NO. 878

By: Leewright of the Senate

and

Hilbert of the House

[Oklahoma Used Tire Recycling Act - definitions and
used tire recycling fees - fee schedule - allocation
of the Used Tire Recycling Indemnity Fund - unlawful
storage, collection, disposal, transportation or
removal of used tires - exception - ~~effective date -~~
emergency]

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 27A O.S. 2011, Section 2-11-401.1,
as amended by Section 1, Chapter 286, O.S.L. 2017 (27A O.S. Supp.
2018, Section 2-11-401.1), is amended to read as follows:

Section 2-11-401.1. As used in the Oklahoma Used Tire Recycling Act:

1. "ASTM" means American Society for Testing and Materials;

2. "Automotive dismantler and parts recycler" means the same as defined in Section 591.2 of Title 47 of the Oklahoma Statutes;

~~2.~~ 3. "Commission" means the Oklahoma Tax Commission;

1 ~~3. "Crumb rubber" means fine particles of vulcanized rubber~~
2 ~~resulting from mechanical or cryogenic size reduction of used tires;~~

3 4. "Department" means the Department of Environmental Quality;

4 5. "End use" means a Department approved ultimate economic use
5 for a used tire or tire-derived product, including granulated
6 rubber, ground rubber, tire chips, tire-derived aggregate, tire-
7 derived fuel and tire shreds;

8 6. "Fund" means the Used Tire Recycling Indemnity Fund;

9 ~~6.~~ 7. "Granulated rubber" means particulate rubber composed of
10 mainly non-spherical particles that span a broad range of maximum
11 particle dimensions, from below four hundred twenty-five thousandths
12 (0.425) of a millimeter (40 mesh) to twelve (12) millimeters (0.47
13 inches) pursuant to ASTM standards;

14 8. "Ground Rubber" means particulate rubber composed of mainly
15 non-spherical particles that span a broad range of maximum particle
16 dimensions, from below four hundred twenty-five thousandths (0.425)
17 of a millimeter (40 mesh) to two (2) millimeters (0.08 inches)
18 pursuant to current ASTM standards;

19 9. "Motorcycle" means a motor vehicle of a type defined in
20 Section 1-135 of Title 47 of the Oklahoma Statutes;

21 ~~7.~~ 10. "Motor-driven cycle" means a motor vehicle of a type
22 defined in Section 1-136 of Title 47 of the Oklahoma Statutes;

23 ~~8.~~ 11. "Motor vehicle" means the same as defined in Section 1-
24 134 of Title 47 of the Oklahoma Statutes;

1 ~~9.~~ 12. "Priority cleanup list" means a list, created and
2 maintained by the Department, of:

3 a. unpermitted dumps which did not exist when the owner
4 took possession of the property where the tires are
5 located, and were created without the consent of or
6 benefit to the owner of the property, and

7 b. such other tire dumps designated by the Department
8 pursuant to Section 2-11-401.6 of this title;

9 ~~10.~~ 13. "Reusable tire" means a tire that has been previously
10 used on a vehicle, not currently mounted on a vehicle, but can be
11 legally placed into service for vehicle use in Oklahoma;

12 ~~11.~~ 14. "Semitrailer" means the same as defined in Section 1-
13 162 of Title 47 of the Oklahoma Statutes;

14 ~~12.~~ 15. "Tire" means any solid or air-filled covering for
15 vehicle wheels;

16 ~~13.~~ 16. "Tire chips" means pieces of scrap tires that have a
17 basic geometrical shape and are generally between twelve (12)
18 millimeters (0.47 inches) and fifty (50) millimeters (1.97 inches)
19 in size and have most of the wire removed pursuant to current ASTM
20 standards;

21 17. "Tire dealer" means any person engaged in the business of
22 selling new and used tires to final consumers, not for resale;

23 ~~14.~~ 18. "Tire-derived aggregate" means pieces of scrap tires
24 that have a basic geometrical shape and are generally between twelve

1 (12) millimeters (0.47 inches) and three hundred five (305)
2 millimeters (12 inches) in size and are intended for use in civil
3 engineering applications;

4 19. "Tire-derived fuel" means whole tires or processed tires
5 that can be used as energy or fuel recovery pursuant to current ASTM
6 standards;

7 20. "Tire-derived fuel facility" or "TDF facility" means a
8 facility that uses processed tires or whole used tires for energy or
9 fuel recovery;

10 ~~15.~~ 21. "Tire-derived product" means matter that:

11 a. is derived from a process that uses whole tires as a
12 feedstock, including chipping for the purpose of fuel
13 recovery, granulating, and grinding,

14 b. adheres to established engineering or other
15 appropriate specifications or to established product
16 end-user specifications or customer conditions of
17 acceptance,

18 c. has a demonstrated benefit associated with the end
19 use, and

20 d. can be used as a substitute for or in conjunction with
21 a commercial product or raw material;

22 22. "Tire shreds" means pieces of scrap tires that have a basic
23 geometrical shape and are generally between fifty (50) millimeters
24

1 (1.97 inches) and three hundred five (305) millimeters (12.01
2 inches) in size pursuant to current ASTM standards;

3 23. "Trailer" means the same as defined in Section 1-180 of
4 Title 47 of the Oklahoma Statutes;

5 ~~16. "Used tire recycling facility" means any place which is~~
6 ~~permitted as a solid waste disposal site, in accordance with the~~
7 ~~Oklahoma Solid Waste Management Act, at which used tires are~~
8 ~~processed;~~

9 ~~17. "Used tire processing" means altering the form of whole~~
10 ~~used tires by shredding, chipping, or other method approved by the~~
11 ~~Department, except baling and pyrolysis;~~

12 ~~18.~~ 24. "Used tire" means an unprocessed whole tire or tire
13 part that can no longer be used for its originally intended purpose
14 but can be beneficially reused as approved by the Department. Any
15 used tire collected in accordance with the requirements of the
16 Oklahoma Used Tire Recycling Act is not considered to be discarded.
17 A tire that can be used, reused or legally modified to be reused for
18 its original intended purpose shall not be a used tire; and

19 25. "Used tire processing" means altering the form of whole
20 used tires by shredding, chipping, or other method approved by the
21 Department, except baling and pyrolysis;

22 26. "Used tire recycling facility" means any place which is
23 permitted as a solid waste disposal site, in accordance with the
24

1 Oklahoma Solid Waste Management Act, at which used tires are
2 processed; and

3 ~~19.~~ 27. "Vehicle" means the same as defined in Section 1-186 of
4 Title 47 of the Oklahoma Statutes.

5 SECTION 2. AMENDATORY 27A O.S. 2011, Section 2-11-401.2,
6 as amended by Section 2, Chapter 286, O.S.L. 2017 (27A O.S. Supp.
7 2018, Section 2-11-401.2), is amended to read as follows:

8 Section 2-11-401.2. A. 1. Except as otherwise provided by
9 this section, the following assessments shall be made for tires for
10 use on vehicles:

11 a. at the time any tire:

12 (1) with a rim diameter of less than or equal to
13 nineteen and one-half (19 1/2) inches is sold by
14 a tire dealer, there shall be assessed a used
15 tire recycling fee of ~~Two Dollars and fifty cents~~
16 ~~(\$2.50)~~ Two Dollars and ninety cents (\$2.90) per
17 tire,

18 (2) with a rim diameter greater than nineteen and
19 one-half (19 1/2) inches and a tread width of
20 twelve (12) inches or less is sold by a tire
21 dealer, there shall be assessed a used tire
22 recycling fee of ~~Three Dollars and fifty cents~~
23 ~~(\$3.50)~~ Six Dollars (\$6.00) per tire,
24

1 (3) with a rim diameter greater than nineteen and
2 one-half (19 1/2) inches and a tread width of
3 greater than twelve (12) inches is sold by a tire
4 dealer, there shall be assessed a used tire
5 recycling fee of ~~Seven Dollars (\$7.00)~~ Ten
6 Dollars (\$10.00) per tire, and

7 (4) is sold by a tire dealer for use on a motorcycle
8 or motor-driven cycle, there shall be assessed a
9 used tire recycling fee of One Dollar (\$1.00) per
10 tire,

11 b. at any time a motor vehicle with a tire rim diameter
12 of less than or equal to nineteen and one-half (19
13 1/2) inches is first registered in this state, there
14 shall be assessed a used tire recycling fee of ~~Two~~
15 ~~Dollars and fifty cents (\$2.50)~~ Two Dollars and ninety
16 cents (\$2.90) per tire, except as otherwise provided
17 by subparagraphs e and f of this paragraph,

18 c. at any time a vehicle with a tire rim diameter of
19 greater than nineteen and one-half (19 1/2) inches is
20 first registered in this state, there shall be
21 assessed a used tire recycling fee of ~~Three Dollars~~
22 ~~and fifty cents (\$3.50)~~ Six Dollars (\$6.00) per tire,
23 except as otherwise provided by subparagraphs e, f and
24 g of this paragraph,

- 1 d. at any time a trailer or semitrailer with a tire rim
2 diameter of less than or equal to nineteen and one-
3 half (19 1/2) inches is first titled in this state,
4 there shall be assessed a used tire recycling fee of
5 ~~Two Dollars and fifty cents (\$2.50)~~ Two Dollars and
6 ninety cents (\$2.90) per tire,
- 7 e. at any time a motorcycle or motor-driven cycle is
8 first registered in this state, there shall be
9 assessed a used tire recycling fee of One Dollar
10 (\$1.00) per tire,
- 11 f. at the time a motor vehicle is first titled in this
12 state, to be registered under the provisions of
13 Section 1120 of Title 47 of the Oklahoma Statutes,
14 there shall be assessed a used tire recycling fee of
15 Seven Dollars (\$7.00), and
- 16 g. at the time a trailer or semitrailer is first titled
17 in this state, to be registered under the provisions
18 of Section 1133 of Title 47 of the Oklahoma Statutes,
19 there shall be assessed a used tire recycling fee of
20 Five Dollars (\$5.00).

21 2. No fee shall be assessed by a tire dealer for reusable tires
22 or retreaded tires for which the tire dealer can document that the
23 recycling fee has been previously paid.

1 3. All-terrain vehicles and off-road motorcycles registered
2 pursuant to the provisions of Section 1132 of Title 47 of the
3 Oklahoma Statutes shall be exempt from the provisions of this
4 section.

5 B. 1. For tires used on implements of husbandry and
6 agricultural equipment with a rim diameter of less than or equal to
7 nineteen and one-half (19 1/2) inches and that are less than thirty
8 (30) inches in total diameter, there shall be assessed a used tire
9 recycling fee of ~~Two Dollars and fifty cents (\$2.50)~~ Two Dollars and
10 ninety cents (\$2.90) per tire.

11 2. For tires used on implements of husbandry and agricultural
12 equipment with a rim diameter of greater than nineteen and one-half
13 (19 1/2) inches and that are less than thirty (30) inches in total
14 diameter, there shall be assessed a used tire recycling fee of ~~Three~~
15 ~~Dollars and fifty cents (\$3.50)~~ Six Dollars (\$6.00) per tire.

16 3. For tires used on implements of husbandry and agricultural
17 equipment that are greater than thirty (30) inches in total diameter
18 and less than or equal to forty-four (44) inches in total diameter,
19 there shall be assessed a used tire recycling fee of Eight Dollars
20 (\$8.00) per tire. No fee shall be assessed by a tire dealer if the
21 customer retains the used agricultural tire for use on a farm or
22 ranch. The customer may return the used tire to the tire dealer at
23 a later date and shall be assessed the proper fee.
24

1 4. For tires used on implements of husbandry and agricultural
2 equipment that are greater than forty-four (44) inches in total
3 diameter and less than or equal to seventy-two (72) inches in total
4 diameter and not more than thirty (30) inches wide, there shall be
5 assessed a used tire recycling fee of Sixteen Dollars (\$16.00) per
6 tire. No fee shall be assessed by a tire dealer if the customer
7 retains the used agricultural tire for use on a farm or ranch. The
8 customer may return the used tire to the tire dealer at a later date
9 and shall be assessed the proper fee.

10 5. A tire dealer may pay the assessed fee for any used
11 agricultural tire in current inventory and include that tire in the
12 used tire recycling program.

13 C. 1. The tire dealer and motor license agent shall remit such
14 fee to the Oklahoma Tax Commission in the same manner as provided by
15 Section 1365 of Title 68 of the Oklahoma Statutes.

16 2. Except as otherwise provided by this section, the tire
17 dealer shall remit to the Tax Commission ninety-seven and three-
18 quarters percent (97.75%) of the fee due pursuant to this section at
19 the time of filing any report as required by the Tax Commission.

20 3. Motor license agents shall remit ninety percent (90%) of the
21 fee assessed on each vehicle registered.

22 4. Failure to remit the fee at the time of filing the returns
23 shall cause the fee to become delinquent. If the fee becomes
24 delinquent the tire dealer or motor license agent forfeits any claim

1 to the discount authorized by this section and shall remit to the
2 Tax Commission one hundred percent (100%) of the amount of the fee
3 due plus any penalty due.

4 D. If the fee imposed or levied by subsection A of this
5 section, or any part of such amount, is not paid before the fee
6 becomes delinquent, there shall be collected on the total delinquent
7 fee interest at the rate of one and one-quarter percent (1 1/4%) per
8 month from the date of the delinquency until paid.

9 E. If any fee due under subsection A of this section, or any
10 part thereof, is not paid within fifteen (15) days after the fee
11 becomes delinquent, a penalty of ten percent (10%) on the total
12 amount of fee due and delinquent shall be added and paid.

13 F. All penalties or interest imposed by this section shall be
14 recoverable by the Tax Commission as a part of the fee imposed and
15 all penalties and interest shall be apportioned the same as the fee
16 on which the penalties or interest are collected.

17 SECTION 3. AMENDATORY 27A O.S. 2011, Section 2-11-401.4,
18 as last amended by Section 1, Chapter 211, O.S.L. 2018 (27A O.S.
19 Supp. 2018, Section 2-11-401.4), is amended to read as follows:

20 Section 2-11-401.4. A. Compensation to used tire facilities
21 and tire-derived fuel or TDF facilities pursuant to this section
22 shall be limited to facilities located in Oklahoma. Compensation
23 for used tire activities pursuant to this section shall be limited
24 to used tires from Oklahoma. A used tire recycling facility or

1 tire-derived fuel or TDF facility may transport and deliver used
2 tires collected from Oklahoma to an out-of-state used tire recycling
3 facility or TDF facility but shall not be eligible for compensation
4 from the Used Tire Recycling Indemnity Fund for those used tires.
5 To be eligible, applicants for compensation shall be in compliance
6 with the Oklahoma Used Tire Recycling Act.

7 B. The monies accruing annually to the Used Tire Recycling
8 Indemnity Fund shall be allocated first to the Department of
9 Environmental Quality Revolving Fund, to be used for implementing
10 applicable requirements related to the control of mobile and area
11 sources of air emissions, for monitoring and modeling the impacts on
12 Oklahoma of air pollution from other states, for implementing and
13 enforcing other applicable air pollution control requirements or for
14 other environmental programs or projects. The amount of money
15 allocated for this purpose shall be ~~twenty-eight percent (28%)~~
16 twenty-four and one tenth percent (24.1%) of the funds produced by
17 the ~~two-dollar-and-fifty-cent~~ Two Dollars and ninety cents (\$2.90)
18 per tire fee assessed pursuant to division (1) of subparagraph a of
19 paragraph 1 of subsection A of Section 2-11-401.2 of this title and
20 subparagraph b of paragraph 1 of subsection A of Section 2-11-401.2
21 of this title; provided, in no event shall the amount allocated
22 annually exceed the 3-year average of the total fiscal year amounts
23 allocated in fiscal years 2015, 2016 and 2017 and any amount in
24 excess of the 3-year average shall be placed to the credit of the

1 General Revenue Fund. After this allocation is deducted, the
2 balance of the monies shall be allocated as follows:

3 1. Two and one-fourth percent (2.25%) to the Oklahoma Tax
4 Commission and five and three-fourths percent (5.75%) to the
5 Department of Environmental Quality for the purpose of administering
6 the requirements of the Oklahoma Used Tire Recycling Act; provided,
7 in no event shall either of the amounts allocated annually pursuant
8 to this paragraph exceed the 3-year average of the total fiscal year
9 amounts allocated in fiscal years 2015, 2016 and 2017 and any amount
10 in excess of the 3-year average shall be placed to the credit of the
11 General Revenue Fund; and

12 2. An amount not to exceed Fifty Thousand Dollars (\$50,000.00)
13 per audit to the State Auditor and Inspector for the purpose of
14 conducting audits of the Oklahoma Used Tire Recycling Program
15 pursuant to Section 2-11-401.6 of this title.

16 C. After the allocations under subsection B of this section are
17 made, the balance of monies in the Fund shall be available for
18 compensation pursuant to the provisions of the Oklahoma Used Tire
19 Recycling Act as follows:

20 1. Compensation to used tire facilities for used tire
21 processing, at the rate of Fifty-four Dollars (\$54.00) per ton of
22 processed tire material. For compensation the following conditions
23 shall apply:
24

- 1 a. facilities that process used tires by altering the
2 form of the used tires but do not produce ~~crumb rubber~~
3 tire-derived product shall not receive compensation
4 until the facility documents the sale and movement of
5 the processed used tire material off-site to a third
6 party,
- 7 b. facilities shall report and certify used tire
8 processing activity in terms of weight. The facility
9 shall by sworn affidavit provide to the Department
10 sufficient information to verify that the facility has
11 processed used tires and sold processed used tires for
12 actual recycling or reuse in accordance with the
13 purposes of the Oklahoma Used Tire Recycling Act, and
14 c. to be eligible for compensation, a facility shall not
15 have accumulated more processed material than the
16 amount for which the facility has provided financial
17 assurance under its solid waste permit or the amount
18 accumulated from three (3) years of operation,
19 whichever is less;
- 20 2. a. Compensation to used tire recycling facilities or TDF
21 facilities at the rate of Fifty-three Dollars (\$53.00)
22 per ton of whole used tires for the collection and
23 transportation of used tires from Oklahoma tire
24 dealers, automotive dismantlers and parts recyclers,

1 solid waste landfill sites, and dumps certified by the
2 Department priority cleanup list, and delivering the
3 tires to a used tire recycling facility or TDF
4 facility. The collection and transportation of used
5 tires shall be provided by the used tire recycling
6 facility or TDF facility at no additional cost to the
7 tire dealer or automotive dismantler and parts
8 recycler or to the Fund. The used tire recycling
9 facility or TDF facility shall collect from any
10 location at which there are at least three hundred
11 used tires.

12 b. Compensation under this paragraph shall not be payable
13 until the used tires have been actually processed
14 according to the solid waste permit for the facility
15 or actually used for energy or fuel recovery. A TDF
16 facility that collects and transports whole used tires
17 shall be eligible for compensation under this
18 paragraph only for those whole used tires consumed by
19 that facility.

20 c. No tire dealer shall charge any customer any
21 additional fee for the management, recycling, or
22 disposal of any used tire upon which the used tire
23 recycling fee has been remitted to the Tax Commission.
24 For customers who choose not to leave a used tire upon

1 which the used tire recycling fee has been remitted to
2 the Tax Commission, the tire dealer shall issue a
3 receipt which entitles the customer to deliver the
4 used tire to the dealer at a later date.

5 d. To be eligible for compensation pursuant to this
6 paragraph, the used tire recycling facility or TDF
7 facility shall:

8 (1) demonstrate to the satisfaction of the Department
9 that the facility is regularly engaged in the
10 collection, transportation and delivery of used
11 tires to a used tire recycling facility or to a
12 TDF facility, on a statewide basis, and from each
13 county of the state,

14 (2) provide documentation to the Department, signed
15 by a dealer at the time of collection, which
16 certifies remittance of appropriate fees to the
17 Oklahoma Tax Commission as a participating tire
18 dealer pursuant to the provisions of the Oklahoma
19 Used Tire Recycling Act, and

20 (3) annually demonstrate that at least three to six
21 percent (3-6%) of the tires were collected from
22 tire dumps or landfills on the Department
23 priority cleanup list or community-wide cleanup
24 events approved by the Department. The

1 Department is authorized to determine
2 periodically the applicable percentage within the
3 specified range set forth in this division based
4 on the number of tires remaining in illegal dumps
5 and available funding.

6 e. In lieu of proof of remitted tire recycling fees, the
7 used tire recycling facility or TDF facility shall
8 accept proof of purchase of a salvage vehicle
9 registered in Oklahoma by an automotive dismantler and
10 parts recycler, licensed pursuant to the Automotive
11 Dismantlers and Parts Recycler Act, for the collection
12 and transportation of up to five used tires per
13 salvage vehicle purchased on or after January 1, 1996;

14 3. a. Compensation to a unit of local or county government
15 that submits to the Department for approval a plan for
16 the use of baled used tires in an engineering project.
17 Compensation shall be at the rate of fifty cents
18 (\$0.50) per tire.

19 b. The plan shall be approved by the Department before
20 construction of the project begins.

21 c. Any unit of local or county government baling used
22 tires shall not accumulate more than fifty used tire
23 bales prior to beginning construction of an approved
24 project.

1 d. Used tires baled pursuant to this paragraph cannot be
2 obtained from tire manufacturers, retailers,
3 wholesalers, retreaders, or automotive dismantlers and
4 parts recyclers.

5 e. Any unit of local or county government authorized to
6 receive reimbursement for the use of baled used tires
7 in an engineering project shall report and certify
8 whole used tires by number. The governmental unit
9 shall by sworn affidavit provide sufficient
10 information to the Department to verify that the unit
11 has utilized the tires in accordance with the purposes
12 of the Oklahoma Used Tire Recycling Act; and

13 4. If the Fund contains insufficient funds in any month to
14 satisfy the eligible reimbursements under this subsection, the
15 Department shall determine the apportionment of payments to be made
16 among the qualified applicants under this subsection according to
17 the percentage of used tires processed, collected and transported,
18 or utilized.

19 D. 1. After the allocations under subsections B and C of this
20 section are made, any remaining monies in the Fund shall be
21 available for TDF facilities and used tire recycling facilities that
22 produce ~~crumb rubber~~ tire-derived product for compensation at the
23 rate of Twenty-nine Dollars (\$29.00) per ton of processed or used
24

1 tires utilized for energy or fuel recovery or the production of
2 ~~crumb rubber~~ tire-derived product.

3 2. The production of ~~crumb rubber~~ tire-derived product shall be
4 considered a compensable event separate from and in addition to any
5 compensation for used tire processing under subsection C of this
6 section.

7 3. TDF facilities and used tire recycling facilities authorized
8 to receive reimbursement under this subsection shall report and
9 certify tire material used by weight.

10 4. The facilities shall by sworn affidavit provide to the
11 Department sufficient information to verify that the facility has
12 used the tires in accordance with the purposes of the Oklahoma Used
13 Tire Recycling Act.

14 5. If the Fund contains insufficient funds in any month to
15 satisfy the eligible reimbursements under this subsection, the
16 Department shall determine the apportionment of payments to be made
17 among the qualified applicants according to the percentage of used
18 tires intended for energy or fuel recovery or the production of
19 ~~crumb rubber~~ tire-derived product.

20 E. 1. After the allocations under subsections B, C and D of
21 this section are made, any remaining monies in the Fund shall be
22 available for capital investment reimbursement to used tire
23 facilities and TDF facilities for the purchase of equipment
24 necessary to utilize used tires. Only equipment purchased on or

1 after January 1, 1995, shall be eligible. The facilities are
2 eligible for compensation at a rate of Twenty Dollars (\$20.00) per
3 ton of used tires used. Total reimbursement shall not exceed one
4 hundred percent (100%) of the capital investment in eligible
5 equipment. The facilities may apply for compensation monthly to the
6 Department of Environmental Quality and shall supply any information
7 required by the Department.

8 2. If the Fund contains insufficient funds in any month to
9 satisfy the eligible reimbursements under this subsection, the
10 Department shall determine the apportionment of payments to be made
11 among the qualified applicants.

12 F. Subject to subsection G of this section, after the
13 allocations under subsections B, C, D and E of this section are
14 made, any remaining monies in the Fund, excluding monies collected
15 pursuant to paragraphs 3 and 4 of subsection B of Section 2-11-401.2
16 of this title, shall be disbursed as follows:

17 1. Additional compensation to used tire recycling facilities or
18 TDF facilities for the remediation of dumps certified by the
19 Department and delivering the tires to a used tire recycling
20 facility or a TDF facility. The Department shall determine
21 additional compensation made to qualified applicants under this
22 subsection based on cleanup feasibility of the dump. The Board
23 shall promulgate rules establishing unit costs for compensation
24 based on the remediation feasibility of the tire dumps. The

1 Department may solicit bids for the remediation of tire dumps if no
2 used tire recycling facilities or TDF facilities agree to remediate
3 a priority tire dump authorized by the Department or if the
4 Department determines the qualified applicant has not remediated the
5 tires in the tire dump to meet reference conditions of comparable
6 property in the immediate area; and

7 2. Reimbursement to the Department of Environmental Quality for
8 necessary costs associated with remediation or other necessary
9 actions at sites at which used tires or other wastes incidental to
10 the used tires present a threat to human health or environment, or
11 for projects to increase market demand for products made from
12 Oklahoma used tires. The Solid Waste Management Advisory Council
13 shall recommend and the Environmental Quality Board shall adopt
14 rules governing the types of market development projects that may
15 qualify for reimbursement. To the extent possible, the rules shall
16 favor and the Department shall prioritize projects with the greatest
17 potential to benefit schools, communities and local governments.
18 Upon its receipt of documentation from the Department showing
19 expenditures relating to the remediation of such sites or market
20 development projects, the Tax Commission shall reimburse the
21 Department for its documented expenditures.

22 G. Accrued funding for the purposes specified in subsection F
23 of this section shall not exceed Five Hundred Thousand Dollars
24 (\$500,000.00). Once Five Hundred Thousand Dollars (\$500,000.00) is

1 reached, any additional funds shall be distributed as additional
2 compensation under paragraph 1 of subsection C of this section.

3 H. 1. Used tire recycling facilities and TDF facilities that
4 collect, transport and process tires used on implements of husbandry
5 and agricultural equipment that are greater than thirty (30) inches
6 in total diameter and less than or equal to forty-four (44) inches
7 in total diameter shall be eligible for compensation at a rate of
8 Eight Dollars (\$8.00) per tire.

9 a. Collection, transportation and processing of tires
10 under this paragraph shall be considered a compensable
11 event separate from and in addition to any
12 compensation under subsection C of this section.

13 b. Used tire recycling facilities and TDF facilities
14 authorized to receive reimbursement under this
15 paragraph shall report and certify the number of tires
16 collected and transported.

17 2. Used tire recycling facilities and TDF facilities that
18 collect, transport and process tires used on implements of husbandry
19 and agricultural equipment that are greater than forty-four (44)
20 inches in total diameter and less than or equal to seventy-two (72)
21 inches in total diameter and not more than thirty (30) inches wide,
22 shall be eligible for compensation at the rate of Sixteen Dollars
23 (\$16.00) per tire.
24

1 a. Collection, transportation and processing of tires
2 under this paragraph shall be considered a compensable
3 event separate from and in addition to any
4 compensation under subsection C of this section.

5 b. Used tire recycling facilities and TDF facilities
6 authorized to receive reimbursement under this
7 paragraph shall report and certify the number of tires
8 collected and transported.

9 I. Used tire recycling facilities, TDF facilities, or persons,
10 corporations or other legal entities authorized by the provisions of
11 the Oklahoma Used Tire Recycling Act to receive reimbursement shall
12 demonstrate that the facilities or legal entities have successfully
13 complied with the requirements of the Oklahoma Used Tire Recycling
14 Act through the filing of appropriate applications, reports, and
15 other documentation that may be required by the Tax Commission and
16 the Department.

17 SECTION 4. AMENDATORY 27A O.S. 2011, Section 2-11-401.7,
18 as amended by Section 4, Chapter 286, O.S.L. 2017 (27A O.S. Supp.
19 2018, Section 2-11-401.7), is amended to read as follows:

20 Section 2-11-401.7. A. Except as otherwise provided by this
21 section, it shall be unlawful for any person to:

22 1. Own or operate a site used for the storage, collection or
23 disposal of more than fifty used tires except at a site or facility
24 permitted or approved by the Department of Environmental Quality to

1 accept used tires. The provisions of this paragraph shall not apply
2 to tire manufacturers, retailers, wholesalers and retreaders who
3 store a total of no more than two thousand five hundred used tires
4 at their place of business or an ancillary off-premises storage site
5 approved by the Department, and who are currently in compliance with
6 applicable Oklahoma Tax Commission requirements;

7 2. Dispose of used tires at any site or facility other than a
8 site or facility for which a permit has been issued, or which has
9 been otherwise authorized by the Department;

10 3. Knowingly transport or knowingly allow used tires under the
11 control or in the possession of the person to be transported to an
12 unpermitted or unapproved site or facility;

13 4. Remove more than ten used tires or reusable tires from the
14 possession of the dealer unless the dealer provides a manifest form,
15 approved by the Department, which documents the removal and approved
16 disposition or sale of the tires and which accompanies the tires in
17 transport, or transport used or reusable tires in violation of rules
18 promulgated by the Department. Dealers, haulers, and used tire
19 recycling facilities shall keep copies of manifests available for
20 inspection for five (5) years; or

21 5. Sell any tire without collecting and remitting appropriate
22 fees to the Tax Commission in accordance with Section 2-11-401.2 of
23 this title.
24

1 B. The provisions of subsection A of this section shall not
2 apply to the use of used tires for agricultural purposes as
3 recognized by the Oklahoma Department of Agriculture, Food, and
4 Forestry.

5 C. The provisions of paragraphs 2 and 3 of subsection A of this
6 section shall not be construed to prevent an individual from
7 disposing of used tires previously used by the individual as vehicle
8 or equipment tires if the disposal is upon property owned by the
9 individual and the disposal does not create a nuisance or pose a
10 hazard to the public health or environment.

11 D. The provisions of paragraphs 2 and 3 of subsection A of this
12 section shall not be construed to prevent a used tire recycling
13 facility or tire-derived fuel or TDF facility from transporting and
14 delivering used tires to an out-of-state used tire recycling
15 facility or TDF facility.

16 E. 1. Except as otherwise ordered by the court, if the
17 administrative enforcement process for a violation of an order
18 issued by the Department for remediation, corrective action or
19 cleanup of an illegal tire dump has been exhausted, or criminal
20 proceedings for paragraph 1 or 2 of subsection A of this section
21 have resulted in a conviction, guilty plea, or nolo contendere plea,
22 the Department or a representative of the Department, upon notice to
23 the landowner and an opportunity for the landowner to be heard on
24 the issue, may enter the property to clean up the tire dump.

1 2. The Department may initiate a court action to recover the
2 actual cost of cleanup, attorney fees, court costs, and all other
3 monies expended in connection with the cleanup.

4 3. The Department shall deposit any excess funds recovered
5 through such action into the Used Tire Recycling Indemnity Fund.

6 F. Notwithstanding the provisions of Section 2-3-504 of this
7 title or any other remedy authorized by law, any peace officer of
8 this state or of any political subdivision of this state may issue a
9 citation to any person committing a violation of paragraph 1, 2, 3
10 or 4 of subsection A of this section. Such citation shall be in an
11 amount not to exceed One Hundred Dollars (\$100.00) for the first
12 offense, not to exceed Two Hundred Dollars (\$200.00) for the second
13 offense and not to exceed Five Hundred Dollars (\$500.00) for the
14 third or subsequent offense. The penalties collected from the
15 payment of such citations shall not include court costs and shall be
16 divided as follows:

17 1. One-half (1/2) shall be paid into the reward fund created
18 pursuant to Section 1334 of Title 22 of the Oklahoma Statutes; and

19 2. One-half (1/2) shall be paid into the Sheriff's Service Fee
20 Account for that county to be used for environmental enforcement and
21 cleanup programs.

22 ~~SECTION 5. This act shall become effective July 1, 2019.~~

23 ~~SECTION 6. It being immediately necessary for the preservation~~
24 ~~of the public peace, health or safety, an emergency is hereby~~

1 ~~declared to exist, by reason whereof this act shall take effect and~~
2 ~~be in full force from and after its passage and approval.~~

3 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
4 February 27, 2019 - DO PASS AS AMENDED
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