



February 25, 2005

# HOUSE BILL No. 1381

DIGEST OF HB 1381 (Updated February 24, 2005 4:43 pm - DI 113)

**Citations Affected:** IC 4-23; IC 13-20.

**Synopsis:** Waste tires. Requires: (1) 80% of the waste tire fees to be deposited in the waste tire assistance fund; and (2) 20% of the fees to be deposited in the waste tire management fund. Establishes the waste tire assistance fund to be administered by the Indiana recycling and energy development board. Provides that the fund is to be used for: (1) making forgivable loans to assist persons that derive a beneficial use from waste tires; (2) reimbursing solid waste management districts that conduct waste tire collection days; and (3) providing incentive payments and reimbursements for waste tire processors and waste tire end users that use waste tires for a beneficial purpose.

**Effective:** July 1, 2005.

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**Wolkins, Adams T, Welch**

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January 13, 2005, read first time and referred to Committee on Environmental Affairs.  
February 17, 2005, amended, reported — Do Pass; referred to Committee on Ways and Means pursuant to House Rule 127.  
February 24, 2005, amended, reported — Do Pass.

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February 25, 2005

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

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## HOUSE BILL No. 1381

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A BILL FOR AN ACT to amend the Indiana Code concerning waste tires.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 4-23-5.5-1 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this  
3 chapter:
- 4 (1) "board" means the Indiana recycling and energy development  
5 board created by this chapter;
  - 6 (2) "department" means the department of commerce; ~~and~~
  - 7 (3) "director" refers to the director of the office of energy policy  
8 of the department; **and**
  - 9 (4) "waste tire" means:
    - 10 (A) a whole tire that:
      - 11 (i) is not suitable for the tire's original purpose; and
      - 12 (ii) has a volume of not more than four (4) cubic feet; and
    - 13 (B) one (1) or more tires that:
      - 14 (i) have been shredded, ground, or otherwise altered;
      - 15 and
      - 16 (ii) have a combined weight of not more than twenty-five
      - 17 (25) pounds or total volume of not more than one and

HB 1381—LS 6734/DI 52+



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**one-quarter (1.25) cubic feet.**

SECTION 2. IC 4-23-5.5-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 17. (a) The waste tire assistance fund is established. The purpose of the fund is to promote and assist waste tire collection, reuse, and recycling throughout Indiana. The fund shall be administered by the board.**

**(b) Sources of money for the fund consist of the following:**

- (1) Fees collected under IC 13-20-13-7.**
- (2) Repayment proceeds of loans made from the fund.**
- (3) Gifts and donations.**

**(c) Money remaining in the fund at the end of a state fiscal year does not revert to the state general fund.**

**(d) The board shall use money in the fund to do the following:**

- (1) Make forgivable loans to assist persons that derive a beneficial use from waste tires. When the board makes a loan to a person under this subdivision, the loan must require the board to subtract fifteen cents (\$0.15) from the amount of the loan for each waste tire used by the person. The board shall establish loan:**
  - (A) amounts;**
  - (B) terms; and**
  - (C) interest rates.**
- (2) Reimburse solid waste management districts established under IC 13-21-3-1 that conduct waste tire collection days. The board shall establish criteria for reimbursing solid waste management districts under this subdivision.**
- (3) Provide incentive payments and reimbursements for waste tire processors and waste tire end users that use waste tires for a beneficial purpose. The board shall establish criteria for paying or reimbursing persons under this subdivision. Payments and reimbursements under this subdivision may not:**
  - (A) exceed twenty dollars (\$20) per ton of waste tires used by a waste tire processor or waste tire end user; and**
  - (B) be made to a person for:**
    - (i) disposing of waste tires at a landfill; or**
    - (ii) using waste tires as a daily cover for a landfill.**

**(e) A:**

- (1) person that wants a loan from the fund under subsection (d)(1);**
- (2) solid waste management district that wants to be**

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1           **reimbursed from the fund under subsection (d)(2); or**  
2           **(3) person that wants an incentive payment or reimbursement**  
3           **from the fund under subsection (d)(3);**  
4           **must file an application with the board on a form prescribed by the**  
5           **board.**

6           SECTION 3. IC 13-20-13-7 IS AMENDED TO READ AS  
7           FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A fee of  
8           twenty-five cents (\$0.25) is imposed on the sale of the following:

- 9           (1) Each new tire that is sold at retail.
- 10           (2) Each new tire mounted on a new vehicle sold at retail.

11           (b) The person that sells the new tire or vehicle at retail to the  
12           ultimate consumer of the tire or vehicle shall collect the fee imposed  
13           by this section.

14           (c) A person that collects a fee under subsection (b):

- 15           (1) shall pay the fees collected under subsection (b):
  - 16           (A) to the department of state revenue; and
  - 17           (B) at the same time and in the same manner that the person
- 18           pays the state gross retail tax collected by the person to the
- 19           department of state revenue;
- 20           (2) shall indicate on the return:
  - 21           (A) prescribed by the department of state revenue; and
  - 22           (B) used for the payment of state gross retail taxes;

23           that the person is also paying fees collected under subsection (b);  
24           and

25           (3) is entitled to deduct and retain one percent (1%) of the fees  
26           required to be paid to the department of state revenue under this  
27           subsection.

28           (d) The department of state revenue shall deposit fees collected  
29           under this section **as follows:**

30           **(1) Eighty percent (80%) of the fees collected under this**  
31           **section shall be deposited in the waste tire assistance fund**  
32           **established by IC 4-23-5.5-17.**

33           **(2) Twenty percent (20%) of the fees collected under this**  
34           **section shall be deposited** in the waste tire management fund  
35           established by this chapter.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Environmental Affairs, to which was referred House Bill 1381, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning waste tires.

Page 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 4-23-5.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter:

- (1) "board" means the Indiana recycling and energy development board created by this chapter;
- (2) "department" means the department of commerce; ~~and~~
- (3) "director" refers to the director of the office of energy policy of the department; ~~and~~
- (4) "waste tire" means:**
  - (A) a whole tire that:**
    - (i) is not suitable for the tire's original purpose; and**
    - (ii) has a volume of not more than four (4) cubic feet; or**
  - (B) one (1) or more tires that:**
    - (i) have been shredded, ground, or otherwise altered; and**
    - (ii) have a combined weight of not more than twenty-five (25) pounds or total volume of not more than one and one-quarter (1.25) cubic feet.**

SECTION 2. IC 4-23-5.5-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. **(a) The waste tire assistance fund is established. The purpose of the fund is to promote and assist waste tire collection, reuse, and recycling throughout Indiana. The fund shall be administered by the board.**

**(b) Sources of money for the fund consist of the following:**

- (1) Fees collected under IC 9-21-1-4.5.**
- (2) Repayment proceeds of loans made from the fund.**
- (3) Gifts and donations.**

**(c) Money remaining in the fund at the end of a state fiscal year does not revert to the state general fund.**

**(d) The board shall use money in the fund to do the following:**

- (1) Make forgivable loans to assist persons that derive a beneficial use from waste tires. When the board makes a loan**

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to a person under this subdivision, the loan must require the board to subtract fifteen cents (\$0.15) from the amount of the loan for each waste tire used by the person. The board shall establish loan:

- (A) amounts;
- (B) terms; and
- (C) interest rates.

(2) Reimburse solid waste management districts established under IC 13-21-3-1 that conduct waste tire collection days. The board shall establish criteria for reimbursing solid waste management districts under this subdivision.

(3) Provide incentive payments and reimbursements for waste tire processors and waste tire end users that use waste tires for a beneficial purpose. The board shall establish criteria for paying or reimbursing persons under this subdivision. Payments and reimbursements may under this subdivision may not:

- (A) exceed twenty dollars (\$20) per ton of waste tires used by a waste tire processor or waste tire end user; and
- (B) be made to a person for:
  - (i) disposing of waste tires at a landfill; or
  - (ii) using waste tires as a daily cover for a landfill.

(e) A:

- (1) person that wants a loan from the fund under subsection (d)(1);
- (2) solid waste management district that wants to be reimbursed from the fund under subsection (d)(2); or
- (3) person that wants an incentive payment or reimbursement from the fund under subsection (d)(3);

must file an application with the board on a form prescribed by the board.

SECTION 3. IC 9-29-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Except as provided in sections 2, through 3, 4, and 4.5 of this chapter, all money collected by the bureau under IC 9-14-5, IC 9-18-2, IC 9-18-5, IC 9-18-6, IC 9-18-7, IC 9-18-9, IC 9-18-10, IC 9-18-11, IC 9-18-16, IC 9-24-3, IC 9-24-4, IC 9-24-5, IC 9-24-7, IC 9-24-8, IC 9-24-10, IC 9-24-11, IC 9-24-12, IC 9-24-13, and IC 9-24-14 shall be deposited daily with the treasurer of state and credited to the motor vehicle highway account established under IC 8-14-1.

SECTION 4. IC 9-29-1-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY

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1, 2005]: **Sec. 4.5. (a) A waste tire fee of one dollar (\$1) is imposed. The waste tire fee shall be collected in addition to all registration fees collected under IC 9-18.**

**(b) Money collected under subsection (a) shall be deposited as follows:**

**(1) Eighty percent (80%) shall be deposited in the waste tire assistance fund established by IC 4-23-5.5-17.**

**(2) Twenty percent (20%) shall be deposited in the waste tire management fund established by IC 13-20-13-8(a).**

SECTION 5. IC 13-11-2-231 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 231. ~~(a)~~ "Tire", for purposes of:

- (1) IC 13-20-13, except as provided in subsection (b); and
- (2) IC 13-20-14;

means a continuous solid or pneumatic rubber covering that is designed to encircle a wheel of a motor vehicle (as defined in IC 9-13-2-105(a)).

~~(b) "Tire", for purposes of IC 13-20-13-7, means a continuous solid or pneumatic rubber covering that is designed to encircle a wheel of a vehicle.~~

SECTION 6. IC 13-11-2-245 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 245. (a) "Vehicle", for purposes of IC 13-17-5, refers to a vehicle required to be registered with the bureau of motor vehicles and required to have brakes. The term does not include the following:

- (1) Farm tractors.
- (2) Implements of husbandry.
- (3) Farm tractors used in transportation.
- (4) Mobile homes (house trailers).
- (5) Trailers weighing not more than three thousand (3,000) pounds.
- (6) Antique motor vehicles.

(b) "Vehicle", for purposes of IC 13-18-12, means a device used to transport a tank.

(c) "Vehicle", for purposes of IC 13-20-4, refers to a municipal waste collection and transportation vehicle.

~~(d) "Vehicle", for purposes of IC 13-20-13-7, means a motor vehicle and types of equipment, machinery, implements, or other devices used in transportation, manufacturing, agriculture, construction, or mining. The term does not include the following:~~

- ~~(1) A lawn and garden tractor that is propelled by a motor of not more than twenty (20) horsepower.~~
- ~~(2) A semitrailer.~~

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(~~e~~) (d) "Vehicle", for purposes of IC 13-20-14, has the meaning set forth in IC 9-13-2-196."

Page 2, delete lines 1 through 9.

Page 2, line 38, strike "section 7 of this chapter."

Page 2, line 41, after "projects." insert "**IC 9-21-1-4.5**".

Page 3, after line 18, begin a new paragraph and insert:

"SECTION 8. IC 13-20-13-7 IS REPEALED [EFFECTIVE JULY 1, 2005]."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1381 as introduced.)

WOLKINS, Chair

Committee Vote: yeas 7, nays 5.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1381, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 9, delete "IC 9-21-1-4.5." and insert "IC 13-20-13-7".

Page 2, line 32, delete "may".

Page 3, delete lines 6 through 42, begin a new paragraph and insert:

"SECTION 3. IC 13-20-13-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A fee of twenty-five cents (\$0.25) is imposed on the sale of the following:

- (1) Each new tire that is sold at retail.
- (2) Each new tire mounted on a new vehicle sold at retail.

(b) The person that sells the new tire or vehicle at retail to the ultimate consumer of the tire or vehicle shall collect the fee imposed by this section.

(c) A person that collects a fee under subsection (b):

(1) shall pay the fees collected under subsection (b):

(A) to the department of state revenue; and

(B) at the same time and in the same manner that the person pays the state gross retail tax collected by the person to the department of state revenue;

(2) shall indicate on the return:

(A) prescribed by the department of state revenue; and

(B) used for the payment of state gross retail taxes;

that the person is also paying fees collected under subsection (b); and

(3) is entitled to deduct and retain one percent (1%) of the fees required to be paid to the department of state revenue under this subsection.

(d) The department of state revenue shall deposit fees collected under this section **as follows:**

**(1) Eighty percent (80%) of the fees collected under this section shall be deposited in the waste tire assistance fund established by IC 4-23-5.5-17.**

**(2) Twenty percent (20%) of the fees collected under this section shall be deposited in the waste tire management fund established by this chapter."**

Delete pages 4 through 5.

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Renumber all SECTIONS consecutively.  
and when so amended that said bill do pass.

(Reference is to HB 1381 as printed February 18, 2005.)

ESPICH, Chair

Committee Vote: yeas 15, nays 4.

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