

Reprinted

APR 13 1992
WAYS & MEANS CALENDAR

HOUSE FILE 2475
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 465)

Passed House, Date 4/17/92 (P. 1646)

Passed Senate, Date 4/28/92 (P. 1648)

Vote: Ayes 95 Nays 1

Vote: Ayes 41 Nays 8

Approved May 19, 1992

A BILL FOR

1 An Act relating to waste tire management, including the imposing
2 of fees.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2475

1 Section 1. Section 9B.1, Code Supplement 1991, is amended
2 by adding the following new subsection:

3 NEW SUBSECTION. 3A. A certificate of registration shall
4 at all times be carried and displayed in the vehicle used for
5 transportation of waste tires and shall be shown to a
6 representative of the state department of transportation, upon
7 request. The state department of transportation may inspect
8 vehicles used for the transportation of waste tires and
9 request that the certificate of registration of the waste tire
10 hauler be shown, upon request.

11 Sec. 2. Section 455B.423, subsection 2, Code Supplement
12 1991, is amended by adding the following new paragraph:

13 NEW PARAGRAPH. g. For the administration of the waste
14 tire collection site permit program.

15 Sec. 3. NEW SECTION. 455D.11A FINANCIAL ASSURANCE --
16 WASTE TIRE COLLECTION SITES.

17 1. A person owning or operating a waste tire collection
18 site shall provide a financial assurance instrument to the
19 department prior to the initial approval of a permit or prior
20 to the renewal of a permit for an existing or expanding
21 facility.

22 2. The financial assurance instrument shall meet all
23 requirements adopted by rule by the commission, and shall not
24 be canceled, revoked, disbursed, released, or allowed to
25 terminate without the approval of the department.

26 3. Financial assurance instruments may include instruments
27 such as cash or surety bond, a letter of credit, a secured
28 trust fund, or a corporate guarantee.

29 4. For a waste tire collection site initially permitted on
30 or after July 1, 1992, the financial assurance instrument
31 shall provide coverage in an amount which is equivalent to
32 eighty-five cents per tire collected at the site. For a waste
33 tire collection site existing prior to July 1, 1992, the
34 financial assurance instrument shall provide coverage in the
35 amount of eight hundred fifty dollars. If the tire collection

1 site existing prior to July 1, 1992, collects additional tires
2 on or after July 1, 1992, the financial assurance instrument
3 shall provide coverage in an additional amount which is
4 equivalent to eighty-five cents per each additional tire
5 collected.

6 5. The financial assurance instrument shall not be
7 assigned for the benefit of creditors with the exception of
8 the state, and shall not be used to pay any final judgment
9 against a permit holder arising out of the ownership or
10 operation of the site. The commission shall adopt rules to
11 establish conditions under which the department may gain
12 access to the financial assurance instrument.

13 6. The requirement for financial assurance shall not apply
14 to waste tire collection sites operated by a city or county,
15 or operated in conjunction with a sanitary landfill.

16 Sec. 4. NEW SECTION. 455D.11B PERMITTING OF WASTE TIRE
17 COLLECTION SITES -- FEES.

18 An owner or operator of a waste tire collection site,
19 including an enclosed site, shall obtain a permit from the
20 department prior to operation of the site. The owner or
21 operator shall pay an annual fee of eight hundred fifty
22 dollars to the department. The moneys collected by the
23 department shall be deposited in the hazardous substance
24 remedial fund established pursuant to section 455B.423 and
25 shall be used for the purposes of administering the waste tire
26 collection site permit program.

27 Sec. 5. WASTE TIRE COLLECTION PILOT PROGRAM.

28 1. The waste management authority division of the
29 department of natural resources shall establish a waste tire
30 collection pilot program to promote the safe collection and
31 disposal of waste tires, beginning July 1, 1992, and ending
32 June 30, 1993. The following counties shall be included in
33 the pilot program: Black Hawk, Carroll, Cerrc Gorço, Clinton,
34 Des Moines, Dubuque, Johnson, Lee, Linn, Marshall, Polk,
35 Pottawattamie, Scott, Story, Wapello, Webster, Winnesheik, and

1 Woodbury.

2 2. Moneys shall be allocated to the board of supervisors
3 of a county for the establishment and implementation of the
4 program. The board of supervisors shall work in cooperation
5 with the city councils of the cities located within the county
6 in developing and implementing the program, and may work with
7 nonprofit organizations in implementing the program.

8 3. Notwithstanding section 455B.310, subsection 2,
9 paragraph "b", subparagraphs (2) and (4), \$300,000 of the
10 moneys collected pursuant to subparagraph (2) and \$200,000 of
11 the moneys collected pursuant to subparagraph (4) are
12 appropriated to the department of natural resources for the
13 fiscal year beginning July 1, 1992, and ending June 30, 1993,
14 to provide grants to counties for the development and
15 implementation of waste tire collection pilot projects.

16 Of the amount appropriated, the moneys shall be allocated
17 as follows:

18 1. Counties with populations of less than 60,000 shall
19 each be allocated \$15,000.

20 2. Counties with populations of 60,000 through 110,000
21 shall each be allocated \$30,000.

22 3. Counties with populations of 110,001 through 200,000
23 shall each be allocated \$50,000.

24 4. Counties with populations of 200,001 or more shall each
25 be allocated \$65,000.

26 5. Each county participating in the pilot program is
27 encouraged to promote the pilot program and to generate local
28 funding for the development and implementation of the initial
29 program and for the continuation of the program.

30 6. The pilot program in each county shall be available to
31 private citizens at no charge, and limitations regarding the
32 number of waste tires accepted from an individual may be
33 established by each county. A pilot program shall not accept
34 waste tires from tire dealers, waste tire collection sites,
35 waste tire haulers, or any other person who collects, stores,

1 processes, or recycles waste tires for a profit. A county
2 collecting waste tires shall not store the waste tires, but
3 shall provide for the recycling, processing, or safe disposal
4 of the waste tires collected, which shall not include disposal
5 at a sanitary landfill.

6 7. Each county participating in the pilot program shall
7 submit a report to the waste management authority division by
8 September 1, 1993, which shall include an itemization of
9 expenditures, a report of the volume of tires collected, and
10 recommendations for the establishment of permanent waste tire
11 collection programs or sites. Following receipt of the
12 reports, the waste management authority division shall submit
13 a compilation of the reports to the general assembly by
14 January 15, 1994.

15 EXPLANATION

16 This bill provides for the management of waste tires by
17 requiring that a certified waste tire hauler carry and display
18 the certificate of registration in the vehicle used for
19 transportation of waste tires at all times. The bill also
20 requires the owner or operator of a waste tire collection site
21 to obtain a permit for the site and to provide a financial
22 assurance instrument to the department of natural resources
23 prior to the issuance of an initial permit or the renewal of a
24 permit for the site.

25 The bill also establishes a one-year waste tire collection
26 pilot program in 18 counties throughout the state beginning
27 July 1, 1992, and ending June 30, 1993. Participating
28 counties are allocated grants in amounts based upon the
29 population of the participating county. A pilot project is
30 limited to collection of waste tires from private citizens and
31 is prohibited from collection of waste tires from persons who
32 do collect, store, process, or recycle waste tires for a
33 profit. The participating counties are required to submit
34 reports regarding the individual pilot programs to the waste
35 management authority division of the department of natural

1 resources by September 1, 1993, and the division is required
2 to submit a compilation of the reports to the general assembly
3 by January 15, 1994.

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**HOUSE FILE 2475
FISCAL NOTE**

A fiscal note for House File 2475 as passed by the House is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

House File 2475 as passed by the House requires the owner or operator of a waste collection site to obtain an \$850 permit from the Department of Natural Resources (DNR) and to provide a financial assurance instrument prior to the issuance or renewal of a waste tire collection permit.

The bill also establishes a one-year waste tire collection pilot program in 18 counties. Funding for the pilot projects would be from moneys in the Solid Waste Account of the Groundwater Protection Fund.

Fiscal Effect

The bill allocates \$500,000 from the Solid Waste Account of the Groundwater Protection Fund for one-year pilot projects in 18 counties. These funds were to be used to establish 3 permanent household hazardous waste collection sites and to provide low or no interest loans to Iowa businesses working in the area of recycling. Allocating these funds to waste tire abatement will reduce the funds available for the other projects. At present, rules have not been established to implement the collection site or loan programs.

It is estimated that 20 sites would pay the \$850 annual waste tire collection fee. This would provide \$17,000 for DNR administration of the permit program. This funding level would allow the DNR to employ a 0.5 FTE position to administer the Program.

Source: Department of Natural Resources

(LSB 1891hz.2, JWR)

FILED APRIL 20, 1992

BY DENNIS PROUTY, FISCAL DIRECTOR

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LSB 1891HZ 74

pf/jj/8

HOUSE FILE 2475

H-5959

1 Amend House File 2475 as follows:

2 1. Page 1, line 14, by inserting after the word
3 "collection" the following: "or processing".

4 2. Page 1, line 16, by inserting after the word
5 "COLLECTION" the following: "OR PROCESSING".

6 3. Page 1, line 17, by inserting after the word
7 "collection" the following: "or processing".

8 4. Page 1, line 21, by inserting after the word
9 "facility." the following: "The financial assurance
10 instrument shall be used to provide for closure of the
11 waste tire collection or processing facility."

12 5. Page 1, line 27, by striking the word
13 "credit," and inserting the following: "credit in a
14 form prescribed by the department, or".

15 6. Page 1, line 28, by striking the words ", or a
16 corporate guarantee".

17 7. Page 1, by inserting after line 28, the
18 following:

19 "3A. If the owner or operator of a waste tire
20 collection or processing site chooses to provide
21 financial assurance in the form of a surety bond, the
22 bond shall be executed by a surety company authorized
23 to do business in this state. The bond shall be
24 continuous in nature until canceled by the surety. A
25 surety shall provide at least ninety day's notice in
26 writing to the owner or operator and to the department
27 indicating the surety's intent to cancel the bond and
28 the effective date of the cancellation. The surety
29 bond shall be for the benefit of the citizens of this
30 state and shall be conditioned upon compliance with
31 this section. The surety's liability under this
32 subsection is limited to the amount of the bond or the
33 amount of the damages or moneys due, whichever is
34 less. However, this subsection does not limit the
35 amount of damages recoverable from an owner or
36 operator in the amount of the surety bond. This
37 subsection shall not limit the recovery of damages to
38 the surety bond. The bond shall be made in a form
39 prescribed by the commissioner of insurance and
40 written by a company authorized by the commissioner of
41 insurance to do business in this state. If a surety
42 bond is canceled which has been provided as financial
43 assurance under this subsection, the owner or operator
44 of the waste tire collection or processing site shall
45 demonstrate to the department within thirty days of
46 the cancellation, a means of continued compliance with
47 the financial assurance requirements of this section.
48 If a means of continued compliance is not demonstrated
49 within the thirty-day period, the department shall
50 suspend the permit for the site, and the owner or

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Page 2

1 operator shall perform proper closure of the site
2 within thirty days. If the owner or operator does not
3 properly close the site within the time period
4 allowed, the department shall file a claim with the
5 surety company, prior to the effective date of
6 cancellation of the bond, to collect the amount of the
7 bond for use in performing proper closure. A person
8 who fails to provide for proper closure,
9 notwithstanding collection by the department of the
10 amount of the bond, is guilty of a serious
11 misdemeanor."

12 8. By striking page 1, line 29, through page 2,
13 line 5, and inserting the following:

14 "4. Financial assurance shall be provided in the
15 amounts as follows:

16 a. For a waste tire collection or processing site
17 initially permitted on or after July 1, 1992, the
18 financial assurance instrument for a waste tire
19 collection site shall provide coverage in an amount
20 which is equivalent to eighty-five cents per tire
21 collected by the site and the financial assurance
22 instrument for a waste tire processing site shall
23 provide coverage in an amount which is equivalent to
24 eighty-five cents per tire collected for processing by
25 the site which is above the three-day processing
26 supply of tires for the site as determined by the
27 department.

28 b. For a waste tire collection or processing site
29 in existence prior to July 1, 1992, a waste tire
30 collection site shall provide a financial assurance
31 instrument in an amount which is eighty-five cents per
32 additional tire collected after July 1, 1992, and a
33 waste tire processing site shall provide a financial
34 assurance instrument in an amount which is eighty-five
35 cents per additional tire collected for processing,
36 above the three-day processing supply of tires for the
37 site as determined by the department, after July 1,
38 1992.

39 c. Six months after the adoption of financial
40 assurance rules by the department, for a waste tire
41 collection or processing site in existence prior to
42 July 1, 1992, the financial assurance instrument shall
43 provide coverage in an amount which is equivalent to
44 eighty-five cents per tire based upon one-half of the
45 aggregate amount of tires collected prior to July 1,
46 1992, and remaining on site. One year after the
47 adoption of financial assurance rules by the
48 department, a waste tire collection or processing site
49 shall provide a financial assurance instrument in an
50 amount which is eighty-five cents per tire for all

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Page 3

1 waste tires stored at the site above the three-day
2 processing supply of tires."

3 9. Page 2, line 14, by inserting after the word
4 "collection" the following: "or processing".

5 10. Page 2, line 17, by inserting after the word
6 "COLLECTION" the following: "OR PROCESSING".

7 11. Page 2, line 18, by inserting after the word
8 "collection" the following: "or processing".

9 12. Page 2, line 26, by inserting after the word
10 "collection" the following: "or processing".

11 13. Title page, line 2, by inserting after the
12 word "fees" the following: "and providing a penalty".

13 14. By renumbering as necessary.

By OSTERBERG of Linn

BANKS of Plymouth

SHOULTZ of Black Hawk

GIPP of Winneshiek

H-5959 FILED APRIL 17, 1992

ADOPTED (p.1596)

HOUSE FILE 2475
FISCAL NOTE

A fiscal note for House File 2475 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

House File 2475 requires the owner or operator of a waste collection site to obtain an \$850 permit from the Department of Natural Resources (DNR) and to provide a financial assurance instrument prior to the issuance or renewal of a waste tire collection permit.

The bill also establishes a one-year waste tire collection pilot program in 18 counties. Funding for the pilot projects would be from moneys in the Solid Waste Account of the Groundwater Protection Fund.

Fiscal Effect

The bill allocates \$500,000 from the Solid Waste Account of the Groundwater Protection Fund for one-year pilot projects in 18 counties. These funds were to be used to establish 3 permanent household hazardous waste collection sites and to provide low or no interest loans to Iowa businesses working in the area of recycling. Allocating these funds to waste tire abatement will reduce the funds available for the other projects. At present, rules have not been established to implement the collection site or loan programs.

There is no accurate estimate of the number of waste tire collection sites that will pay the \$850 annual permit fee, however, if 100 sites receive permits, \$85,000 would be available to DNR for administration of the permit program. This funding level would allow the DNR to hire up to 2.0 FTE positions to administer the Program.

Source: Department of Natural Resources

(LSB 1891HZ, JWR)

FILED APRIL 15, 1992

BY DENNIS PROUTY, FISCAL DIRECTOR

Senate Ways Means 4/20, No Pass 4/24

HOUSE FILE 2475
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 465)

(As Amended and Passed by the House April 17, 1992)

Re Passed House, Date 4/28/92 (p. 1695) Passed Senate, Date 4/28/92 (p. 1690)
Vote: Ayes 96 Nays 1 Vote: Ayes 41 Nays 8
Approved May 19, 1992
Repassed Senate 4/29/92 (p. 1704)
aye 46, Nays 0

A BILL FOR

1 An Act relating to waste tire management, including the imposing
2 of fees and providing a penalty.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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House Amendments _____
Deleted Language ✖

1 Section 1. Section 9B.1, Code Supplement 1991, is amended
2 by adding the following new subsection:

3 NEW SUBSECTION. 3A. A certificate of registration shall
4 at all times be carried and displayed in the vehicle used for
5 transportation of waste tires and shall be shown to a
6 representative of the state department of transportation, upon
7 request. The state department of transportation may inspect
8 vehicles used for the transportation of waste tires and
9 request that the certificate of registration of the waste tire
10 hauler be shown, upon request.

11 Sec. 2. Section 455B.423, subsection 2, Code Supplement
12 1991, is amended by adding the following new paragraph:

13 NEW PARAGRAPH. g. For the administration of the waste
14 tire collection or processing site permit program.

15 Sec. 3. NEW SECTION. 455D.11A FINANCIAL ASSURANCE --
16 WASTE TIRE COLLECTION OR PROCESSING SITES.

17 1. A person owning or operating a waste tire collection or
18 processing site shall provide a financial assurance instrument
19 to the department prior to the initial approval of a permit or
20 prior to the renewal of a permit for an existing or expanding
21 facility. The financial assurance instrument shall be used to
22 provide for closure of the waste tire collection or processing
23 facility.

24 2. The financial assurance instrument shall meet all
25 requirements adopted by rule by the commission, and shall not
26 be canceled, revoked, disbursed, released, or allowed to
27 terminate without the approval of the department.

28 3. Financial assurance instruments may include instruments
29 such as cash or surety bond, a letter of credit in a form
* 30 prescribed by the department, or a secured trust fund.

31 3A. If the owner or operator of a waste tire collection or
32 processing site chooses to provide financial assurance in the
33 form of a surety bond, the bond shall be executed by a surety
34 company authorized to do business in this state. The bond
35 shall be continuous in nature until canceled by the surety. A

1 surety shall provide at least ninety day's notice in writing
2 to the owner or operator and to the department indicating the
3 surety's intent to cancel the bond and the effective date of
4 the cancellation. The surety bond shall be for the benefit of
5 the citizens of this state and shall be conditioned upon
6 compliance with this section. The surety's liability under
7 this subsection is limited to the amount of the bond or the
8 amount of the damages or moneys due, whichever is less.
9 However, this subsection does not limit the amount of damages
10 recoverable from an owner or operator in the amount of the
11 surety bond. This subsection shall not limit the recovery of
12 damages to the surety bond. The bond shall be made in a form
13 prescribed by the commissioner of insurance and written by a
14 company authorized by the commissioner of insurance to do
15 business in this state. If a surety bond is canceled which
16 has been provided as financial assurance under this
17 subsection, the owner or operator of the waste tire collection
18 or processing site shall demonstrate to the department within
19 thirty days of the cancellation, a means of continued
20 compliance with the financial assurance requirements of this
21 section. If a means of continued compliance is not
22 demonstrated within the thirty-day period, the department
23 shall suspend the permit for the site, and the owner or
24 operator shall perform proper closure of the site within
25 thirty days. If the owner or operator does not properly close
26 the site within the time period allowed, the department shall
27 file a claim with the surety company, prior to the effective
28 date of cancellation of the bond, to collect the amount of the
29 bond for use in performing proper closure. A person who fails
30 to provide for proper closure, notwithstanding collection by
31 the department of the amount of the bond, is guilty of a
32 serious misdemeanor.

33 4. Financial assurance shall be provided in the amounts as
34 follows:

35 a. For a waste tire collection or processing site

1 initially permitted on or after July 1, 1992, the financial
2 assurance instrument for a waste tire collection site shall
3 provide coverage in an amount which is equivalent to eighty-
4 five cents per tire collected by the site and the financial
5 assurance instrument for a waste tire processing site shall
6 provide coverage in an amount which is equivalent to eighty-
7 five cents per tire collected for processing by the site which
8 is above the three-day processing supply of tires for the site
9 as determined by the department.

10 b. For a waste tire collection or processing site in
11 existence prior to July 1, 1992, a waste tire collection site
12 shall provide a financial assurance instrument in an amount
13 which is eighty-five cents per additional tire collected after
14 July 1, 1992, and a waste tire processing site shall provide a
15 financial assurance instrument in an amount which is eighty-
16 five cents per additional tire collected for processing, above
17 the three-day processing supply of tires for the site as
18 determined by the department, after July 1, 1992.

19 c. Six months after the adoption of financial assurance
20 rules by the department, for a waste tire collection or
21 processing site in existence prior to July 1, 1992, the
22 financial assurance instrument shall provide coverage in an
23 amount which is equivalent to eighty-five cents per tire based
24 upon one-half of the aggregate amount of tires collected prior
25 to July 1, 1992, and remaining on site. One year after the
26 adoption of financial assurance rules by the department, a
27 waste tire collection or processing site shall provide a
28 financial assurance instrument in an amount which is eighty-
29 five cents per tire for all waste tires stored at the site
30 above the three-day processing supply of tires.

31 5. The financial assurance instrument shall not be
32 assigned for the benefit of creditors with the exception of
33 the state, and shall not be used to pay any final judgment
34 against a permit holder arising out of the ownership or
35 operation of the site. The commission shall adopt rules to

1 establish conditions under which the department may gain
2 access to the financial assurance instrument.

3 6. The requirement for financial assurance shall not apply
4 to waste tire collection or processing sites operated by a
5 city or county, or operated in conjunction with a sanitary
6 landfill.

7 Sec. 4. NEW SECTION. 455D.11B PERMITTING OF WASTE TIRE
8 COLLECTION OR PROCESSING SITES -- FEES.

9 An owner or operator of a waste tire collection or
10 processing site, including an enclosed site, shall obtain a
11 permit from the department prior to operation of the site.
12 The owner or operator shall pay an annual fee of eight hundred
13 fifty dollars to the department. The moneys collected by the
14 department shall be deposited in the hazardous substance
15 remedial fund established pursuant to section 455B.423 and
16 shall be used for the purposes of administering the waste tire
17 collection or processing site permit program.

18 Sec. 5. WASTE TIRE COLLECTION PILOT PROGRAM.

19 1. The waste management authority division of the
20 department of natural resources shall establish a waste tire
21 collection pilot program to promote the safe collection and
22 disposal of waste tires, beginning July 1, 1992, and ending
23 June 30, 1993. The following counties shall be included in
24 the pilot program: Black Hawk, Carroll, Cerro Gordo, Clinton,
25 Des Moines, Dubuque, Johnson, Lee, Linn, Marshall, Polk,
26 Pottawattamie, Scott, Story, Wapello, Webster, Winnesheik, and
27 Woodbury.

28 2. Moneys shall be allocated to the board of supervisors
29 of a county for the establishment and implementation of the
30 program. The board of supervisors shall work in cooperation
31 with the city councils of the cities located within the county
32 in developing and implementing the program, and may work with
33 nonprofit organizations in implementing the program.

34 3. Notwithstanding section 455B.310, subsection 2,
35 paragraph "b", subparagraphs (2) and (4), \$300,000 of the

1 moneys collected pursuant to subparagraph (2) and \$200,000 of
2 the moneys collected pursuant to subparagraph (4) are
3 appropriated to the department of natural resources for the
4 fiscal year beginning July 1, 1992, and ending June 30, 1993,
5 to provide grants to counties for the development and
6 implementation of waste tire collection pilot projects.

7 Of the amount appropriated, the moneys shall be allocated
8 as follows:

9 1. Counties with populations of less than 60,000 shall
10 each be allocated \$15,000.

11 2. Counties with populations of 60,000 through 110,000
12 shall each be allocated \$30,000.

13 3. Counties with populations of 110,001 through 200,000
14 shall each be allocated \$50,000.

15 4. Counties with populations of 200,001 or more shall each
16 be allocated \$65,000.

17 5. Each county participating in the pilot program is
18 encouraged to promote the pilot program and to generate local
19 funding for the development and implementation of the initial
20 program and for the continuation of the program.

21 6. The pilot program in each county shall be available to
22 private citizens at no charge, and limitations regarding the
23 number of waste tires accepted from an individual may be
24 established by each county. A pilot program shall not accept
25 waste tires from tire dealers, waste tire collection sites,
26 waste tire haulers, or any other person who collects, stores,
27 processes, or recycles waste tires for a profit. A county
28 collecting waste tires shall not store the waste tires, but
29 shall provide for the recycling, processing, or safe disposal
30 of the waste tires collected, which shall not include disposal
31 at a sanitary landfill.

32 7. Each county participating in the pilot program shall
33 submit a report to the waste management authority division by
34 September 1, 1993, which shall include an itemization of
35 expenditures, a report of the volume of tires collected, and

1 recommendations for the establishment of permanent waste tire
2 collection programs or sites. Following receipt of the
3 reports, the waste management authority division shall submit
4 a compilation of the reports to the general assembly by
5 January 15, 1994.

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HOUSE FILE 2475

S-5897

1 Amend House File 2475, as amended, passed, and re-
2 printed by the House, as follows:

3 1. Page 1, by inserting after line 14 the fol-
4 lowing:

5 "Sec. _____. Section 455D.11, subsection 1,
6 paragraphs d and f, Code Supplement 1991, are amended
7 to read as follows:

8 d. "Tire collector" means a person who owns or
9 operates a site used for the storage, collection, or
10 deposit of more than fifty five hundred waste tires.

11 f. "Waste tire" means a tire that is no longer
12 suitable for its originally intended purpose due to
13 wear, damage, or defect. "Waste tire" does not
14 include a nonpneumatic tire."

15 2. By renumbering as necessary.

By RALPH ROSENBERG

S-5897 FILED APRIL 28, 1992

ADOPTED

HOUSE FILE 2475

S-5898

1 Amend House File 2475 as amended, passed, and
2 reprinted by the House, as follows:

B 3 1. Page 3, by striking lines 23 through 30, and
4 inserting the following: "amount which is eighty-five
5 cents per tire for all waste tires stored at the site
6 above the three-day processing supply of tires as
7 determined by the department."

8 2. Page 4, line 24, by inserting after the word
9 "program:" the following: "Benton,".

A 10 3. Page 4, line 26, by striking the word
11 "Webster,".

B 12 4. Page 5, line 1, by striking the figure
13 "200,000" and inserting the following: "218,000".

14 5. Page 5, line 6, by inserting after the word
15 "projects." the following: "Not more than \$18,000 of
16 the \$218,000 collected pursuant to section 455B.310,
17 subsection 2, paragraph "b", subparagraph (4), may be
18 used by the department for administrative costs of the
19 waste tire collection or processing site permit
20 program."

21 6. Page 5, line 18, by inserting after the word
22 "program," the following: "to encourage nonprofit
23 organization participation,".

24 7. Page 5, line 25, by inserting after the word
25 "dealers," the following: "distributors, or
26 manufacturers,".

By RALPH ROSENBERG

S-5898 FILED APRIL 28, 1992

DIVISION A-WITHDRAWN, DIVISION B-ADOPTED

HOUSE AMENDMENT TO SENATE AMENDMENT TO
HOUSE FILE 2475

S-5902

1 Amend the Senate amendment, H-6059, to House File
2 2475, as amended, passed, and reprinted by the House,
3 as follows:
4 1. Page 1, by striking lines 15 through 19.
5 2. Page 1, line 23, by striking the figure
6 "218,000" and inserting the following: "233,000".
7 3. Page 1, line 26, by striking the figure
8 "218,000" and inserting the following: "233,000".
9 4. Page 1, by striking line 32, and inserting the
10 following: ""program" the following: ", to encourage
11 nonprofit".
12 5. Page 1, by inserting after line 36 the
13 following:
14 "____. Page 6, by inserting after line 5 the
15 following:
16 "Sec. ____ . EFFECTIVE DATE. This Act, being deemed
17 of immediate importance, takes effect upon enactment.
18 ____ . Title page, line 2, by striking the words
19 "and providing a penalty" and inserting the following:
20 ", providing a penalty, and providing an effective
21 date"."

RECEIVED FROM THE HOUSE

S-5902 FILED APRIL 29, 1992
CONCURRED

HOUSE FILE 2475

H-6066

1 Amend the Senate amendment, H-6059, to House File
2 2475, as amended, passed, and reprinted by the House,
3 as follows:
4 1. Page 1, by striking lines 15 through 19.
5 2. Page 1, line 23, by striking the figure
6 "218,000" and inserting the following: "233,000".
7 3. Page 1, line 26, by striking the figure
8 "218,000" and inserting the following: "233,000".
9 4. Page 1, by striking line 32, and inserting the
10 following: ""program" the following: ", to encourage
11 nonprofit".
12 5. Page 1, by inserting after line 36 the
13 following:
14 "____. Page 6, by inserting after line 5 the
15 following:
16 "Sec. ____ . EFFECTIVE DATE. This Act, being deemed
17 of immediate importance, takes effect upon enactment.
18 ____ . Title page, line 2, by striking the words
19 "and providing a penalty" and inserting the following:
20 ", providing a penalty, and providing an effective
21 date"."

By OSTERBERG of Linn

H-6066 FILED APRIL 28, 1992

ADOPTED

SENATE AMENDMENT TO HOUSE FILE 2475

H-6059

1 Amend House File 2475 as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 1, by inserting after line 14 the fol-
4 lowing:

5 "Sec. ____ . Section 455D.11, subsection 1,
6 paragraphs d and f, Code Supplement 1991, are amended
7 to read as follows:

8 d. "Tire collector" means a person who owns or
9 operates a site used for the storage, collection, or
10 deposit of more than fifty five hundred waste tires.

11 f. "Waste tire" means a tire that is no longer
12 suitable for its originally intended purpose due to
13 wear, damage, or defect. "Waste tire" does not
14 include a nonpneumatic tire."

15 2. Page 3, by striking lines 23 through 30, and
16 inserting the following: "amount which is eighty-five
17 cents per tire for all waste tires stored at the site
18 above the three-day processing supply of tires as
19 determined by the department."

20 3. Page 4, line 24, by inserting after the word
21 "program:" the following: "Benton,".

22 4. Page 5, line 1, by striking the figure
23 "200,000" and inserting the following: "218,000".

24 5. Page 5, line 6, by inserting after the word
25 "projects." the following: "Not more than \$18,000 of
26 the \$218,000 collected pursuant to section 455B.310,
27 subsection 2, paragraph "b", subparagraph (4), may be
28 used by the department for administrative costs of the
29 waste tire collection or processing site permit
30 program."

31 6. Page 5, line 18, by inserting after the word
32 "program," the following: "to encourage nonprofit
33 organization participation,".

34 7. Page 5, line 25, by inserting after the word
35 "dealers," the following: "distributors, or
36 manufacturers,".

37 8. By renumbering, relettering, or redesignating
38 and correcting internal references as necessary.

RECEIVED FROM THE SENATE

H-6059 FILED APRIL 28, 1992

CONCURRED AS AMENDED (p. 1895)

HOUSE FILE 2475

AN ACT

RELATING TO WASTE TIRE MANAGEMENT, INCLUDING THE IMPOSING OF FEES, PROVIDING A PENALTY, AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 9B.1, Code Supplement 1991, is amended by adding the following new subsection:

NEW SUBSECTION. 3A. A certificate of registration shall at all times be carried and displayed in the vehicle used for transportation of waste tires and shall be shown to a representative of the state department of transportation, upon request. The state department of transportation may inspect vehicles used for the transportation of waste tires and request that the certificate of registration of the waste tire hauler be shown, upon request.

Sec. 2. Section 455B.423, subsection 2, Code Supplement 1991, is amended by adding the following new paragraph:

NEW PARAGRAPH. g. For the administration of the waste tire collection or processing site permit program.

Sec. 3. Section 455D.11, subsection 1, paragraphs d and f, Code Supplement 1991, are amended to read as follows:

d. "Tire collector" means a person who owns or operates a site used for the storage, collection, or deposit of more than fifty five hundred waste tires.

f. "Waste tire" means a tire that is no longer suitable for its originally intended purpose due to wear, damage, or defect. "Waste tire" does not include a nonpneumatic tire.

Sec. 4. NEW SECTION. 455D.11A FINANCIAL ASSURANCE -- WASTE TIRE COLLECTION OR PROCESSING SITES.

1. A person owning or operating a waste tire collection or processing site shall provide a financial assurance instrument to the department prior to the initial approval of a permit or prior to the renewal of a permit for an existing or expanding facility. The financial assurance instrument shall be used to provide for closure of the waste tire collection or processing facility.

2. The financial assurance instrument shall meet all requirements adopted by rule by the commission, and shall not be canceled, revoked, disbursed, released, or allowed to terminate without the approval of the department.

3. Financial assurance instruments may include instruments such as cash or surety bond, a letter of credit in a form prescribed by the department, or a secured trust fund.

3A. If the owner or operator of a waste tire collection or processing site chooses to provide financial assurance in the form of a surety bond, the bond shall be executed by a surety company authorized to do business in this state. The bond shall be continuous in nature until canceled by the surety. A surety shall provide at least ninety day's notice in writing to the owner or operator and to the department indicating the surety's intent to cancel the bond and the effective date of the cancellation. The surety bond shall be for the benefit of the citizens of this state and shall be conditioned upon compliance with this section. The surety's liability under this subsection is limited to the amount of the bond or the amount of the damages or moneys due, whichever is less. However, this subsection does not limit the amount of damages recoverable from an owner or operator in the amount of the surety bond. This subsection shall not limit the recovery of

damages to the surety bond. The bond shall be made in a form prescribed by the commissioner of insurance and written by a company authorized by the commissioner of insurance to do business in this state. If a surety bond is canceled which has been provided as financial assurance under this subsection, the owner or operator of the waste tire collection or processing site shall demonstrate to the department within thirty days of the cancellation, a means of continued compliance with the financial assurance requirements of this section. If a means of continued compliance is not demonstrated within the thirty-day period, the department shall suspend the permit for the site, and the owner or operator shall perform proper closure of the site within thirty days. If the owner or operator does not properly close the site within the time period allowed, the department shall file a claim with the surety company, prior to the effective date of cancellation of the bond, to collect the amount of the bond for use in performing proper closure. A person who fails to provide for proper closure, notwithstanding collection by the department of the amount of the bond, is guilty of a serious misdemeanor.

4. Financial assurance shall be provided in the amounts as follows:

a. For a waste tire collection or processing site initially permitted on or after July 1, 1992, the financial assurance instrument for a waste tire collection site shall provide coverage in an amount which is equivalent to eighty-five cents per tire collected by the site and the financial assurance instrument for a waste tire processing site shall provide coverage in an amount which is equivalent to eighty-five cents per tire collected for processing by the site which is above the three-day processing supply of tires for the site as determined by the department.

b. For a waste tire collection or processing site in existence prior to July 1, 1992, a waste tire collection site

shall provide a financial assurance instrument in an amount which is eighty-five cents per additional tire collected after July 1, 1992, and a waste tire processing site shall provide a financial assurance instrument in an amount which is eighty-five cents per additional tire collected for processing, above the three-day processing supply of tires for the site as determined by the department, after July 1, 1992.

c. Six months after the adoption of financial assurance rules by the department, for a waste tire collection or processing site in existence prior to July 1, 1992, the financial assurance instrument shall provide coverage in an amount which is equivalent to eighty-five cents per tire based upon one-half of the aggregate amount of tires collected prior to July 1, 1992, and remaining on site. One year after the adoption of financial assurance rules by the department, a waste tire collection or processing site shall provide a financial assurance instrument in an amount which is eighty-five cents per tire for all waste tires stored at the site above the three-day processing supply of tires.

5. The financial assurance instrument shall not be assigned for the benefit of creditors with the exception of the state, and shall not be used to pay any final judgment against a permit holder arising out of the ownership or operation of the site. The commission shall adopt rules to establish conditions under which the department may gain access to the financial assurance instrument.

6. The requirement for financial assurance shall not apply to waste tire collection or processing sites operated by a city or county, or operated in conjunction with a sanitary landfill.

Sec. 5. NEW SECTION. 455D.11B PERMITTING OF WASTE TIRE COLLECTION OR PROCESSING SITES -- FEES.

An owner or operator of a waste tire collection or processing site, including an enclosed site, shall obtain a permit from the department prior to operation of the site.

The owner or operator shall pay an annual fee of eight hundred fifty dollars to the department. The moneys collected by the department shall be deposited in the hazardous substance remedial fund established pursuant to section 455B.423 and shall be used for the purposes of administering the waste tire collection or processing site permit program.

Sec. 6. WASTE TIRE COLLECTION PILOT PROGRAM.

1. The waste management authority division of the department of natural resources shall establish a waste tire collection pilot program to promote the safe collection and disposal of waste tires, beginning July 1, 1992, and ending June 30, 1993. The following counties shall be included in the pilot program: Benton, Black Hawk, Carroll, Cerro Gordo, Clinton, Des Moines, Dubuque, Johnson, Lee, Linn, Marshall, Polk, Pottawattamie, Scott, Story, Wapello, Webster, Winnesheik, and Woodbury.

2. Moneys shall be allocated to the board of supervisors of a county for the establishment and implementation of the program. The board of supervisors shall work in cooperation with the city councils of the cities located within the county in developing and implementing the program, and may work with nonprofit organizations in implementing the program.

3. Notwithstanding section 455B.310, subsection 2, paragraph "b", subparagraphs (2) and (4), \$300,000 of the moneys collected pursuant to subparagraph (2) and \$233,000 of the moneys collected pursuant to subparagraph (4) are appropriated to the department of natural resources for the fiscal year beginning July 1, 1992, and ending June 30, 1993, to provide grants to counties for the development and implementation of waste tire collection pilot projects. Not more than \$18,000 of the \$233,000 collected pursuant to section 455B.310, subsection 2, paragraph "b", subparagraph (4), may be used by the department for administrative costs of the waste tire collection or processing site permit program.

Of the amount appropriated, the moneys shall be allocated as follows:

1. Counties with populations of less than 60,000 shall each be allocated \$15,000.
2. Counties with populations of 60,000 through 110,000 shall each be allocated \$30,000.
3. Counties with populations of 110,001 through 200,000 shall each be allocated \$50,000.
4. Counties with populations of 200,001 or more shall each be allocated \$65,000.

5. Each county participating in the pilot program is encouraged to promote the pilot program, to encourage nonprofit organization participation, and to generate local funding for the development and implementation of the initial program and for the continuation of the program.

6. The pilot program in each county shall be available to private citizens at no charge, and limitations regarding the number of waste tires accepted from an individual may be established by each county. A pilot program shall not accept waste tires from tire dealers, distributors, or manufacturers, waste tire collection sites, waste tire haulers, or any other person who collects, stores, processes, or recycles waste tires for a profit. A county collecting waste tires shall not store the waste tires, but shall provide for the recycling, processing, or safe disposal of the waste tires collected, which shall not include disposal at a sanitary landfill.

7. Each county participating in the pilot program shall submit a report to the waste management authority division by September 1, 1993, which shall include an itemization of expenditures, a report of the volume of tires collected, and recommendations for the establishment of permanent waste tire collection programs or sites. Following receipt of the reports, the waste management authority division shall submit a compilation of the reports to the general assembly by January 15, 1994.

Sec. 7. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

ROBERT C. ARNOULD
Speaker of the House

MICHAEL E. GRONSTAL
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2475, Seventy-fourth General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved May 19, 1992

TERRY E. BRANSTAD
Governor