

HCS HB 774 -- WASTE TIRES

SPONSOR: Cooper, 120 (Sander)

COMMITTEE ACTION: Voted "do pass" by the Committee on Tax Policy by a vote of 17 to 1.

The waste tire fee expired on January 1, 2004. This substitute reimposes the fee until January 1, 2008.

The substitute also requires the Department of Natural Resources to give preference to contract bids for waste tire cleanups from vendors that are Missouri residents, employ Missouri workers, or use the tires for fuel or to manufacture a useful product. The department may consider prior performance in the awarding of the contract.

The collection fee retained by the Department of Revenue is reduced from 4% to 2%.

FISCAL NOTE: Estimated Cost on General Revenue Fund of \$6,334 in FY 2005, \$0 in FY 2006, and \$0 in FY 2007. Estimated Cost on Other State Funds of \$1,730,087 in FY 2005, \$2,076,104 in FY 2006, and \$2,076,104 in FY 2007.

PROPOSERS: Supporters say that waste tires are an increasing problem in Missouri. New illegal tire dumps have recently been located, and funds are not available to pay for the cleanup. Reimposing the fee will provide necessary funds to properly dispose of or recycle the tires.

Testifying for the bill were Representative Sander; AFS Waste Tire Processing; Missouri Retailers Association; Associated Industries of Missouri; Missouri Parks Association; and Missouri Chamber of Commerce and Industry.

OPPOSERS: There was no opposition voiced to the committee.

Bill Tucker, Acting Director of Research