

MEMORANDUM

DATE: February 14, 1995
TO: Members, Assembly Natural Resources Committee
FROM: DuWayne Johnsrud, Chair
RE: Rule Referral.

The following Rule has been referred to our committee:

Clearinghouse Rule 94-209

Relating to the waste tire removal and recovery program. Submitted by Department of Natural Resources.

THIS SHOULD BE THE
16TH

Our current review period extends through March 14, 1995. A copy of the rule summary is enclosed. Please contact my office if you would like a copy of any rule.

REPORT TO LEGISLATURE

NR 555, Wis. Adm. Code

Waste tire removal and recovery program

Board Order No. SW-37-94

Clearinghouse Rule No. 94-209

Statement of Need

State law requires the Department to promulgate by rule a statewide plan for the use of funds to implement a waste tire removal and recovery program. Today, nearly 80% of all the waste tires stockpiled in the state have been cleaned up and put to a good use. An energy recovery reuse option to landfilling or stockpiling now exists for all of the waste tires in the state that we generate each year. The illegal stockpiling of waste tires in the state has been severely curtailed. Although most of the goals set forth nearly 4 years ago have been accomplished, adjustments are necessary to ensure that the progress made will not be reversed and to ensure continued improvement in the methods by which tire waste is utilized in the state.

There are four primary problems which are addressed by these rule changes:

1. The first problem is the financial stability of those businesses which process waste tires. For the past 4 years, businesses which have been involved in processing waste tires have derived their financial revenue from 2 main sources. One source of revenue has been through contracts with the Department for the clean up of illegal stockpiles. The second source of revenue is from those businesses who generate waste tires. As the Department's clean-up program winds down, processors must derive more of their revenue from ongoing business with waste tire generators and less from clean up of illegal stockpiles. Over the past 4 years, these businesses have had to compete with haulers and so-called businesses in other states that have taken waste tires out of Wisconsin for a lower cost only to illegally stockpile them or store them. Two very real examples of these out-of-state activities are the "tire caves" in Iowa and the recent fire in a Chicago suburb which engulfed nearly 7,000,000 tires in an abandoned warehouse full of tires. Literally millions of these waste tires were of Wisconsin origin and the revenue from their reuse (which otherwise would have been available to legitimate businesses in the state) was subsequently lost. The Department believes that additional financial assistance to tire processing businesses is required for a period of time to continue and enhance their financial stability. These businesses derive most of their revenue from the private sector waste stream and much of this waste stream has been lost to them over the past 4 years.

2. The second problem addressed by this rule is the lack of additional beneficial uses for waste tire material. Energy recovery is the only cost effective and viable reuse option available at this time for all of the waste tires that we generate. Nearly 90% of the waste tires in Wisconsin that are not retreaded or resold for vehicular use again, are used in energy recovery to generate electricity or process steam in paper mills. Only 10% of the tires are used in the manufacture of new products. Research is still needed to find new and more cost effective ways to use waste tires to make products. The primary reason for the lack of waste tire use in new products is the high cost to make a new product using a waste tire compared to the cost to make the new product from other virgin and recycled materials such as plastic and steel. The rebates available in the existing rule are not sufficient to stimulate more use of waste tires and the manufacture of products.

3. The third problem addressed by the rule is the lack of a sunset provision for financial assistance programs. Financial assistance programs have been designed and put in place to

develop reuse markets to ensure that the tire waste we generate is disposed of properly and reused in a meaningful way. Once these goals are achieved, a prudent course of action would be to terminate this financial assistance even though no sunset provision exists in the statutes.

4. The fourth problem addressed in the rule is the need to increase participation in the grant program to assist communities in helping the Department direct more waste tires to a meaningful use. Currently the grant program pays communities 50% of the cost of these waste tire management activities. In order to increase participation, the amount of grant money allocated specifically to this use would be increased and communities would need to pay only 25% of their total waste tire management costs.

Modifications as a Result of Public Hearing

There were no modifications as a result of public hearing.

Appearances at the Hearing and Their Position

In support:

Ron Holmes, Holmes Automotive Recycling, 4578 County Road N, Oshkosh, WI 54904
Dale Klemme, Mat Man, Inc., 338 N. Main Street, Prairie du Chien, WI 53821
Philip J. Moffett, Wisconsin Power & Light, 222 W. Washington Ave., Madison, WI 53701-0192
Thomas M. Springer, Watertown Recyclers, W7932 Provimi Road, Watertown, WI 53098
Mike Kennedy, National Tire Services, Inc., 3215 Butler Avenue, Chicago Heights, IL 60411
George Hayduesko, 1101 Carmichael Road, Hudson, WI 54016
Mark Maust, BFI Tire Recyclers, 12498 Wyoming Avenue, Savage, MN 55378
Andrew J. Bundrum, AGI, P.O. Box 753, West Bends, WI 53095
George K. Steil, P.O. Box 1148, Janesville, WI
David Staber, Cars of Wis., P.O. Box 98, Cadott, WI 54727
Ron Egelseer, Hustisford Auto, P.O. Box 278, hustisford, WI 53034

In opposition - none

As interest may appear:

Mike Richardson, Waste Management of Wis., 10712 S. 124 Street, Franklin, WI 53132
Russell Storm, Waste Management of Wis., 10627 S. 27th Street, Franklin, WI 53132
David R. Strassman, DRS Ltd., 2534 S. Fish Hatchery Road, Madison, WI 53711

Response to Legislative Council Rules Clearinghouse Report

The recommendations were accepted. The following comments are given for comments 5.b., 5.d. and 5.e.

5.b. - The suggested change to shredded tire chips will be incorporated into the rule. We believe that the term "crumb" is sufficient to define all other types of processed tires because it means "tire chips" no greater than a certain size. All other shredded tires exceeding that dimension are tire chips. This terminology also has been accepted by the waste tire industry and we have not experienced any problems in the past applying this accepted definition.

5.d. - In drafting the proposed rule, the reference to s. NR 555.10(1)(e) in s. NR 555.08(2) was inadvertently omitted. Section NR 555.08(2)(a) and (b) will be changed to specify the amount of reimbursement and it will not be done on a case-by-case basis through this change.

5.e. - In the case of s. NR 555.11, the applicant is required to submit information with regard to the end-use of this material. Because the end-use of the material specifies the amount of rebate to be received by a processor, no further information is needed in the application and, therefore, the changes were not necessary.

Final Regulatory Flexibility Analysis

Those small businesses most affected by this rule are waste tire processors. The majority of these processors have less than 10 employees and will derive financial benefit from the new rebate.

Other small businesses which are affected by this rule include auto salvage yards, tire dealers and other individual businesses who sell replacement tires. For a period of at least 3 years, until 1997, these businesses will experience a decrease in the cost of doing business because processors will be receiving a rebate of \$.01 per pound which is equivalent to \$.20 per tire. This rebate should decrease the price of disposal to those businesses who utilize these facilities for the legal disposal of their waste.

The existing rule and the proposed amendments do not impose compliance or reporting requirements or other regulatory requirements on small businesses. The rule contains eligibility criteria for grants which are available to small businesses and others.

FISCAL ESTIMATE

DOA-2048 (R 11/90)

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

Subject

Waste Tire Removal and Recovery

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

- Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues
 Create New Appropriation

- Increase Costs - May be possible to Absorb Within Agency's Budget Yes No
 Decrease Costs

Local: No local government costs

1. Increase Costs
 Permissive Mandatory
2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory
4. Decrease Costs
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
 Towns Villages Cities
 Counties Others
 School Districts VTAE Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

The Wisconsin legislature enacted a law in the 1987-88 session to address the clean up and recovery of the approximately 20 million waste tires stock-piled in Wisconsin and to develop a market for the five million waste tires generated annually. The legislation required that a fee use plan be adopted by administrative rule to use the funds appropriated under ss. 20.370(2)(dj) and 20.370(2)(dL), Stats., to be used for stockpile clean up and provide grants for recovery activities. A plan to use these funds was adopted by administrative rules in May 1990 and January 1991.

The proposed rule changes would modify the current fee use plan by:

1. Adding a new reimbursement grant program to assist businesses which process waste tires.
2. Changing the focus of the reimbursement grant program towards the annual generation of waste tires instead of the clean up of existing stock-piles contracted by the Department.
3. Changing the reimbursement grant program to encourage more recycling of tires into products.
4. Establishing a timetable for the termination of the rebate program.
5. Lessening the financial share requirements that local units of government must contribute to obtain grants for managing waste tires in their communities and limiting the amount of money spent for waste tire recovery grants.

Long-Range Fiscal Implications

Agency/Prepared by: Paul J. Koziar 608-267-9388

Natural Resources

Authorized Signature/Telephone No.

[Handwritten Signature]

6-2794

Date

12/27/94

tion
No.

The financial impact of these changes will provide additional employment in the state to those firms involved in existing or new businesses which process waste tires or use them for an environmentally sound use. These changes will result by increasing the level of financial assistance to these recycling enterprises from the current fee use plan and encouraging more higher end uses for waste tires which could be more profitable. These changes would allow more waste tires to be processed and used by in state businesses.

The end result of these changes is intended to create a long term stable market for waste tires so that government assistance is no longer needed to directly manage this waste stream towards reuse.

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FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect
DOA-2047(R 11/90)

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

1991 SESSION

LRB or Bill No/Adm.Rule No.
NR 555

Amendment No.

Subject
WASTE TIRE REMOVAL AND RECOVERY

I. One-time Costs or Revenue Fluctuations for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:

A. State Costs by Category	Annualized Fiscal Impact on State funds from:	
	Increased Costs	Decreased Costs
State Operations-Salaries and Fringes	\$ 0	\$ - 0
(FTE Position Changes)	(0 FTE)	(- 0 FTE)
State Operations-Other Costs	0	- 0
Local Assistance	0	- 0
Aids to Individuals or Organizations	0	- 0
TOTAL State Costs by Category	\$	\$ -
B. State Costs by Source of Funds	Annualized Fiscal Impact on State funds from:	
	Increased Costs	Decreased Costs
GPR	\$ 0	\$ - 0
FED	\$ 0	\$ - 0
PRO/PRS	\$ 0	\$ - 0
SEG/SEG-S	\$	\$ -
III. State Revenues-	Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fees, etc.)	
	Increased Rev.	Decreased Rev.
GPR Taxes	\$ 0	\$ - 0
GPR Earned	0	- 0
FED	0	- 0
PRO/PRS	0	- 0
SEG/SEG-S	0	- 0
TOTAL State Revenues	\$	\$ -

NET ANNUALIZED FISCAL IMPACT

	STATE	LOCAL
NET CHANGE IN COSTS	\$ 0	\$ 0
NET CHANGE IN REVENUES	\$ 0	\$ 0

Agency/Prepared by: (Name & Phone No.)
Natural Resources

PAUL J. KOZIAR
(608) 267-9388

Authorized Signature/Telephone No.

John Pollock
16

6-2794

Date
12/27/94

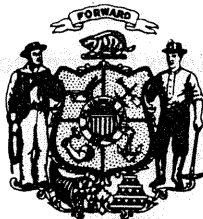
WISCONSIN LEGISLATIVE COUNCIL STAFF

LCRC
FORM 2

RULES CLEARINGHOUSE

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CLEARINGHOUSE REPORT TO AGENCY

[THIS REPORT HAS BEEN PREPARED PURSUANT TO S. 227.15, STATS. THIS IS A REPORT ON A RULE AS ORIGINALLY PROPOSED BY THE AGENCY; THE REPORT MAY NOT REFLECT THE FINAL CONTENT OF THE RULE IN FINAL DRAFT FORM AS IT WILL BE SUBMITTED TO THE LEGISLATURE. THIS REPORT CONSTITUTES A REVIEW OF, BUT NOT APPROVAL OR DISAPPROVAL OF, THE SUBSTANTIVE CONTENT AND TECHNICAL ACCURACY OF THE RULE.]

CLEARINGHOUSE RULE 94-209

AN ORDER to renumber NR 555.03 (6) to (13), 555.09 (4) and 555.16 (3) to (6); to amend NR 555.01, 555.04 (1) (c), 555.08 (1), 555.10 (1) (c), 555.11 (1) (b), (2) (a) and (d) and (3) (b) 1 and 4, 555.12 (2) (a) and 555.16 (1) and (2); to repeal and recreate NR 555.08 (2) and 555.09 (1) to (3); and to create NR 555.03 (6), 555.09 (4), 555.12 (2) (a) 7 and 555.16 (3), relating to the waste tire removal and recovery program.

Submitted by **DEPARTMENT OF NATURAL RESOURCES**

11-14-94 RECEIVED BY LEGISLATIVE COUNCIL.

12-12-94 REPORT SENT TO AGENCY.

RS:DLL:kjf;jt

LEGISLATIVE COUNCIL RULES CLEARINGHOUSE REPORT

This rule has been reviewed by the Rules Clearinghouse. Based on that review, comments are reported as noted below:

1. STATUTORY AUTHORITY [s. 227.15 (2) (a)]

Comment Attached YES NO

2. FORM, STYLE AND PLACEMENT IN ADMINISTRATIVE CODE [s. 227.15 (2) (c)]

Comment Attached YES NO

3. CONFLICT WITH OR DUPLICATION OF EXISTING RULES [s. 227.15 (2) (d)]

Comment Attached YES NO

4. ADEQUACY OF REFERENCES TO RELATED STATUTES, RULES AND FORMS [s. 227.15 (2) (e)]

Comment Attached YES NO

5. CLARITY, GRAMMAR, PUNCTUATION AND USE OF PLAIN LANGUAGE [s. 227.15 (2) (f)]

Comment Attached YES NO

6. POTENTIAL CONFLICTS WITH, AND COMPARABILITY TO, RELATED FEDERAL REGULATIONS [s. 227.15 (2) (g)]

Comment Attached YES NO

7. COMPLIANCE WITH PERMIT ACTION DEADLINE REQUIREMENTS [s. 227.15 (2) (h)]

Comment Attached YES NO

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CLEARINGHOUSE RULE 94-209

Comments

[NOTE: All citations to "Manual" in the comments below are to the Administrative Rules Procedures Manual, prepared by the Revisor of Statutes Bureau and the Legislative Council Staff, dated October 1994.]

2. Form, Style and Placement in Administrative Code

- a. In the amendment of s. NR 555.10 (1) (c), the final comma should be stricken.
- b. In s. NR 555.11 (1) (b), the words "this order" should be used instead of the words "the rule."
- c. In s. NR 555.11 (3) (b) 1, the phrase "as defined in s. NR 555.03" should be deleted. It is not necessary to refer to definitions if the definition applies to the Administrative Code section in which the defined term is used.

4. Adequacy of References to Related Statutes, Rules and Forms

SECTION 1 of the rule-making order updates a cross-reference contained in s. NR 555.01 to reflect statutory changes made by 1989 Wisconsin Act 335. The same updating of cross-references is needed in ss. NR 555.03 (7) and 555.07 (2) and may be needed in other sections of ch. NR 555.

5. Clarity, Grammar, Punctuation and Use of Plain Language

- a. The analysis of the rule refers to the "reimbursement grant program" and the "rebate program," both apparently in reference to the waste tire reimbursement grant program under subch. III of ch. NR 555. To eliminate confusion and to be consistent with the language used in

the rule itself, it is suggested that references to rebates be replaced by references to reimbursement grants.

b. Section 555.03 (6) refers to "shred tire chips." Should this provision refer to "shredded tire chips"? Also, the term "tire chips" is used elsewhere in ch. NR 555. Should it be defined to distinguish it from "crumb," which is defined?

c. The last piece of inserted language in s. NR 555.04 (1) (c) should read "approximately \$0.5 million shall be used to provide grants for."

d. Section NR 555.08 (2) should specify the amount of reimbursement for that portion of the waste tires used for those eligible uses identified in s. NR 555.10 (1) (e). If that is to be determined on a case-by-case basis, this should be stated in the rule and some indication of how the determination will be made should be included as well.

e. Many of the specific word changes in the rule consist simply of extending a rule provision to the processors of waste tires, in addition to the users of waste tires. This change is not made for s. NR 555.11 (2) (b) and (3) (b) 2 and 3. Is this an oversight?

f. Section NR 555.16 (2) would be clearer if the underscored language referred to "a waste tire recovery project" and was inserted following the phrase "a grant award." Similar wording is suggested for s. NR 555.16 (3). Also, in the latter section, commas should be placed before and after the phrase "including amendments."

ORDER OF THE STATE OF WISCONSIN NATURAL RESOURCES BOARD
RENUMBERING, AMENDING, REPEALING & RECREATING & CREATING RULES

IN THE MATTER of renumbering NR 555.03(6) to (13), 555.09(4), and 555.16(3) to (6); amending ss. NR 555.01, NR 555.03(7), NR 555.07(2), 555.04(1)(c), 555.08(1), 555.10(1)(c), 555.11(1)(b), (2)(a), (d), (3)(b)1 & 4, 555.12(2)(a) and 555.16(1) & (2); repealing and recreating s. NR 555.08(2), 555.09(1) to (3); and creating ss. NR 555.03(6), 555.09(4), 555.12(2)(a)7 and 555.16(3) of the Wisconsin Administrative Code relating to the waste tire removal and recovery program

SW-37-94

Analysis Prepared by the Department of Natural Resources

Authorizing statutes: ss. 144.449, 159.17 and 227.11(2)(a), Stats.
Statutes interpreted: ss. 144.449 and 159.17 Stats.

The proposed rule changes modify the fee use plan contained in ch. NR 555 which allows the Department of Natural Resources to use funds set aside in s. 20.370(2)(dj), Stats., to implement a waste tire removal and recovery program. The proposed changes would modify the current fee use plan by:

1. Adding a new reimbursement grant program to assist businesses which process waste tires,
2. Changing the focus of the current and the new reimbursement grant program towards the annual generation of waste tires instead of the clean-up of existing stockpiles,
3. Changing the reimbursement grant program to encourage more recycling of waste tires into products.
4. Establishing a timetable when the reimbursement grant program would terminate, and
5. Lessening the financial share requirement that local units of government must contribute to obtain grants for managing waste tires in their communities and limiting the amount of money spent for waste tire recovery grants.

The additional reimbursement grants to processors are intended to lower the overall cost of processing tires by reducing the tipping fees charged to businesses and thereby encouraging more reuse and less reliance on dumping. In spite of the fact that a market exists for all waste tires generated, many tires do not get recycled because of cheap landfilling or stockpiling in

nearby states by haulers seeking to make more profit by capitalizing on low cost disposal alternatives. The migration of waste tires to these types of disposal practices threaten investments already made by businesses to process or reuse the material.

The proposed rule would also shift the focus of the existing reimbursement grant program (to end users) and the proposed reimbursement grant program (to processors) to the annual generation of tires rather than the clean-up of existing stockpiles. When the waste tire program was initially developed, the reimbursement grant program was put in place to rapidly stimulate a market for waste tires so that the Department could clean-up the very large stockpiles that needed to be addressed first as mandated by state law. Secondly, the reimbursement grant was intended to develop a longer term market for the material. Both of these objectives have been accomplished but there still exists a need to divert more waste tires that are generated annually towards reuse and to support the market for a time period before government assistance is no longer needed to directly support the management of the wastestream towards reuse.

The existing and proposed reimbursement grant program would also be changed to encourage more waste tires be recycled into products. This change is accomplished by increasing the monetary level of assistance towards product use.

The proposed rule would also set a date in the future for the reimbursement grants to sunset. Establishing a date would also allow those companies involved in the waste tire business sufficient time to adjust and structure their operations appropriately to deal with termination of governmental assistance to support the wastestream infrastructure. The goal in this portion of the proposed rule is that the private sector would be capable of handling the transport, processing and end use of all tires generated annually in the state under the oversight of the Department through the licensing of operations of businesses involved in the wastestream.

Lastly, the proposed rule would increase the amount of financial assistance in the waste tire management or recovery grant program to local units of government involved in the management of waste tires in the household wastestream. Recently adopted recycling rules would mandate that communities must have programs in-place to collect process and market recyclables collected from single family residences. The proposed rule increases the state-share portion of the project costs awarded in a grant from 50% to 75%. The increase in the state portion of the grant would encourage greater participation by local units of government.

Minor housekeeping changes are also contained in these proposed rules which reflect the major changes described above.

SECTION 1. NR 555.01 is amended to read:

NR 555.01 PURPOSE. The purpose of this chapter is to establish the plan for the use of funds to implement a waste tire removal and recovery program required under ~~s. 144.798(2)~~ s. 159.17, Stats.

SECTION 2. NR 555.03(6) to (13) are renumbered (7) to (14) respectively.

SECTION 3. NR 555.03(6) is created to read:

NR 555.03(6) "Processor" means the person who produces shredded tire chips, crumb or similar materials from a waste tire and gives or sells them to an end user. If the waste tire is processed by more than one person, the last person to process the waste before it is used by an end user is the processor.

SECTION 4. NR 555.03(8), as renumbered, is amended to read:

NR 555.03(8) "Recovery activity" has the meaning specified in ~~s. 144.798(1)(a)~~ s. 159.17(1)(a), Stats.

SECTION 5. NR 555.04(1)(c) is amended to read:

NR 555.04(1)(c) Waste tire management or recovery grants. Approximately ~~\$.25~~ \$.20 million shall be used to provide grants for waste tire management activities and approximately \$.05 million shall be used to provide grants for innovative waste tire recovery activities under subch. IV.

SECTION 6. NR 555.07(2) is amended to read:

NR 555.07(2) OTHER RECOVERY ACTIVITIES BY THE DEPARTMENT. For those waste tire dumps which received less than 95% of its waste tires from Wisconsin retailers or residents, the department will follow those procedures specified in ~~s. 144.798(5)~~ s. 159.17(5), Stats.

SECTION 7. NR 555.08(1) is amended to read:

NR 555.08 REIMBURSEMENT GRANT. (1) PURPOSE. In order to enhance and sustain available and new markets for the reuse of waste tires so that their value is recovered, an economically attractive alternative to landfilling ~~shall~~ and stockpiling should be in place. To create these markets, financial

assistance is necessary to develop and operate waste tire recovery activities. Financial assistance may be provided in the form of a reimbursement grant to end users and processors of waste tires for the cost of developing or operating these waste tire recovery activities. Development and operating costs are those costs required to expand existing or new markets designed to reduce the number or volume of recycled waste tires, recycle waste or recover energy from waste tires and to sustain that market.

SECTION 8. NR 555.08(2) is repealed and recreated to read:

NR 555.08(2) AMOUNT OF REIMBURSEMENT. (a) If the applicant is an end user, the amount of reimbursement shall be \$.01/lb. of that portion of the waste tires used for those eligible uses specified in s. NR 555.10(1)(a), (b), (d)1., (d)2. and (e) and the amount of reimbursement shall be \$.02/lb. of that portion of the waste tires used for those eligible uses identified in s. NR 555.10(1)(c) and (d)3.

(b) If the applicant is a processor, the amount of reimbursement shall be \$.01/lb. of waste tires processed and subsequently used by an end user for those eligible uses specified in s. NR 555.10(1)(a), (b), (d)1., (d)2. and (e) and the amount of reimbursement shall be \$.02/lb. of waste tires processed and used for those eligible uses identified in s. NR 555.10(1)(c) and (d)3.

SECTION 9. NR 555.09 is repealed and recreated to read:

NR 555.09 REIMBURSEMENT GRANT ELIGIBILITY. (1) GENERAL REQUIREMENTS.

A municipality, governmental body as defined in s. 19.82, Stats., private business or nonprofit organization which is an end user or processor of waste tires may apply to the department for a waste tire reimbursement grant if:

(a) At least 95% of the waste tires used or processed were generated in Wisconsin.

(b) The waste tires are used or processed for those eligible uses identified under s. NR 555.10(1).

(c) The applicant has received advance certification from the department under s. NR 555.11.

(2) ELIGIBLE END USER. To be eligible for a reimbursement grant under this section, an end user shall meet all of the following requirements in addition to the requirements specified in sub.(1):

(a) The eligible use shall be conducted after June 1, 1990 and before January 1, 1997.

(b) The waste tires that are used after June 1, 1995 may not originate from clean-up sites specified in ss. NR 555.05 and 555.06 where state funds are used to contract for the cleanup.

(3) ELIGIBLE PROCESSOR. To be eligible for a reimbursement grant under this section, a processor shall meet all of the following requirements in addition to the requirements specified in sub. (1):

(a) The waste tires shall be processed after January 1, 1992 and before January 1, 1997.

(b) The waste tires that are processed may not originate from clean-up sites specified in ss. NR 555.05 and 555.06 where state funds are used to contract for the cleanup.

SECTION 10. NR 555.10(1)(c) is amended to read:

NR 555.10(1)(c) Highway improvements, including the use of tire chips or ~~waste tires as a road base,~~ crumb physically ~~blending tire chips~~ blended with another material such as asphalt, ~~or other permanent highway improvement project.~~

SECTION 11. NR 555.11(1)(b) is amended to read:

NR 555.11(1)(b) An application for advance certification shall be submitted to the department by March 1 of the calendar year for which advance

certification is sought, or within 60 days ~~of June 1, 1990~~ after the effective date of this order...[revisor insert date].

SECTION 12. NR 555.11(2)(a) and (d) are amended to read:

NR 555.11(2)(a) Documentation that the applicant is an eligible user or processor of waste tires.

(d) An estimate of the total number of pounds of waste tires to be used or processed in the calendar year, including the procedures that the applicant will use to document the total number of pounds used or processed.

SECTION 13. NR 555.11(3)(b)1 and 4 are amended to read:

NR 555.11(3)(b)1. The applicant is an eligible end user or processor as ~~defined in s. NR 555.03.~~

4. The applicant will be able to document the number of pounds of waste tires to be used or processed.

SECTION 14. NR 555.12(2)(a) is amended to read:

NR 555.12(2)(a) Documentation acceptable to the department of the net pounds of waste tires processed and used in the products sold, purchased or used.

SECTION 15. NR 555.12(2)(a)7. is created to read:

NR 555.12(2)(a)7. For processors of waste tires, receipts showing total tons or numbers of waste tires received and processed and their origin and total tons of waste tires used by eligible end users who bought or accepted the waste tires.

[Drafters Note to Revisor: Please renumber the second s. NR 555.12(2) to be 555.12(3).]

SECTION 16. NR 555.16(2) is amended to read:

NR 555.16(2) The maximum amount of a grant award for waste tire recovery projects, including amendments, may not exceed 50% of the eligible project cost or \$50,000, whichever is less.

SECTION 17. NR 555.16(3) to (6) are renumbered NR 555.16(4) to (7).

SECTION 18. NR 555.16(3) is created to read:

NR 555.16(3) The maximum amount of a grant award for waste tire management projects, including amendments may not exceed 75% of the eligible cost or \$50,000 whichever is less.

The foregoing rule was approved and adopted by the State of Wisconsin Natural Resources Board on January 26, 1995.

The rule shall take effect on the first day of the month following publication in the Wisconsin administrative register as provided in s. 227.22(2)(intro.), Stats.

Dated at Madison, Wisconsin _____

STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES

By _____
George E. Meyer, Secretary

(SEAL)

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MEMORANDUM

DATE: April 3, 1995
TO: Members, Assembly Natural Resources Committee
FROM: DuWayne Johnsrud, Chair
RE: clearinghouse rule 94-209/waste tire removal and recovery program

On Wednesday March 22, a public hearing was held on clearinghouse rule 94-209. Members raised questions about a six million dollar transfer of funds raised by the per tire fee charged on new automobiles for the program, a possible sunset for the collection of the fee as well as the Legislature's intent with regard to the length and scope of the program.

After consulting with our Legislative Council attorney, it seems as though modifying or objecting to Clearinghouse rule 94-209 would not address the members' concerns.

However, due to the number of questions and concerns voiced by the members, I am planning on holding a hearing on the waste tire removal and recovery program on April 19, 1995.

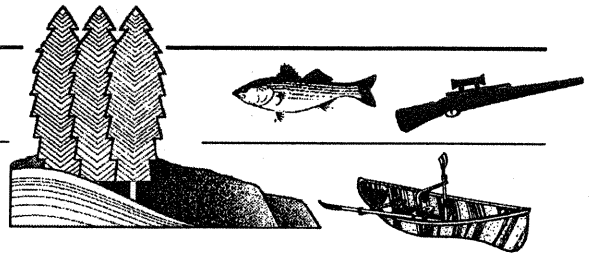
The Department of Natural Resources will be available to answer questions from the committee.

Assembly Committee on:

Natural Resources

State Representative

DuWayne Johnsrud, Chair



MEMORANDUM

DATE: April 18, 1995
TO: Members, Assembly Natural Resources Committee
FROM: DuWayne Johnsrud, Chair
RE: waste tire removal and recycling program

I am providing the attached documents prepared by the Legislative Fiscal Bureau in preparation for tomorrow's discussion of the waste tire removal and recycling program.

The materials relate to:

- 1) the waste tire removal and recycling program in general*
- 2) the proposed conversion of the tire program and associated funds*
- 3) the environmental repair account and its current revenue sources.*

I hope this information is helpful.