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SFA**BILL ANALYSIS**

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Senate Bill 1324 (as introduced 5-14-02)
Sponsor: Senator Bev Hammerstrom
Committee: Natural Resources and Environmental Affairs

Date Completed: 5-28-02

CONTENT

The bill would amend the Michigan Vehicle Code to increase the tire disposal surcharge from 50 cents to \$1.50 for each certificate of title or duplicate title. The bill also would delete the April 1, 2002, expiration date on the surcharge.

MCL 257.806

BACKGROUND

In 1990, the Scrap Tire Regulatory Act was enacted to require proper handling, storage, and disposal of scrap tires and prevent the continued accumulation of massive tire piles and the associated public health and environmental risks at many of the larger scrap tire collection sites. The Act also created the Scrap Tire Regulatory Fund to be used for administrative costs and the cleanup or collection of abandoned scrap tires on land owned by the State or a city, village, township, or county. Public Act 148 of 1990 required each person who applied for a certificate of title to pay a tire disposal surcharge of 50 cents for each title or duplicate title. The money received from the disposal surcharge fee is deposited into the Fund.

When the tire disposal surcharge was originally required under Public Act 148 of 1990, it was scheduled to apply for five years beginning on the Act's effective date, which was January 1, 1991. Public Act 267 of 1995 then established an expiration date of January 1, 2001, for the surcharge. That date was postponed until January 1, 2002, by Public Act 456 of 2000. Most recently, Public Act 268 of 2001 extended the surcharge to April 1, 2002.

Legislative Analyst: Nobuko Nagata

FISCAL IMPACT

The bill would result in an increase of approximately \$3.4 million to the Scrap Tire Regulatory Fund.

Fiscal Analyst: Pam Graham

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