The Senate Committee on Finance offered the following substitute to HB 1421:

A BILL TO BE ENTITLED

AN ACT

To amend Chapter 8 of Title 12 of the Official Code of Georgia Annotated, relating to waste management, so as to dedicate the proceeds of certain hazardous waste fees to the Hazardous Waste Trust Fund as authorized and subject to the conditions imposed by Article III, Section IX, Paragraph VI(r) of the Constitution of Georgia; to provide for the manner in which a portion of funds appropriated to the Solid Waste Trust Fund are intended to be used; to provide for the annual reporting of expenditures from such trust fund by category; to add a representative of the tire industry to the list of Governor's appointees to the Recycling Market Development Council; to revise the point of imposition and collection of a fee on the sale of new replacement tires; to define a term; to provide for related matters; to provide for contingent effective dates; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**PART I**

**SECTION 1-1.**

Chapter 8 of Title 12 of the Official Code of Georgia Annotated, relating to waste management, is amended in Code Section 12-8-95, relating to the Hazardous Waste Trust

Fund, as amended by Section 7 of an Act approved May 21, 2021 (Ga. L. 2021, p. 761), and effective July 1, 2022, by revising subsection (a.1) to read as follows:

″(a.1) Under the authority granted and subject to the conditions imposed by Article III, Section IX, Paragraph VI(r) of the Constitution of Georgia, for the period beginning on July 1, 2022, and ending on June 30, 2032, all of the money collected pursuant to subsection (e) of Code Section 12-8-39 and all of the money collected pursuant to subsection (a) of Code Section 12-8-95.1 shall be annually appropriated to the Hazardous Waste Trust Fund established by subsection (a) of this Code section and such funds shall not lapse as otherwise required by Article III, Section IX, Paragraph IV(c) of the Constitution of Georgia. Each annual appropriation shall be made through the General Appropriations Act and shall include all of the money collected from such source during the most recently completed fiscal year.″

**SECTION 1-2.**

Said chapter is further amended in Code Section 12-8-95.1, relating to hazardous waste management fees and hazardous substance reporting fees, by revising subsection (b) as follows:

″(b) All hazardous waste and hazardous substance fees required by subsection (a) of this Code section shall be paid to the division for transfer into the ~~state treasury to the credit of the general fund~~ Hazardous Waste Trust Fund pursuant to Code Section 12-8-95. The division shall collect such fees until the unencumbered principal balance of ~~the hazardous waste~~ such trust fund equals or exceeds $25 million, at which time no hazardous waste or hazardous substance fees shall be levied until the balance in that fund is less than or equal to an unencumbered balance of $12.5 million, in which case the levy and collection of hazardous waste fees shall resume at the beginning of the next calendar year following the year in which such unencumbered balance occurs. The director shall provide written notice to all large quantity generators and hazardous waste treatment, storage, and disposal facilities and all persons who are required to report pursuant to Section 313 of Title III of the federal Superfund Amendments and Reauthorization Act of 1986 at such time as the director receives notice that the unencumbered principal balance of the fund equals or exceeds $25 million or is equal to or less than $12.5 million."

**PART II**

**SECTION 2-1.**

Chapter 8 of Title 12 of the Official Code of Georgia Annotated, relating to waste management, is amended by adding a new subsection to Code Section 12-8-27.1, relating to the Solid Waste Trust Fund, to read as follows:

"(f)(1) It is the intent of the General Assembly that 10 percent of all funds transferred or appropriated to the Solid Waste Trust Fund, except funds deposited in accordance with paragraph (1) of subsection (e) of this Code section, should be used to make grants and loans to counties, municipalities, and public schools that apply for tire related projects pursuant to Code Section 12-8-37.1 for the implementation of innovative technologies for the recycling and reuse of scrap tires. To the greatest extent practicable, scrap tire related activity expenditures should be directed toward scrap tire generation from the State of Georgia; and

(2) The director shall calculate the total expenditures of all funds from the Solid Waste Trust Fund beginning with Fiscal Year 2023, except funds deposited in accordance with paragraph (1) of subsection (e) of this Code section, divided by category of expenditure, as enumerated in subsection (a) of this Code section and subsection (c) of Code Section 12-8-37.1, to determine the portion each category of expenditure represents of such total. The director shall annually report such proportions to the Speaker of the House of Representatives and the President of the Senate."

**SECTION 2-2.**

Said chapter is further amended by revising subsection (a) of Code Section 12-8-33, relating to the Recycling Market Development Council, as follows:

"(a) Effective July 1, 1990, there is created a 15 member Recycling Market Development Council to be appointed as follows:

(1) Seven members appointed by the Governor representing the paper, glass, aluminum, plastic, tire, and ferrous and nonferrous metals industries and trade associations which are active in recycling;

(2) One member who is an elected or appointed municipal official to be appointed by the Governor;

(3) One member who is an elected or appointed member of a county governing authority to be appointed by the Governor;

(4) One member appointed by the Speaker of the House of Representatives;

(5) One member appointed by the President of the Senate; and

(6) One representative each from the Department of Administrative Services; the Department of Economic Development; the Department of Community Affairs; and the Department of Natural Resources."

**SECTION 2-3.**

Said chapter is further amended by revising subsection (h) of Code Section 12-8-40.1, relating to tire disposal restrictions and fees, as follows:

"(h)(1)(A) A fee is imposed upon the ~~retail~~ sale of all new replacement tires in this state at a rate of $1.00 per tire sold. The fee shall be imposed on and collected by ~~retail dealers~~ distributors at the time the ~~retail dealer~~ distributor sells a new replacement tire to ~~the ultimate consumer~~ any person~~; provided, however, that a Georgia tire distributor who sells tires to retail dealers must collect such fees from any retail dealer who does not have a valid scrap tire generator identification number issued by the division~~.

(B) Each distributor shall remit the fees ~~The fee~~ and any required reports ~~shall be remitted~~ not less than quarterly on such forms as may be prescribed by the division.

(C) The division is authorized to contract with the Department of Revenue to, and the Department of Revenue is authorized to, collect such fees on behalf of the division.

(D) All fees received shall be deposited into the state treasury to the account of the general fund in accordance with the provisions of Code Section 45-12-92.

(E) As used in this subsection, the term 'distributor' means any person that:

(i) Produces or manufactures new replacement tires in this state;

(ii) Imports a new replacement tire into this state for sale, use, or consumption in this state; or

(iii) Makes the first sale in this state of any new replacement tire imported into this state before the new replacement tire has been received by any other person in this state.

(2) In collecting, reporting, and paying the fees due under this subsection, each distributor ~~or retailer~~ shall be allowed the following deductions, but only if the amount due was not delinquent at the time of payment:

(A) A deduction of 3 percent of the first $3,000.00 of the total amount of all fees reported due on such report; and

(B) A deduction of one-half of 1 percent of that portion exceeding $3,000.00 of the total amount of all fees reported due on such report.

(3) The tire fees authorized in this subsection shall cease to be collected on June 30, 2032. The director shall make an annual report to the House Committee on Natural Resources and Environment and the Senate Natural Resources and the Environment Committee regarding the status of the activities funded by the Solid Waste Trust Fund."

**PART III**

**SECTION 3-1.**

In accordance with the requirements of Article III, Section IX, Paragraph VI(r) of the Constitution of Georgia, this Act shall not become law unless it receives the requisite two-thirds' majority vote in both the Senate and the House of Representatives and the amount of the funds dedicated by this Act does not equal or exceed 1 percent of the previous fiscal year's state revenues subject to appropriations.

**SECTION 3-2.**

Except as provided for in Section 3-1 of this Act, this Act shall become effective on July 1, 2022; provided, however, that Part II of this Act shall become effective on July 1, 2023.

**PART IV**

**SECTION 4-1.**

All laws and parts of laws in conflict with this Act are repealed.