

OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200
Hartford, CT 06106 ◊ (860) 240-0200
<http://www.cga.ct.gov/ofa>

sHB-5139

AN ACT CONCERNING EXTENDED PRODUCER RESPONSIBILITY
FOR TIRES.

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 23 \$	FY 24 \$
Various Municipalities	Savings	None	See Below

Explanation

The bill requires the establishment of a tire stewardship program for the management of certain discarded tires that must minimize public sector involvement.

It requires tire manufacturers to: (1) establish and join a nonprofit tire stewardship organization with an implementation plan approved by the Department of Energy and Environmental Protection (DEEP) by July 1, 2023; and (2) authorizes DEEP to assess a fee, of up to 10% of program costs, to the stewardship organization for administration. This has no fiscal impact to the state or municipalities, since the fee assessed to producers is structured to cover administration costs.

The bill is expected to result in municipal savings beginning in FY 24 as tires would be removed from the municipal solid waste (MSW) stream and less tires would be subject to rates for shipping MSW out-of-state. The extent of municipal savings would depend on the volume of tires currently being disposed of in the MSW stream and current tip fees for each municipality.

Lastly, the bill allows DEEP to civilly enforce program requirements and establishes audit and reporting requirements. This has no fiscal impact since it is expected that tire manufacturers will comply with the program, based on experience from existing paint and mattress stewardship programs. There is also no fiscal impact under the audit and reporting requirements since these are the responsibility of private, third-party producers.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the volume of tires removed from the MSW and the rate of tip fees.