

## **BILL ANALYSIS**

S.B. 1242  
By: Rodríguez  
Environmental Regulation  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties contend that the illegal disposal of tires is a rampant problem in Texas, with millions of tires discarded each year. The parties assert that failing to properly transport and dispose of tires can lead to dangerous outcomes, including costly, environmentally hazardous tire piles. Additionally, used and scrap tires often end up in illegal tire dumps. The parties further contend that these tire piles can lead to increases in vector-borne diseases like West Nile virus and dengue fever and increase the possibility of fires, which in turn pollute the air. Illegal tire disposal is often a result of unlicensed scavengers culling and stealing used tires from generators and subsequently dumping the rejected tires, costing the state millions of dollars in cleanup. S.B. 1242 seeks to address this issue.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill expressly does one or more of the following: creates a criminal offense, increases the punishment for an existing criminal offense or category of offenses, or changes the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Commission on Environmental Quality in SECTION 3 of this bill.

### **ANALYSIS**

S.B. 1242 amends the Health and Safety Code to require a scrap tire generator or used tire generator, including a tire dealer, junkyard, or fleet operator, who stores scrap tires or used tires outdoors on its business premises to store the scrap tires or used tires in a secure manner that locks the tires during nonbusiness hours.

S.B. 1242 prohibits a customer from retaining a scrap tire removed from the customer's vehicle during the purchase of a tire from a retail seller and requires the retail seller who takes possession of a scrap tire from the customer during the transaction to dispose of the scrap tire according to local and state laws. The bill authorizes a customer to retain a used tire removed from the customer's vehicle during the purchase of a tire only if the customer certifies on a form prescribed by the Texas Commission on Environmental Quality (TCEQ) that the customer assumes liability for the tire's disposal and that the retail seller maintains in a manner accessible to local law enforcement agencies and TCEQ a record of the customer's retention of the used tire until at least the third anniversary of the date the tire was removed. The bill requires TCEQ to develop the prescribed form and make it available on TCEQ's website. The bill authorizes a retail seller of tires to contract for the transportation of scrap tires or used tires only with a scrap tire transporter or used tire transporter who is registered with TCEQ and who has filed the required evidence of financial assurance.

S.B. 1242 establishes that a person who violates the bill's provisions governing the sale and transportation of scrap or used tires is subject to a civil penalty of at least \$1,000 for each violation. The bill authorizes a separate penalty to be imposed for each day a violation occurs and for each tire to which the violation applies. The bill makes it an offense punishable by a fine of not less than \$1,000 or more than \$50,000, confinement for a period not to exceed one year, or both the fine and confinement for an individual to recklessly violate the bill's provisions governing the sale and transportation of scrap or used tires, and makes it an offense punishable by a fine of not less than \$1,000 or more than \$100,000 for a person other than an individual to recklessly violate such provisions. The bill makes it an offense punishable by a fine of not less than \$1,000 or more than \$100,000, confinement for a period not to exceed two years, or both the fine and confinement for an individual to intentionally or knowingly violate the bill's provisions governing the sale and transportation of scrap or used tires, and makes it an offense punishable by a fine of not less than \$1,000 or more than \$250,000 for a person other than an individual to intentionally or knowingly violate such provisions. The bill authorizes the attorney general or the appropriate district or county attorney to bring an action against a person for violation of the bill's provisions governing the sale and transportation of scrap or used tires in the name of the state in a district court in the county in which the person resides or the person's principal place of business is located.

S.B. 1242 requires a scrap tire transporter or used tire transporter to register with TCEQ, with certain exceptions. The bill requires a scrap tire transporter or used tire transporter who is required to register with TCEQ to obtain a surety bond from a surety company authorized to transact business in Texas, to establish a trust account, or to obtain an irrevocable letter of credit. The bill requires the bond, trust account, or irrevocable letter of credit to be filed with TCEQ in an amount of \$25,000 or more and in favor of the state. The bill requires money that TCEQ receives from the bond, trust account, or letter of credit to be used for the cleanup of abandoned tire storage sites.

S.B. 1242 requires TCEQ to require a scrap tire transporter or used tire transporter to maintain records and use a manifest or other appropriate system to assure that those tires are transported to a storage site that is registered or to a site or facility authorized by TCEQ and to submit to TCEQ in an electronic format an annual report on such records. The bill establishes that the registration for a scrap tire transporter or a used tire transporter expires on the first anniversary of the date of issuance and must be renewed annually and makes a scrap tire transporter or used tire transporter that fails to submit its annual report ineligible to renew the transporter's registration. The bill requires TCEQ to issue a registration insignia to each registered scrap tire transporter and used tire transporter and requires the transporter to display the insignia on each vehicle used to transport tires under the registration. The bill establishes that the insignia expires on the first anniversary of the date of issuance. The bill authorizes TCEQ to adopt rules for issuing duplicate and multiple insignia. The bill authorizes a county by order to require a scrap tire transporter or used tire transporter to register with the county and requires the county's registration requirements to be compatible with and not less stringent than rules adopted by TCEQ.

S.B. 1242 amends the Water Code to make statutory provisions establishing grounds for the revocation or suspension of certain licenses, certificates, and registrations by TCEQ applicable to a scrap tire transporter or used tire transporter registration.

S.B. 1242 repeals Section 361.112(g), Health and Safety Code.

**EFFECTIVE DATE**

September 1, 2015.