
A BILL FOR AN ACT

RELATING TO MOTOR VEHICLE TIRES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that Act 173, Session
2 Laws of Hawaii 2000, strengthened Hawaii's motor vehicle tire
3 recovery program by providing comprehensive requirements related
4 to registration and reporting, tire inventory records and
5 payment, and administrative authority, as well as enforcement
6 and penalty provisions. Act 173 also established a temporary \$1
7 motor vehicle tire surcharge, for deposit into a special account
8 in the environmental management special fund established by
9 section 342G-63, Hawaii Revised Statutes, for tire cleanup and
10 associated environmental assessments and remediation; however,
11 the \$1 motor vehicle tire surcharge was repealed on January 1,
12 2006.

13 The legislature further finds that discarded motor vehicle
14 tires continue to blight Hawaii's neighborhoods, particularly in
15 rural and isolated areas. With the repeal of the motor vehicle
16 tire surcharge, the department of health lost a vital source of
17 funding to promote tire recovery and prevent illegal dumping,



1 and the subsequent personnel and operating budget cuts have made
2 it difficult for the department to address this critical issue.

3 The purpose of this Act is to re-establish a \$1 motor
4 vehicle tire surcharge on all replacement tires to assist the
5 department of health and the counties in their activities
6 regarding used tire management, collection, recycling, and
7 disposal facilities.

8 SECTION 2. Chapter 342I, part II, Hawaii Revised Statutes,
9 is amended by adding a new section to be appropriately
10 designated and to read as follows:

11 **"§342I- Motor vehicle tire surcharge; deposit into**
12 **environmental management special fund; distribution to counties.**

13 (a) There is established a motor vehicle tire surcharge on
14 every replacement tire installed on a motor vehicle in the State
15 after September 30, 2014. The motor vehicle tire surcharge
16 shall be \$1 per tire. The surcharge shall be paid by the tire
17 retailer or tire wholesaler who installs a replacement tire.

18 (b) Revenues generated from the motor vehicle tire
19 surcharge shall be deposited into a special account in the
20 environmental management fund. Moneys from the special account
21 shall be used to fund county or county-sponsored tire recycling
22 programs.



1 (c) The department shall distribute the moneys in the
2 special account to the counties for recycling tires based on the
3 county's de facto population. The distribution shall be in the
4 form of direct contracts as permitted under chapters 103 and
5 103D or by the transfer of funds from the department.

6 (d) All moneys distributed to the counties under
7 subsection (c), and not used by the counties as specified in
8 subsection (b), shall be returned to the State for deposit into
9 the environmental management special fund at the end of each
10 annual contract period.

11 (e) As used in this section, "replacement tire" means any
12 tire installed on a motor vehicle as a replacement for a worn or
13 used tire."

14 SECTION 3. Section 342I-28, Hawaii Revised Statutes, is
15 amended to read as follows:

16 **"§342I-28 Tire inventory records and payment. (a)**
17 Payment of the motor vehicle tire surcharge shall be made
18 quarterly based on the tire retailer's or tire wholesaler's
19 inventory records [~~of the importers except for those importers~~
20 ~~subject to subsection (c) or (d)]. The dates September 30,~~
21 December 31, March 31, and June '30 represent the end of each
22 quarter period. All [~~importers~~] tire retailers or tire



1 wholesalers shall submit to the department documentation in
2 sufficient detail that identifies the number of tires [~~imported~~
3 ~~into~~] replaced in the State during the previous quarter.

4 (b) The amount due from the [~~importers~~] tire retailers or
5 tire wholesalers for the quarter shall be equal to the number of
6 tires [~~provided~~] replaced in subsection (a) multiplied by the
7 motor vehicle tire surcharge of \$1. Payment shall be made by
8 check or money order payable to the Department of Health, State
9 of Hawaii and shall be deposited into the environmental
10 management special fund as provided in section 342I-29. All
11 subsequent inventory reports and payments shall be made no later
12 than the last day of the month following the end of the previous
13 calendar quarter[, ~~except for those importers subject to~~
14 ~~subsection (c) or (d).~~

15 ~~(c) An importer who imports fewer than fifty tires within~~
16 ~~a one year period shall be exempt from payment of the surcharge.~~

17 ~~(d) An importer who imports fifty or more tires, but fewer~~
18 ~~than or equal to two hundred tires, or a motor vehicle rental~~
19 ~~company shall be permitted to provide a report and payment of~~
20 ~~the surcharge annually, with year ending December 31]."~~

21 SECTION 4. Statutory material to be repealed is bracketed
22 and stricken. New statutory material is underscored.



1 SECTION 5. This Act shall take effect upon its approval
2 and shall be repealed on July 1, 2019.



Report Title:

Motor Vehicle Tire Surcharge; Replacement Tire.

Description:

Imposes a surcharge of \$1 per tire on any tire retailer or wholesaler who installs a replacement tire in the State after September 30, 2014. Allows the department of health to use moneys collected from the surcharge to assist county or county-sponsored tire recycling programs. Repeals on 7/1/2019. (SD1)

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