



## FACT SHEET – Tire Fee

### Legislative History

In 1991, the Nevada Legislature adopted AB320, a comprehensive recycling bill that established a \$1 surcharge on the sale of tires at retail as a funding mechanism. This revenue was deposited in an Account for Recycling administered by NDEP and was to be used for grants and public education programs related to recycling. The Account was slated to sunset in 1993, at which time the tire fee revenue would be diverted to the Department of Transportation.

In 1993, the Nevada Legislature adopted SB97 which established new standards and permitting requirements for municipal solid waste landfills, consistent with new federal requirements. This legislation enabled the State to implement new landfill regulations in lieu of US EPA. The legislation removed the sunset provision and diverted the tire fee revenue to a new Solid Waste Management Account. This revenue was allocated to State and local regulatory agencies to implement the new landfill requirements and to support public education programs related to solid waste and recycling.

### Revenue Collection

The \$1 tire fee is collected by tire dealers for each retail sale of a tire. For each tire sold the dealer keeps \$0.05 of the fee for administrative costs and remits on a monthly basis \$0.95 of the fee to the Department of Taxation for distribution.

### Revenue Distribution and Use

Tire fee revenue may only be used for the purposes of carrying out the statutes related to solid waste management, as prescribed in NRS 444.616. The statute allocates revenue to State and local regulatory agencies according to the following distribution formula:

- 44.5% to the DCNR, Division of Environmental Protection
- 30% to the Southern Nevada Health District
- 25% to the Washoe County District Health Department
- 0.5% to the Department of Taxation

The Division of Environmental Protection uses tire fee revenue to support the regulatory and public education activities of its Solid Waste Program. The program is staffed by 7 FTE's, including a program Supervisor, permitting engineer, compliance inspector, planner, 2 recycling coordinators and program assistant. Program activities include regulation of solid waste facilities, inspection of active and closed landfills, operation of a toll free recycling hotline and public outreach.