

Tire Accountability Program (TAP)

Used Tire Programs (UTPs)

Disbursements – Business Plans – Quarterly Reports – Rim Removal Fees

What is a Used Tire Program? A “Used Tire Program” (UTP) is a program that receives funding from the Arkansas Department of Environmental Quality (ADEQ) and is operated by a regional solid-waste management board or an inter-district used-tire program.

Disbursements

There are three levels of funding (APC&EC Reg. 36.1106 and 1107):

- **Level one funding:** paid each quarter based on the quantity of tires managed by the UTP (APC&EC Reg. 36.1110)
- **Level two funding:** paid each quarter, provided funds are available, to inter-districts serving a population of $\geq 400,000$ to assist with funding one illegal dump control officer (APC&EC Reg. 36.1111)
- **Level three funding:** paid each quarter, provided funds are available, for equipment purchases, repairs, or maintenance by the UTP (APC&EC Reg. 36.1112)

ADEQ can use up to 10% of the moneys in the Used Tire Recycling Fund each fiscal year for the following activities (APC&EC Reg. 36.1114):

- Waste-tire site abatement aid, *only* if the responsible person is unable or unwilling to abate the waste-tire site
- To develop, implement, and maintain the e-manifest system
- To provide market and economic stimulus incentives

Quarterly Reports

A UTP must submit quarterly reports to ADEQ, using Form TAP-9 that includes:

- A summary of progress on approved projects and expenditures from any moneys disbursed from the Used Tire Recycling Fund, as well as all revenue received or generated as a result of the UTP’s operations
- The quantity and types of fee-paid and fee-waived tires processed
- Any other information as determined by ADEQ and listed on Form TAP-9 (APC&EC Reg. 36.1113(C))

Rim Removal Fees

Beginning January 1, 2018, retailers cannot charge customers more than:

- \$3.00 for each new tire that replaces a tire removed from a rim
- \$1.00 for each used tire that replaces a tire removed from the rim

Rim-removal fees are to be collected from the purchaser by the tire retailer and remitted to the Department of Finance and Administration (DFA). The tire retailer may retain 5% of the rim-removal fee for administrative costs. Each tire retailer must file a return with DFA on or before the 20th of each month showing the total rim-removal fees collected for each new and used tire removed from the rim during the previous month.

Used Tire Programs

Business Plans

A UTP must prepare and submit a Business Plan to ADEQ no later than December 31, 2017. The Business Plan is subject to review and approval by ADEQ. The Business Plan is to establish the UTPs' current operating plan and a proposed operating plan (§8-9-408; APC&EC Reg. 36, Chapter 4).

The Business Plan must include the following current operational information:

- An explanation of debt and debt-repayment obligations
- A description of equipment used (type, year manufactured, debt obligations, and whether leased or owned)
- An explanation of contract obligations
- A tire management plan for collection, transportation, and disposal or recycling of tires
- An explanation of costs for tire-collection centers, trailers, transfer stations, tire processing, mileage, fuel, and personnel
- The number of tires currently on any property owned, leased, or otherwise controlled by the UTP

The Business Plan must include the following proposed operational costs information:

- A tire management plan for collection, transportation, and disposal or recycling of tires
- Estimated costs of utilities, personnel, equipment, fees, leases, facilities, and any other costs related to the primary operation of the UTP
- The capital improvement and maintenance plan with estimated expenditures and costs
- Estimated transportation costs including mileage, fuel, equipment, personnel, utilities, insurance, bonds, and fees
- The location of all tire-collection centers
- The types of tires managed, including recyclable tires, waste tires, and used tires culled for resale