

SOUTH CAROLINA

Waste Tire Management at a Crossroads

Introduction

The S.C. Scrap Tire Sustainability Coalition met on February 14 to continue discussion on South Carolina's tire fee. This addendum is a follow-up to that meeting and provides essential information central to that discussion.

State Tire Fees

A state tire fee is generally defined as a fee charged to the consumer on new tire purchases. Overall, about 35 states have these fees that typically go to funding the end-of-life management – usually recycling – of scrap tires as well as the cleanup of stockpiled scrap tires.

Each of these states has its own fee, type of tires targeted, and designation or guidelines as to how the revenue is to be used. The fee is used in various ways including funding state programs as well as grants and loans to local government scrap tire collection programs. The fee also is allocated for research on applications (e.g., road paving) and products (e.g., landscape mulch) that can be manufactured from recycled tires, market development, and outreach/education.

Fees currently vary from 25 cents to \$10. South Carolina's fee – which fits the definition above –

is \$2 per new tire on light cars and trucks, motorcycles, busses, and tractor trailers.

Be Aware of State-By-State Fee Comparisons

It is important to note that just looking at a state tire fee as defined earlier may not provide a complete or accurate picture of the revenue collected to manage scrap tires. For example, some states:

- **Mandate and collect fees on tires that other states do not** (e.g., golf carts, ATVs, tractors and other farm equipment, and heavy equipment);
- **Mandate and collect different fees on different tires.** Oklahoma's fees are \$1, \$2.90, \$5.50, and \$10 depending on the tire, while South Carolina has a flat \$2 fee on five specific types of tires;
- **Mandate that new tire retailers and automobile dealerships collect the fee** (e.g., Utah);
- **Do not mandate a fee but rather give retailers the option of charging a tire fee.** Fees set by retailers are generally encouraged to be included in the price of the tire, meaning the fee would be included in the total amount subject to sales taxes;

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- **Mandate a tire fee that is typically excluded from sales tax liability.** Florida, however, is an exception. The state mandates a \$1 fee per tire sold and requires the fee to be included in the total price subject to sales tax;
- **Do not mandate a fee but give local governments and jurisdictions the option to charge end-of-life fees;**
- **Collect tire revenue from other sources** (e.g., vehicle registration, new car sales). New Mexico has a \$1.50 per tire fee that is collected on annual vehicle registrations; and
- **Fund or partially fund their scrap tire programs in their general budget.**

Retailers often charge environmental fees on new tires beyond the state tire fee. Below is a current snapshot of what some states are doing:

- **North Carolina**, depending on tire size, collects 1 or 2 percent of the retail price to distribute to the general fund, local governments, grant programs, and tire cleanups;
- **Louisiana** collects \$2.25 per tire weighing less than 100 pounds, \$5 per medium truck tire weighing 100 pounds or more, and \$10 per off-road tire weighing 100 pounds or more;
- **Tennessee** collects \$1.35 per tire, but also charges a tire environmental fee on the purchase of a new vehicle. The fees are (1) \$5 for a motor vehicle with four or fewer wheels, (2) \$10 for a vehicle with more than four but less than 11 wheels, and (3) \$15 for a vehicle with 11 or more wheels;
- **Hawaii** collects a \$1 surcharge on imported tires – paid by the importer. The state also allows retailers to charge for end-of-life management;
- **Connecticut, Iowa, Massachusetts, Minnesota, Texas, and West Virginia** allow retailers to charge for end-of-life management;
- **Vermont** tire retailers take scrap tires for a fee of typically \$3 to \$5 per tire;
- **New Hampshire** towns may charge for disposal;
- **Wisconsin** allows local jurisdictions to have their own fees such as \$5 per tire when less than 24 inches;
- **Idaho** does not have a state tire fee. Residents are instructed to contact their local landfill

to determine if waste tires are accepted for disposal and if there is a limit;

- **Michigan, New Mexico, and South Dakota** collect fees through vehicle registration ranging from \$1.50 to \$5 per vehicle;
- **Montana** scrap tires may be disposed of in Class II landfills or one of three monofills that accept only tires;
- **Wyoming** scrap tires may be disposed of in landfills with one landfill charging \$4 per auto and light truck tire, \$10 per heavy truck tire, and \$75 per heavy equipment tire; and
- **North Dakota** allows tires to be disposed of in landfills with no restrictions. Generators of solid waste, including scrap tires, are responsible for the storage, transportation, disposal, recycling, and reuse of the material.

It also is important to note that the fees do not show the quality or success of a scrap tire management program.

NOTE: Data on state tire fees is difficult to collect, then confusing and conflicting when collected. This data comes from the U.S. Tire Manufacturers Association, United Tires, Amazon, Earth911, and various state programs, but may not reflect any legislative updates or other changes.

New Tire Retailers

South Carolina is one of about a dozen states allowing new tire retailers to retain part of the state tire fee for administrative costs. These amounts vary from 6, 10, or 25 cents per tire to 1, 1.5, 5, 6, or 7 percent of the fee.

Mississippi allows wholesalers – not retailers – to retain 5 percent of the fee. Alabama allows retailers to keep up to 7 percent. Indiana allows retailers to keep 1 percent of the 25 cents per tire fee or 0.25 cents. South Carolina allows retailers to keep 3 percent or 6 cents per tire of the total fees collected as an administrative collection allowance.

Nearly 20 states do not allow new tire retailers to retain any of the fee.

Market Development

DHEC has been funding the Recycling Market Development Program at the S.C. Department of Commerce since the passage of the S.C. Solid Waste Policy and Management Act of 1991. The agencies are in the fourth year of a five-year \$1,625,000 contract.