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By: **Delegate Conway**  
Rules suspended  
Introduced and read first time: March 22, 2002  
Assigned to: Rules and Executive Nominations  
Re-referred to: Commerce and Government Matters, March 23, 2002

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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: April 5, 2002

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland Fire and Emergency Services Support Fund**  
3 **Low Interest Revolving Loan Account - Funding - Tire Surcharge**

4 FOR the purpose of ~~establishing the Maryland Fire and Emergency Services Support~~  
5 ~~Fund as a special, nonlapsing fund; providing a certain source of revenue for the~~  
6 ~~Fund; requiring the Fund to be used only for certain purposes; altering the~~  
7 ~~amount for of a certain used tire recycling fee for a certain period; requiring the~~  
8 ~~Comptroller to distribute certain revenues to a certain fund from the fee to the~~  
9 ~~Low Interest Revolving Loan Account for a certain period; limiting the amount~~  
10 ~~of loans that a volunteer fire company may have outstanding from the account;~~  
11 ~~repealing a certain termination provision; requiring the Maryland State~~  
12 ~~Firemen's Association to prepare and submit annually certain reports; providing~~  
13 ~~for the effective dates and termination of portions of this Act; and generally~~  
14 relating to fees collected for tire recycling and the Maryland Fire and  
15 Emergency Services Support Fund.

16 BY repealing and reenacting, with amendments,  
17 Article 38A - Fires and Investigations  
18 Section 46E  
19 Annotated Code of Maryland  
20 (1997 Replacement Volume and 2001 Supplement)

21 BY repealing and reenacting, with amendments,  
22 Article - Environment  
23 Section 9-228(g)

1 Annotated Code of Maryland  
2 (1996 Replacement Volume and 2001 Supplement)

3 ~~BY adding to~~  
4 ~~Article - Transportation~~  
5 ~~Section 27-113~~  
6 ~~Annotated Code of Maryland~~  
7 ~~(1999 Replacement Volume and 2001 Supplement)~~

8 BY repealing and reenacting, with amendments,  
9 Article - Environment  
10 Section 9-228(g)  
11 Annotated Code of Maryland  
12 (1996 Replacement Volume and 2001 Supplement)  
13 (As enacted by Section 1 of this Act)

14 BY repealing and reenacting, with amendments,  
15 Article 38A - Fires and Investigations  
16 Section 46E  
17 Annotated Code of Maryland  
18 (1997 Replacement Volume and 2001 Supplement)  
19 (As enacted by Section 1 of this Act)

20 BY repealing and reenacting, with amendments,  
21 Article - Environment  
22 Section 9-228(g)  
23 Annotated Code of Maryland  
24 (1996 Replacement Volume and 2001 Supplement)  
25 (As enacted by Sections 1 and 2 of this Act)

26 BY repealing and reenacting, with amendments,  
27 Chapter 235 of the Acts of the General Assembly of 2000  
28 Section 6

29 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
30 MARYLAND, That the Laws of Maryland read as follows:

31 **Article 38A - Fires and Investigations**

32 46E.

33 (a) In this section, "Account" means the Low Interest Revolving Loan Account.

34 (b) There is a Low Interest Revolving Loan Account.

1 (c) The Account shall consist of [any]:

2 (1) ANY funds appropriated in the State budget; AND

3 (2) FUNDS DISTRIBUTED FROM THE TIRE RECYCLING AND EMERGENCY  
 4 RESPONSE FEE UNDER § 9-228 OF THE ENVIRONMENT ARTICLE.

5 (d) (1) The Board may award a loan from the Account to provide a loan to a  
 6 volunteer company to assist with up to 75% of the cost of:

7 [(1)] (I) Purchasing or refurbishing apparatus; and

8 [(2)] (II) Upgrading or replacing facilities needed to store equipment.

9 (2) A VOLUNTEER COMPANY MAY NOT HAVE MORE THAN \$500,000 IN  
 10 OUTSTANDING LOANS FROM THE ACCOUNT AT ANY ONE TIME.

11 (e) A local government may not reduce the amount of money that the  
 12 volunteer company would otherwise be entitled to receive from the local government  
 13 because of State financial assistance provided under this Account.

14 **Article - Environment**

15 9-228.

16 (g) (1) (i) Beginning on February 1, 1992, a tire recycling AND  
 17 EMERGENCY RESPONSE fee shall be imposed on the first sale of a new tire in the  
 18 State by a tire dealer, including new tires sold as part of a new or used vehicle, trailer,  
 19 farm implement, or other similar machinery.

20 (ii) A county, municipal corporation, or any agency of a county or  
 21 municipal corporation may not impose any tax, fee, or other charge on the first sale of  
 22 a new tire by a tire dealer.

23 (2) The tire recycling AND EMERGENCY RESPONSE fee[:

24 (i) May not exceed 40 cents] SHALL BE \$1.00 per tire[; and

25 (ii) Shall be established by the Board of Public Works].

26 (3) For a sale made by a tire dealer to a person who resells tires, the tire  
 27 dealer shall separately state its recycling fees paid by the tire dealer on the invoice or  
 28 other document of sale.

29 (4) Each tire dealer shall:

30 (i) Pay the tire recycling AND EMERGENCY RESPONSE fee; and

31 (ii) Complete and submit, under oath, a return and remit the fees to  
 32 the Comptroller of the Treasury on or before the 21st day of the month that follows

1 the month in which the sale was made, and for other periods and on other dates that  
 2 the Comptroller specifies by regulation, including periods for which no fees were due.

3 (5) A tire dealer who timely files a tire recycling AND EMERGENCY  
 4 RESPONSE fee return and pays the tire recycling AND EMERGENCY RESPONSE fees  
 5 due is allowed, for the expense of administering and paying the fee, a credit equal to  
 6 1.2% of the gross amount of tire recycling AND EMERGENCY RESPONSE fees that the  
 7 tire dealer is to pay to the Comptroller.

8 (6) If the amount of the tire recycling AND EMERGENCY RESPONSE fee is  
 9 separately stated in a retail sale, the tire recycling fee is not subject to any tax under  
 10 Title 11 of the Tax - General Article or Title 13 of the Transportation Article.

11 (7) At the end of each quarter AFTER DEDUCTING THE COSTS OF  
 12 ADMINISTRATION, the Comptroller shall forward all tire recycling AND EMERGENCY  
 13 RESPONSE fees [to the] AS FOLLOWS:

14 (I) 40% TO THE Used Tire Cleanup and Recycling Fund[, less:

15 (I) the THE costs of administration]; AND

16 (II) 60% TO THE ~~MARYLAND FIRE AND EMERGENCY SERVICES~~  
 17 ~~SUPPORT FUND ESTABLISHED UNDER § 27-113 OF THE TRANSPORTATION ARTICLE~~  
 18 LOW INTEREST REVOLVING LOAN ACCOUNT UNDER THE VOLUNTEER COMPANY  
 19 ASSISTANCE FUND IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE 38A, §§ 46E  
 20 THROUGH 46H OF THE CODE.

21 (8) Except to the extent they are inconsistent with this subsection, the  
 22 provisions of Title 13 of the Tax - General Article applicable to the sales and use tax  
 23 shall govern the administration, collection, and enforcement of the tire recycling fee  
 24 under this subsection.

25 (9) The Comptroller:

26 (i) Shall administer the tire recycling AND EMERGENCY RESPONSE  
 27 fee; and

28 (ii) May adopt any regulations that are necessary or appropriate to  
 29 administer, collect, and enforce the tire recycling AND EMERGENCY RESPONSE fee.

30 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
 31 read as follows:

32 **Article - Environment**

33 9-228.

34 (g) (1) (i) Beginning on February 1, 1992, a tire recycling and emergency  
 35 response fee shall be imposed on the first sale of a new tire in the State by a tire

1 dealer, including new tires sold as part of a new or used vehicle, trailer, farm  
2 implement, or other similar machinery.

3 (ii) A county, municipal corporation, or any agency of a county or  
4 municipal corporation may not impose any tax, fee, or other charge on the first sale of  
5 a new tire by a tire dealer.

6 (2) The tire recycling and emergency response fee shall be [~~\$1.00~~] \$1.60  
7 per tire.

8 (3) For a sale made by a tire dealer to a person who resells tires, the tire  
9 dealer shall separately state its recycling fees paid by the tire dealer on the invoice or  
10 other document of sale.

11 (4) Each tire dealer shall:

12 (i) Pay the tire recycling and emergency response fee; and

13 (ii) Complete and submit, under oath, a return and remit the fees to  
14 the Comptroller of the Treasury on or before the 21st day of the month that follows  
15 the month in which the sale was made, and for other periods and on other dates that  
16 the Comptroller specifies by regulation, including periods for which no fees were due.

17 (5) A tire dealer who timely files a tire recycling and emergency response  
18 fee return and pays the tire recycling and emergency response fees due is allowed, for  
19 the expense of administering and paying the fee, a credit equal to 1.2% of the gross  
20 amount of tire recycling and emergency response fees that the tire dealer is to pay to  
21 the Comptroller.

22 (6) If the amount of the tire recycling and emergency response fee is  
23 separately stated in a retail sale, the tire recycling fee is not subject to any tax under  
24 Title 11 of the Tax - General Article or Title 13 of the Transportation Article.

25 (7) At the end of each quarter after deducting the costs of  
26 administration, the Comptroller shall forward all tire recycling and emergency  
27 response fees as follows:

28 (i) [~~40%~~] \$1.00 OF EACH FEE to the Used Tire Cleanup and  
29 Recycling Fund; and

30 (ii) [~~60%~~] 60 CENTS OF EACH FEE to the Low Interest Revolving  
31 Loan Account under the Volunteer Company Assistance Fund in accordance with the  
32 provisions of Article 38A, §§ 46E through 46H of the Code.

33 (8) Except to the extent they are inconsistent with this subsection, the  
34 provisions of Title 13 of the Tax - General Article applicable to the sales and use tax  
35 shall govern the administration, collection, and enforcement of the tire recycling fee  
36 under this subsection.

37 (9) The Comptroller:

1 (i) Shall administer the tire recycling and emergency response fee;

2 and

3 (ii) May adopt any regulations that are necessary or appropriate to  
 4 administer, collect, and enforce the tire recycling and emergency response fee.

5 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
 6 read as follows:

7 **Article 38A - Fires and Investigations**

8 46E.

9 (a) In this section, "Account" means the Low Interest Revolving Loan Account.

10 (b) There is a Low Interest Revolving Loan Account.

11 (c) The Account shall consist off:

12 (1) Any] ANY funds appropriated in the State budget[; and

13 (2) Funds distributed from the tire recycling and emergency response fee  
 14 under § 9-228 of the Environment Article].

15 (d) (1) The Board may award a loan from the Account to provide a loan to a  
 16 volunteer company to assist with up to 75% of the cost of:

17 (i) Purchasing or refurbishing apparatus; and

18 (ii) Upgrading or replacing facilities needed to store equipment.

19 (2) A volunteer company may not have more than \$500,000 in  
 20 outstanding loans from the account at any one time.

21 (e) A local government may not reduce the amount of money that the  
 22 volunteer company would otherwise be entitled to receive from the local government  
 23 because of State financial assistance provided under this Account.

24 **Article - Environment**

25 9-228.

26 (g) (1) (i) Beginning on February 1, 1992, a tire recycling [and emergency  
 27 response] fee shall be imposed on the first sale of a new tire in the State by a tire  
 28 dealer, including new tires sold as part of a new or used vehicle, trailer, farm  
 29 implement, or other similar machinery.

30 (ii) A county, municipal corporation, or any agency of a county or  
 31 municipal corporation may not impose any tax, fee, or other charge on the first sale of  
 32 a new tire by a tire dealer.

1           (2)     The tire recycling [and emergency response] fee shall be [\$1.60]  
2 \$1.00 per tire.

3           (3)     For a sale made by a tire dealer to a person who resells tires, the tire  
4 dealer shall separately state its recycling fees paid by the tire dealer on the invoice or  
5 other document of sale.

6           (4)     Each tire dealer shall:

7                   (i)     Pay the tire recycling [and emergency response] fee; and

8                   (ii)    Complete and submit, under oath, a return and remit the fees to  
9 the Comptroller of the Treasury on or before the 21st day of the month that follows  
10 the month in which the sale was made, and for other periods and on other dates that  
11 the Comptroller specifies by regulation, including periods for which no fees were due.

12           (5)     A tire dealer who timely files a tire recycling [and emergency  
13 response] fee return and pays the tire recycling and emergency response fees due is  
14 allowed, for the expense of administering and paying the fee, a credit equal to 1.2% of  
15 the gross amount of tire recycling [and emergency response] fees that the tire dealer  
16 is to pay to the Comptroller.

17           (6)     If the amount of the tire recycling [and emergency response] fee is  
18 separately stated in a retail sale, the tire recycling fee is not subject to any tax under  
19 Title 11 of the Tax - General Article or Title 13 of the Transportation Article.

20           (7)     At the end of each quarter after deducting the costs of  
21 administration, the Comptroller shall forward all tire recycling [and emergency  
22 response] fees [as follows:

23                   (i)     \$1.00 of each fee] to the Used Tire Cleanup and Recycling  
24 Fund]; and

25                   (ii)    60 cents of each fee to the Low Interest Revolving Loan Account  
26 under the Volunteer Company Assistance Fund in accordance with the provisions of  
27 Article 38A, §§ 46E through 46H of the Code].

28           (8)     Except to the extent they are inconsistent with this subsection, the  
29 provisions of Title 13 of the Tax - General Article applicable to the sales and use tax  
30 shall govern the administration, collection, and enforcement of the tire recycling fee  
31 under this subsection.

32           (9)     The Comptroller:

33                   (i)     Shall administer the tire recycling [and emergency response]  
34 fee; and

35                   (ii)    May adopt any regulations that are necessary or appropriate to  
36 administer, collect, and enforce the tire recycling [and emergency response] fee.

~~Article—Transportation~~

2 ~~27-113.~~

3 (A) ~~IN THIS SECTION, "FUND" MEANS THE MARYLAND FIRE AND EMERGENCY~~  
4 ~~SERVICES SUPPORT FUND.~~

5 (B) ~~THERE IS A MARYLAND FIRE AND EMERGENCY SERVICES SUPPORT FUND.~~

6 (C) (1) ~~THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT~~  
7 ~~TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.~~

8 (2) ~~THE TREASURER SHALL HOLD THE FUND SEPARATELY AND THE~~  
9 ~~COMPTROLLER SHALL ACCOUNT FOR THE FUND.~~

10 (3) ~~INTEREST AND EARNINGS ON THE FUND SHALL BE SEPARATELY~~  
11 ~~ACCOUNTED FOR AND CREDITED TO THE FUND AND ARE NOT SUBJECT TO § 6-226(A)~~  
12 ~~OF THE STATE FINANCE AND PROCUREMENT ARTICLE.~~

13 (D) ~~THE FUND CONSISTS OF TIRE RECYCLING AND EMERGENCY RESPONSE~~  
14 ~~FEE REVENUE DISTRIBUTED TO THE FUND UNDER § 9-228(G) OF THE ENVIRONMENT~~  
15 ~~ARTICLE.~~

16 (E) (1) ~~THE FUND MAY BE USED ONLY FOR THE LOW INTEREST REVOLVING~~  
17 ~~LOAN ACCOUNT UNDER THE VOLUNTEER COMPANY ASSISTANCE FUND IN~~  
18 ~~ACCORDANCE WITH THE PROVISIONS OF ARTICLE 38A, §§ 46E THROUGH 46H OF THE~~  
19 ~~CODE FOR THE FIRST YEAR THE FUND IS IN OPERATION OR UNTIL \$20 MILLION IS~~  
20 ~~USED FOR THIS PURPOSE, WHICHEVER COMES FIRST.~~

21 (2) ~~AFTER THE REQUIREMENTS OF PARAGRAPH (1) OF THIS SUBSECTION~~  
22 ~~ARE MET, THE MONEY IN THE FUND MAY BE USED ONLY AS FOLLOWS:~~

23 (I) ~~ONE SIXTH SHALL BE USED FOR THE MARYLAND EMERGENCY~~  
24 ~~MEDICAL SERVICE SYSTEM FUND ESTABLISHED UNDER § 7-313 OF THE STATE~~  
25 ~~FINANCE AND PROCUREMENT ARTICLE;~~

26 (II) ~~ONE SIXTH SHALL BE USED FOR THE TRAUMATIC BRAIN~~  
27 ~~INJURY REHABILITATION FUND;~~

28 (III) ~~ONE THIRD SHALL BE USED FOR THE SENATOR WILLIAM H.~~  
29 ~~AMOSS FIRE, RESCUE, AND AMBULANCE FUND ESTABLISHED UNDER ARTICLE 38A, §~~  
30 ~~45B OF THE CODE; AND~~

31 (IV) ~~ONE THIRD SHALL BE USED FOR THE FOLLOWING TRAUMA~~  
32 ~~CENTERS:~~

33 1. ~~THE JOHNS HOPKINS HOSPITAL HEALTH SYSTEM~~  
34 ~~TRAUMA CENTERS;~~

35 2. ~~PEDIATRIC TRAUMA CENTER AT CHILDREN'S NATIONAL~~  
36 ~~MEDICAL CENTER OF WASHINGTON, D.C.;~~

