## OLR BILL ANALYSIS HB 5017

# AN ACT CONCERNING PARTICIPATION IN THE TIRE STEWARDSHIP PROGRAM BY TIRE RETAILERS.

#### SUMMARY

A 2023 law required the establishment of a statewide stewardship program to manage discarded tires (PA 23-62). Among other things, it required tire producers, by January 1, 2025, to join a stewardship organization and submit plans to implement the program to the Department of Energy and Environmental Protection (DEEP) for its approval (see BACKGROUND). This bill requires tire retailers to participate in a stewardship organization by January 1, 2026, and prohibits those who fail to participate in the program from supplying tires by that date. Under current law, their participation in a tire stewardship organization is voluntary.

The bill also requires tire stewardship organizations, starting by January 1, 2026, to identify in their implementation plans any retailer participating in their program. Under the bill, organizations must identify these retailers on an ongoing basis as part of the existing law that requires them to notify the DEEP commissioner of material changes to the program.

Under existing law, to the extent a tire producer or tire stewardship organization is exercising authority according to the law's provisions, they are immune from liability for any antitrust or unfair trade practice claim based on a violation of antitrust law. The bill extends these liability protections to retailers but does not correspondingly extend the condition that the protections apply only if the retailer is exercising authority according to the law.

EFFECTIVE DATE: Upon passage

#### BACKGROUND

## Connecticut Tire Stewardship, LLC's Plan

One entity, Connecticut Tire Stewardship, LLC, has submitted a tire stewardship program plan under the existing law. Currently, 15 tire producers, but no retailers, have joined the plan. The plan notes that it does not anticipate that many retailers will voluntarily participate in the program because they have a financial disincentive to do so. Many of them currently generate revenue by charging a fee for processing returned tires, which they would be prohibited from doing if they were participating in the tire stewardship program under existing law.

## Tire Stewardship Program Requirements

Under existing law, the tire stewardship program must, to the extent technologically and economically practicable, establish and manage a statewide collection system for tires. This program must provide for:

- 1. free public access to the collection system (i.e. drop-off) for discarded tires;
- 2. suitable storage containers for tires, as needed, throughout the collection system;
- 3. public promotion and education about the program;
- 4. market development, as needed, to meet performance goals; and
- 5. financing program activities only by producer funding.

The program must also ensure that discarded tires are (1) picked up from the collection system and transported for recycling and (2) resold or recycled (CGS § 22a-905i). The DEEP commissioner is authorized to civilly enforce the program's requirements under her existing authority.

## **COMMITTEE ACTION**

**Environment Committee** 

Joint Favorable Substitute Yea 24 Nay 11 (02/28/2025)