



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING



LIESL EICHLER CLARK
DIRECTOR

VIA E-MAIL

TO: Senate Environmental Quality Committee Members
Senate Natural Resources Committee Members
House Natural Resources and Outdoor Recreation Committee Members

FROM: Liesl Eichler Clark, Director 

DATE: January 31, 2019

SUBJECT: Report on Utilization of Revenues of the Scrap Tire Regulatory Fund for Fiscal Year 2018

In accordance with Section 16911(1) of Part 169, Scrap Tires, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, the Department of Environmental Quality (DEQ) is required to report annually to the Legislature on the utilization of revenues of the Scrap Tire Regulatory Fund (Fund). The Michigan Scrap Tire Program is a nationally-recognized effort that combines cleanup and market development grants working in concert with effective compliance and enforcement. Since the program was first appropriated funding in 1993, more than \$32 million has been provided through grants to remove and properly dispose of approximately 33 million passenger tire equivalents.

Cleanup Grants

A recap of the 2018 cleanup grants' accomplishments includes 86 grants awarded totaling \$1,203,553, which positively impacted nearly 90 rural and urban communities spread across 52 counties. The average Scrap Tire Cleanup Grant awarded was nearly \$14,000 in 2018, providing for targeted cleanup of over 600,000 passenger tire equivalents, resulting in:

- Reduction or elimination of the threat of mosquito-borne illnesses.
- Reduction in the threat to public health and the environment from fires.
- Continued cleanup of legacy tire piles from abandoned dump sites.

Market Development Grants

With the weakening of markets, such as tire-derived fuel, the market development grants have been a valuable tool in expanding scrap tire markets with funding directed towards equipment, research and development, and municipal paving projects that utilize rubber-modified asphalt. A recap of the 2018 market development grants' accomplishments includes 10 paving projects totaling \$2,100,339. Also included in 2018 was a \$90,000 grant award to Michigan State University for continuing research and development efforts, which tied back to a 2015 grant project. Many paving projects are completed in conjunction with university research or are based on research previously conducted. This includes research into materials and techniques that evaluate local climate impacts (i.e., freeze/thaw, extreme cold/heat). Work continues on forming partnerships between university researchers, county road commissions, and industry professionals to ensure the best possible outcomes related to paving projects supported through the Scrap Tire Market Development Grant program.

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In addition to the \$2,274,775 that was expended for Scrap Tire Grants (\$645,851 for Scrap Tire Cleanup Grants and \$1,628,924 for Scrap Tire Market Development Grants), \$1,496,742 was expended for the administration and operations of the Regulatory Program. These staff activities include site inspections, facility registrations, compliance and enforcement activities, and industry engagement.

If you need further information, please contact Jack Schinderle, Director, Waste Management and Radiological Protection Division, at 517-284-6551; or you may contact me at 517-284-6710.

cc: Chris Harkins, Director, Senate Fiscal Agency
Mary Ann Cleary, Director, House Fiscal Agency
Chris Kolb, Director, State Budget Office
Greg Bird, Legislative Director, Governor's Office
Emily Laidlaw, Policy Director, Governor's Office
Josh Sefton, Senate Fiscal Agency
Austin Scott, House Fiscal Agency
Jacques McNeely, State Budget Office
Jennifer Harrison, State Budget Office
Aaron B. Keatley, Chief Deputy Director, DEQ
Amy Epkey, Administration Deputy Director, DEQ
Sarah M. Howes, Director of Policy and Legislative Affairs, DEQ
David Fiedler, Regulatory Affairs Officer, DEQ
Jack Schinderle, DEQ
Steve Sliver, DEQ
Kathy Tetzlaff, DEQ
Rhonda Oyer, DEQ
Jeff Spencer, DEQ
Kirsten Clemens, DEQ