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GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING



C. HEIDI GREETHER
DIRECTOR

VIA E-MAIL

TO: Senate Natural Resources Committee Members
House Natural Resources Committee Members

FROM: C. Heidi Grether, Director *HLG*

DATE: January 17, 2017

SUBJECT: Report on Utilization of Revenues of the Scrap Tire Regulatory Fund for Fiscal Year 2017

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 \$29 million has been provided through grants to remove and properly dispose of approximately 32 million passenger tire equivalents.

Cleanup Grants

A recap of the 2017 cleanup grants' accomplishments includes 58 grants awarded totaling \$495,800, which positively impacted nearly 60 communities. Average Scrap Tire Cleanup Grants awarded were over \$8,500 in 2017, providing for cleanup of a total of over 203,000 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
- Continuing 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 very valuable in expanding scrap tire markets through funding directed towards equipment, research and development, or community paving projects that utilize rubber-modified asphalt. A recap of the 2017 market development grants' accomplishments includes 14 projects totaling \$2,547,107, which includes 10 paving projects at an average of \$194,262.80 awarded; 1 equipment purchase at \$62,779 awarded; 2 university-led research and development projects at an average of \$254,262 awarded; and 1 road commission bridge overlay project of \$33,176.

In addition to the \$3,299,390 that was expended for Scrap Tire Grants (\$410,146 for Scrap Tire Cleanup Grants and \$2,889,244 for Scrap Tire Market Development Grants), \$1,369,171 was expended for the administration and operations of the Regulatory Program.

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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 517-284-6700.

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