



GRETCHEN WHITMER
GOVERNOR


STATE OF MICHIGAN
DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY
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: March 2, 2021

SUBJECT: Report on the Utilization of Revenues from the Scrap Tire Regulatory Fund for Fiscal Year 2020

In accordance with Section 16911(1) of Part 169, Scrap Tires, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, following is the Department of Environment, Great Lakes, and Energy's (EGLE) report on the utilization of revenues from the Scrap Tire Regulatory Fund (Fund) for fiscal year (FY) 2020. The Michigan Scrap Tire Program is a nationally-recognized effort that combines grants that fund cleanup and market development that support effective compliance and enforcement. Since the program was first appropriated funding in 1993, more than \$36 million has been provided through grants to remove and properly dispose of approximately 35 million passenger tire equivalents.

Cleanup Grants

A recap of the FY 2020 Cleanup Grants' accomplishments includes 76 grants awarded, totaling \$1,277,351, which positively impacted over 100 communities. Due to COVID-19, many cleanup events were delayed, and 64 grants were extended into FY 2021. The cleanups that occurred provided targeted cleanup of more than 400,000 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.
- Continued cleanup of legacy tire piles from abandoned dump sites.

Market Development Grants

With the weakening of markets, such as the tire-derived fuel market, the Market Development Grants have been a valuable tool in expanding scrap tire markets, with funding directed toward equipment, research and development, and/or community paving projects that utilize rubber-modified asphalt. A recap of the FY 2020 Market Development Grants' accomplishments includes four market development projects (two grants were not executed due to COVID-19 spending freezes) totaling \$1,940,886; an average of \$485,221 was awarded. These projects included road construction-related activities, equipment purchases, and activities associated with law enforcement activities at scrap tire sites within the city of Detroit.

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In addition to the \$2,750,442 that was expended for scrap tire grants (\$920,186 for Cleanup Grants and \$1,830,256 for Market Development Grants), \$1,483,949 was expended for the administration and operations of the Scrap Tire Regulatory Program. These staff activities included 187 site inspections, 179 facility registrations reviewed and processed, compliance and enforcement activities, and industry engagement.

It should be noted that two additional Fund withdrawals were completed during FY 2020. These included a one-time \$4 million allocation to fill EGLE budgetary shortfalls due to COVID-19 and a \$3 million supplemental directed toward a scrap tire project at LaFarge/Holcim (US) Inc. in Alpena.

If you need further information, please contact Elizabeth M. Browne, Director, Materials Management Division, at 517-284-6551; or you may contact me at 517-284-6708.

cc: Chris Harkins, Director, Senate Fiscal Agency
Mary Ann Cleary, Director, House Fiscal Agency
David Massaron, Director, State Budget Office
George W. Cook, III, Legislative Affairs Director, Governor's Office
Emily Laidlaw, Policy Director, Governor's Office
Ben Dawson, Senate Fiscal Agency
Austin Scott, House Fiscal Agency
Jacques McNeely, State Budget Office
Carly Kirk, State Budget Office
Aaron B. Keatley, Chief Deputy Director, EGLE
Amy Epkey, Senior Deputy Director, EGLE
Travis Boeskool, Legislative Liaison, EGLE
Paul McDonald, EGLE
Dale Shaw, EGLE
Elizabeth M. Browne, EGLE
Robert Jackson, EGLE
Rhonda Oyer, EGLE
Kathy Tetzlaff, EGLE
Jeff Spencer, EGLE
Kirsten Clemens, EGLE