STATE OF MICHIGAN
DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY
LANSING

GRETCHEN WHITMER
GOVERNOR

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 6, 2020

SUBJECT: Report on Utilization of Revenues of the Scrap Tire Regulatory Fund for Fiscal Year 2019

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 Environment, Great Lakes, and Energy (EGLE) is required to report annually to the Legislature on the utilization of revenues of the Scrap Tire Regulatory Fund.

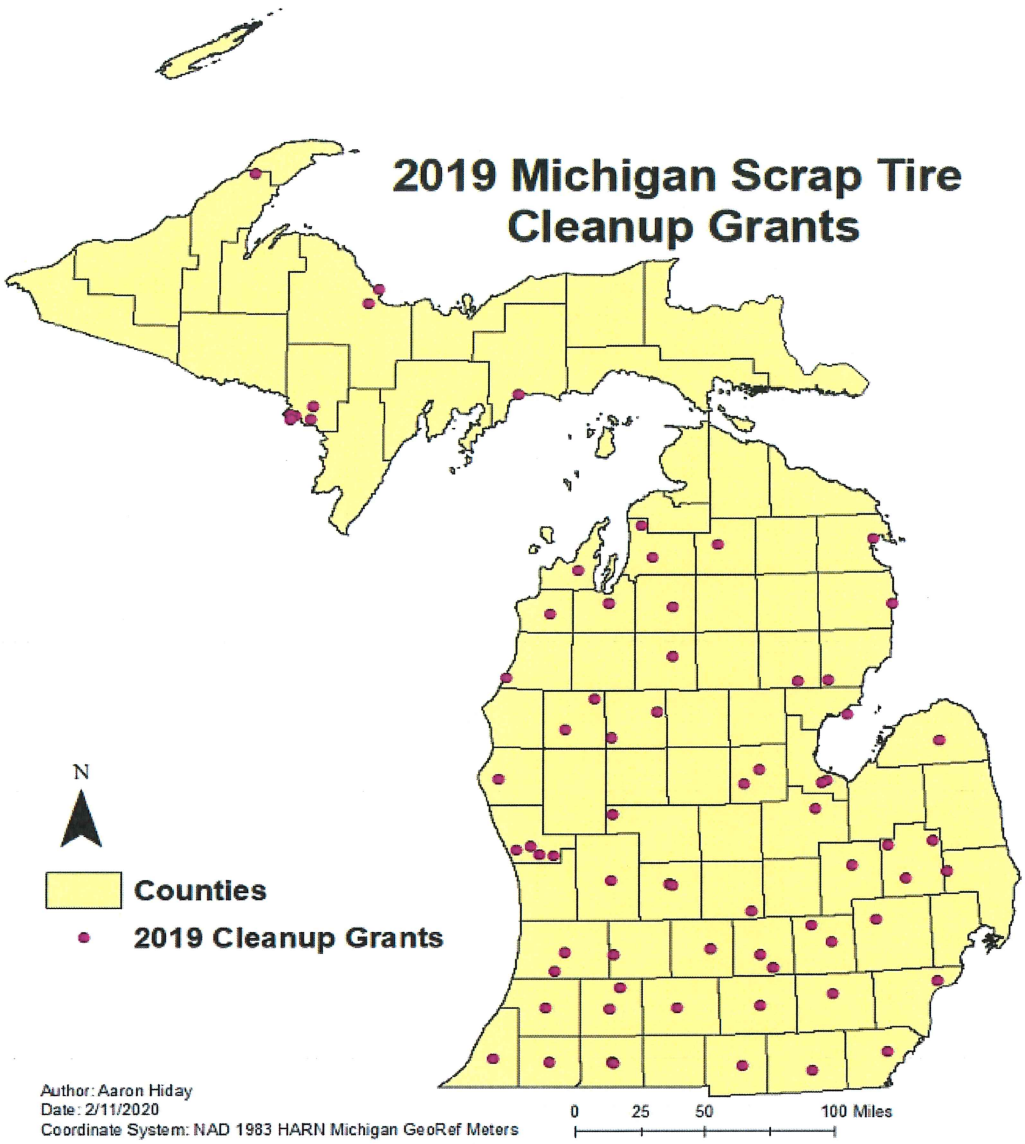
The Scrap Tire Program administers a combination of community-based grants that support local municipal tire cleanups, public and private grants that enhance and promote scrap tire markets in Michigan, and technical staff resources that support compliance assistance and enforcement activities. Through these efforts, the program seeks to improve the scrap tire regulatory landscape with higher rates of compliance, fewer occurrences of illegal tire operations (i.e., illegal hauling and dumping), the creation of more viable markets for tire materials, and the eventual establishment of a tire market based on circular economy principles.

Cleanup Grants

A recap of the fiscal year (FY) 2019 Cleanup Grants' accomplishments includes 66 grants awarded totaling $1,000,258, which impacted over 90 communities. The average Cleanup Grant awarded was over $15,000, providing for targeted cleanup of nearly 400,000 passenger tire equivalents, resulting in:

- Reduction or elimination of the threat of mosquito-borne illnesses.
- Reduction in negative impacts to public health and the environment.
- Reduction in blight within our local communities.
- Continued effort to identify, monitor, and clean up legacy tire piles from abandoned dump sites.

The map below illustrates where the Cleanup Grants were dispersed:



Market Development Grants

With the weakening of end-use markets, such as the tire-derived fuel market, the Market Development Grants are a valuable resource in building scrap tire markets with funding directed towards equipment, research and development, and/or community paving projects that utilize rubber-modified asphalt. A recap of the 2019 Market Development Grants' accomplishments includes six market development projects totaling $2,514,255, at an average of $419,042 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.

Regulatory Program

In addition to the $3,726,338 that was expended for scrap tire grants ($852,553 for Cleanup Grants and $2,873,785 for Market Development Grants), $1,536,733 was expended for the administration and operations of the Regulatory Program. These staff activities include 344 site inspections, 142 facility registrations, compliance and enforcement activities, and industry engagement.

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

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