

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

LANSING



GRETCHEN WHITMER GOVERNOR

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: December 23, 2020
- SUBJECT: Report on the Effectiveness of Part 169 in Encouraging the Reuse and Safe Storage of Scrap Tires (Triennial Report)

In accordance with Section 16911(2) 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 every three years to the Legislature on the effectiveness of Part 169 regarding the reuse and safe storage of scrap tires. The Michigan Scrap Tire Program is a nationally recognized effort that combines cleanup and market development grants with effective compliance and enforcement. Since the program was first appropriated funding in 1993, more than \$34 million has been provided through grants to remove and properly dispose of nearly 37 million passenger tire equivalents.

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

Attachment

cc/att: Chris Harkins, Director, Senate Fiscal Agency Mary Ann Cleary, Director, House Fiscal Agency Chris Kolb, Director, State Budget Office George W. Cook, III, Legislative Affairs 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 Carly Kirk, State Budget Office Aaron B. Keatley, Chief Deputy Director, EGLE Amy Epkey, Senior Deputy Director, EGLE Sarah M. Howes, Legislative Liaison, EGLE Paul McDonald, EGLE Dale Shaw, EGLE Elizabeth Browne, EGLE Robert Jackson, EGLE Rhonda Oyer, EGLE Kathy Tetzlaff, EGLE Jeff Spencer, EGLE Kirsten Clemens, EGLE

EGLE MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY **Legislative Report**

Michigan's Scrap Tire Program Triennial Report

Report Period: Fiscal Years 2018, 2019, and 2020

Authority:

In accordance with Section 16911(2) of Part 169, Scrap Tires, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, attached is the Michigan Department of Environment, Great Lakes, and Energy's (EGLE) Report on the effectiveness of Part 169 regarding the reuse and safe storage of scrap tires.

OVERVIEW

Every day in Michigan, thousands of vehicles' tires are replaced with new tires. These used tires become scrap tires. Michigan contributes 10 million of the nation's 269 million scrap tires to the waste stream each year. There are significant public health and environment risks associated with scrap tire piles. Tire fires create toxic smoke, as well as contaminate the soil and water. In addition, scrap tire piles serve as breeding grounds for mosquitos that could result in the transmission of diseases, such as the West Nile, Eastern Equine Encephalitis, and Zika viruses. EGLE's Materials Management Division has developed a Scrap Tire Program (Program) to minimize the environmental and public health risks and promote new markets for scrap tires.

SCRAP TIRE PROGRAM

The Program has two primary functions:

- 1. Conduct inspections and provide oversight for the scrap tire industry that includes:
 - 134 registered scrap tire haulers.
 - 45 scrap tire collection sites.
 - 10 scrap tires processors.
 - 11 certified end-users.



Figure 1: EGLE staff measuring a scrap tire pile during an inspection.

- 2. Administer grant programs responsible for scrap tire cleanup, law enforcement, and market development that have accomplished the following:
 - Provided nearly \$60 million in grants since 1993.
 - Provided cleanup grants annually (over 200 cleanup grants from fiscal years (FY) 2018 through 2020), which have funded the collection and proper disposal of over 37 million tires, to date.
 - Provided, on average, 15 market development grants annually to counties, cities, villages, universities, and private enterprises for market development opportunities, including pilot projects, equipment purchases, and research and development.



Figure 2: Intervale Site, Detroit, before and during a Scrap Tire Cleanup Grant. Removal of 1033.13 tons (91,949 passenger tire equivalent) using \$99,046.65 of 2020 cleanup grant funds.



Figure 3: Photograph of CR 607 Dry Process Rubber Modified Asphalt (barrel weight is a semi tire sidewall) and the 2019 IMPRESS Award for the project.

Project partners: Dickinson County Road Commission, Michigan Technological University, Asphalt Plus LLC, Entech, Inc., Baaco Construction Company, and EGLE.

FUNDING

The Program's annual budget is approximately \$4.5 million, which includes funding for 9 staff and approximately 90 outgoing grants each year. Funding for the Program is provided by a \$1.50 fee collected by the Secretary of State for each motor vehicle title transfer in Michigan.

The Scrap Tire Regulatory Fund (STRF) provided \$4 million toward the FY 2020 budget deficit and \$3 million in FY 2021 for a project to burn whole tires in cement kilns in Alpena County. Current revenues for the Program are down due to the Coronavirus 2019 Pandemic. Program impacts due to withdrawals from the STRF will be evaluated as additional information becomes available.

STAKEHOLDER PROCESS

The Program initiated a stakeholder process, including a Scrap Tire Advisory Committee (STAC) in 2005. The Program regularly meets with retailers, processors, haulers, Michigan Association of Counties, Michigan Townships Association, Michigan Municipal League, and various other partners to evaluate and modify the Program, as needed. Based on input from the group, legislative changes were last advanced and enacted in 2015. The changes provided additional clarity, assisted with cleanup, and promoted market development.

MOVING FORWARD

Based on the ongoing stakeholder discussions and previous success of the Program, no programmatic changes are being recommended at this time. Properly and safely processing and disposing of the large volume of scrap tires generated each year is an ongoing and ever-changing challenge. Therefore, the Program will make a more aggressive effort to find other avenues for scrap tire recycling.

Based on these challenges, the primary Program goals for the next several years are to:

- Collaborate with the Michigan Department of Transportation and the county road commissions to continue to promote routine installation of crumb-rubber asphalt, including additional public awareness.
- Work toward having scrap tire materials recognized as an engineering solution for paving, chip sealing, porous pavement, drainage aggregate, drain field aggregate, rubberized mulch, and plastics.
- Address new, smaller-volume scrap tire accumulations prior to them becoming an issue.
- Manage ongoing scrap tire generation (an estimated 10 million annually).

These include efforts by the Program to:

- Work with urban areas on dumping cleanup and enforcement to prevent further dumping.
- Work with local health departments to address cleanup of small accumulations, possibly pooling those located in an area.
- · Work with local communities on cleanup days.
- Work on sites that are bought/inherited that contain tires.
- Work on cleaning up old salvage yards.

The Program will work with the STAC to:

- Limit the growth of sites without appropriate bonding.
- Address remaining smaller tire accumulations and dumping.
- Address community concerns through the Scrap Tire Cleanup Grant Program.

The 2019 Michigan Scrap Tire Market Study and multi-state directory of scrap tire industries were completed with funding from the Market Development Grant Program. The findings of this report will be used to:

- Continue to implement and refine a more effective Scrap Tire Market Development Grant Program.
- Promote the use of rubber modified asphalt and other engineered uses of tires.

For additional information on the Program, go to www.Mi.gov/Scraptires.