	OFFICE OF WASTE MANAGEMENT AND RADIOLOGICAL PROTECTION POLICY AND PROCEDURE		DEPARTMENT OF ENVIRONMENTAL QUALITY
Original Effective Date: December 26, 1998	Subject: Scrap Tire Storage Area Calculation and Collection Site Bonding		Category: <input type="checkbox"/> Internal/Administrative <input type="checkbox"/> External/Non-Interpretive <input checked="" type="checkbox"/> External/Interpretive
Revised Date: March 2, 2009	Program Name: OWMRP-Scrap Tire Program		
Reformatted Date: July 2, 2013	Number: OWMRP-169-01	Page: 1 of 4	

A Department of Environmental Quality (DEQ) Policy and Procedure cannot establish regulatory requirements for parties outside of the DEQ. This document provides direction to DEQ staff regarding the implementation of rules and laws administered by the DEQ. It is merely explanatory; does not affect the rights of, or procedures and practices available to, the public; and does not have the force and effect of law.

PURPOSE:

The following information is intended to provide clarification to staff on bonding requirements and tire storage area(s) in order to ensure consistency of application throughout the Office of Waste Management and Radiological Protection (OWMRP) District Offices.

AUTHORITY:

Section 16903(4) of Part 169, Scrap Tires, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, requires that all scrap tire collection sites, regulated by Part 169, be bonded, except as provided in Sections 16903(5) and 16903b. Revisions to Part 169 in December 2006 resulted in changes to the bonding requirements.

POLICY:

The following procedures are in place to ensure that all staff consistently apply the bonding requirements of Part 169 and ensure sufficient bonding is in place for all scrap tire collection sites.

PROCEDURES:

SITE MAP REQUIREMENT TO DEFINE “TIRE STORAGE AREA(S)” AS DISTINCT FROM “COLLECTION SITE”:

A site map (Appendix A) must be included with the annual Collection Site Registration Application (Application) form in order to accurately identify the boundaries of the tire storage area(s) within the boundaries of a collection site, to ensure proper bonding when required and to help with inspections. The Application must include the site map with each year consistent with Appendix A to be considered administratively complete. The site map must show:

1. The designated tire storage area(s) to be used within the collection site during the registration period, including the dimensions and exact boundaries of separately identified outdoor and indoor tire storage area(s) and the number of vehicles to be used for tire storage. For collection sites with more than 2,500 scrap tires, including sites where any vehicles containing tires are stored, the site map must be prepared or drawn and certified

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by a registered professional engineer (P.E.) or land surveyor. The site map must show the acreage of outdoor tire storage area(s) and square footage of building(s) used as an indoor tire storage area, as covered by the bond, if required. The site map must match the bond documents. The site map must include dimension(s) and boundaries of tire storage area(s) to be used, type of storage area (whole, shredded, chips, etc.), bonded areas and type of bonding to be used (building and/or acreage). The site map must also depict any area(s) that is exempt from bonding and the dimensions and boundaries of the area(s). A certification must be submitted to the DEQ for each commodity storage area.

2. The type(s) of storage [outdoor, indoor, or vehicle tire storage area(s)] to be used during the registration period: a collection site includes the entire property (or properties, if there are two or more adjacent properties) and all tires stored on the collection site. A tire storage area includes the location(s) within a collection site where tires are accumulated. A collection site need not be entirely dedicated as a tire storage area. For example, if the entire property is fenced and bermed, this does not necessarily mean that the entire property is being used as a tire storage area for the purpose of calculating required bonding. Only that portion of a collection site designated and used as the tire storage area(s) requires bonding.

Tires may be accumulated only within areas designated on the site map tire storage area(s). All scrap tires within a collection site at any time throughout the year must be within a properly designated and fully bonded outdoor, indoor, or vehicle tire storage area, if bonding is required.

BOND EXEMPTIONS:

The following are the exemptions to the bonding requirements:

1. Tires that are stored in covered vehicles - A covered vehicle is one that is fully enclosed. It must consist of sides, a top, and an entryway that are secure and made of solid material without holes or gaps. In addition, the covered vehicle must be in roadworthy condition in order for the allowance to apply based on the definition in Section 16901(1)(bb), which defines a vehicle as "a device in, upon, or by which a person or property is or may be transported or drawn upon a highway..." Vehicles to which the allowance applies must be able to be legally transported or drawn upon a highway in the state.
2. Commodity storage area - A collection site storing a commodity must complete form EQP5127, "Commodity Storage Area Qualification Form." To be declared a commodity storage area, a collection site must meet the following:
 - a. A "commodity" is defined in Section 16901(1)(e) as "crumb rubber, tire chips, a ring or slab cut from a tire for use as a weight, or a product die-cut or punched from a tire, or any product that, as determined by the department based on the product's production cost and value, is not likely to result in an accumulation, at the site of production or use, that poses a threat to public health or the environment. A product is not a commodity unless it meets published national standards or specifications that the department determines are relevant to accomplishing the purposes of this part."

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- b. The commodity is stored in accordance with the requirements of Section 16903(1).
- c. Not less than 75 percent of the commodity, by weight or volume, that is stored at the collection site each calendar year is removed from the collection site to a market during that year, and the collection site owner or operator certifies compliance on a form approved by the DEQ.
- d. The areas of the collection site that are used for storage of the commodity are not larger than a total of one acre, and those areas are indicated on a survey by a registered P.E. submitted to the DEQ as part of the collection site registration.

3. Section 16903b(1) states:

Subject to subsection (2), the owner of a collection site is exempt from the requirement to obtain a bond under section 16903(4) if all of the following requirements are met:

- (a) The owner of the collection site is a scrap tire processor.
- (b) Not less than 75 percent of the scrap tires, by weight or volume that are stored at the collection site each calendar year are recycled or used for resource recovery during that year.
- (c) The collection site has been in compliance with the site requirements for at least 1 year.
- (d) The owner annually certifies compliance with the requirements of this subsection on a form approved by the department.

A first-time collection site registrant would not have demonstrated the requisite one year of compliance. Therefore, a first-time registrant must bond any tires that are placed on the collection site for the first year of operation in accordance with Section 16903(4). There is one exception to this general rule: a first-time registrant who had exempted tires on-site during the previous year (e.g., qualified commodity storage area or vehicle storage) could use those tires to establish the site was in compliance with the site requirements during the previous year.

BONDING CALCULATION AND ENFORCEMENT:

Bonding of a tire storage area within a scrap tire collection site is calculated by the area designated as a tire storage area. For example, a site map showing a two-acre square collection site, and indicating that its northwest quarter-acre will be used as a tire storage area, would require a bond for \$25,000. In addition, tires can only be stored in that exact quarter-acre during the registration period. Likewise, if the site map indicates tires will be stored in a 10,000 square-foot building, the entire building must be bonded unless the site map indicates that only a specific portion of the building will be used as a tire storage area. Tire storage area(s) cannot "move around" or be relocated from their location as designated on the site map.

Any site defined by Part 169 as a collection site where scrap tires are accumulated must maintain the bond amount required by Section 16903(4) for the tire storage area(s) identified on the site map, unless otherwise exempt.

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BONDING REQUIREMENT FOR COLLECTION SITES (INDOOR AND OUTDOOR):

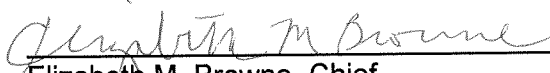
1. If a collection site contains greater than 500 and less than a total of 2,500 tires stored outside, the bond for the tire storage area is \$2,500.
2. For sites with greater than 2,500 tires on-site that are stored outside the bonding is determined as follows:

Less than ¼ of an acre	\$ 25,000
¼ of an acre or more, but less than ½ of an acre	\$ 50,000
½ of an acre or more, but less than ¾ of an acre	\$ 75,000
¾ of an acre but less than 1 acre	\$100,000
Each 1-acre parcel	\$100,000
3. For indoor storage area, the bond would be calculated at \$2 per square foot. If indoor tire storage area is used, less than \$2,500 may be an acceptable bond for the collection site. For example, if tires are stored within 400 square feet in a building, the required bond would be \$800 (400 square feet X \$2 per square foot = \$800).
4. Sites that are registered collection sites because they are a portable shredding operation but do not have over 500 tires must maintain the bond amount required by Section 16903(4), based on the type of designated tire storage area.

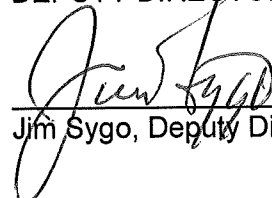
APPENDIX

Appendix A - Scrap Tire Storage Area Map Format

OFFICE CHIEF APPROVAL:


Elizabeth M. Browne, Chief
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DEPUTY DIRECTOR APPROVAL:


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