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Michigan Scrap Tire Regulatory Program

Jeff Mann, General Counsel and Chief Editor

Program Overview

The collection, storage, and disposal of scrap tires (i.e., tires that are no longer being used for their original intended purposes) is regulated under Part 169 (Scrap Tires) of the Natural Resources and Environmental Protection Act. Part 169 and the Scrap Tire Regulatory Program is administered by the Department of Environment, Great Lakes, and Energy (EGLE). Part 169 requires a person to deliver a scrap tire only to, and only with the consent of the owner or operator of, one of the following:

- A registered collection site.
- A location that has legally accumulated scrap tires below the regulatory threshold for qualifying as a collection site.
- A disposal area licensed under Part 115 (Solid Waste Management).
- An end-user.
- A scrap tire processor.
- A retailer.¹

Generally, Part 169 prohibits a person from arranging for the removal of scrap tires except with a registered scrap tire hauler that is obligated to deliver the scrap tires to a destination or with a solid waste hauler.²

Figures 1 and 2 are EGLE-generated maps that show the location of registered scrap tire collection sites and processors that are regulated by EGLE in the Lower Peninsula and Upper Peninsula, respectively.

Figure 1

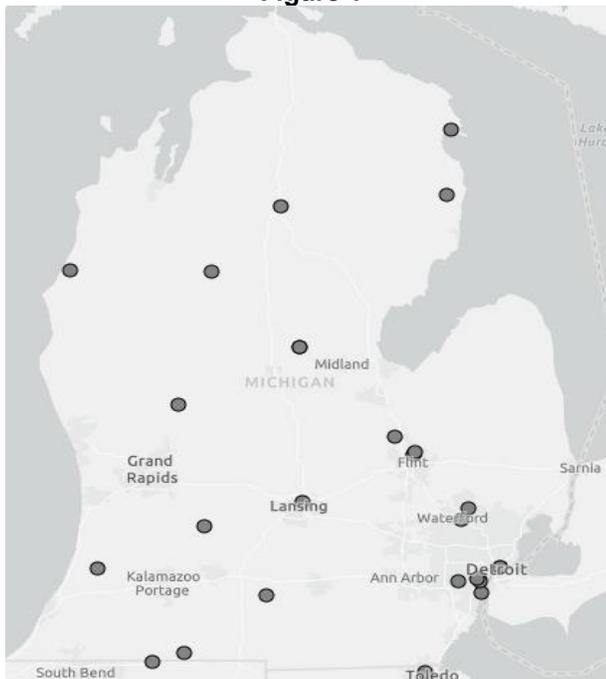


Figure 2



¹ MCL 324.16902.

² *Id.* If the scrap tires are a commodity or are tire casings, the scrap tires may be hauled by a person hauling a commodity or a retreader hauling only tire casings, respectively.

Scrap Tire Regulatory Fund

Part 169 also establishes the Scrap Tire Regulatory Fund. Money in the Fund must be used (upon appropriation) for all of the following:

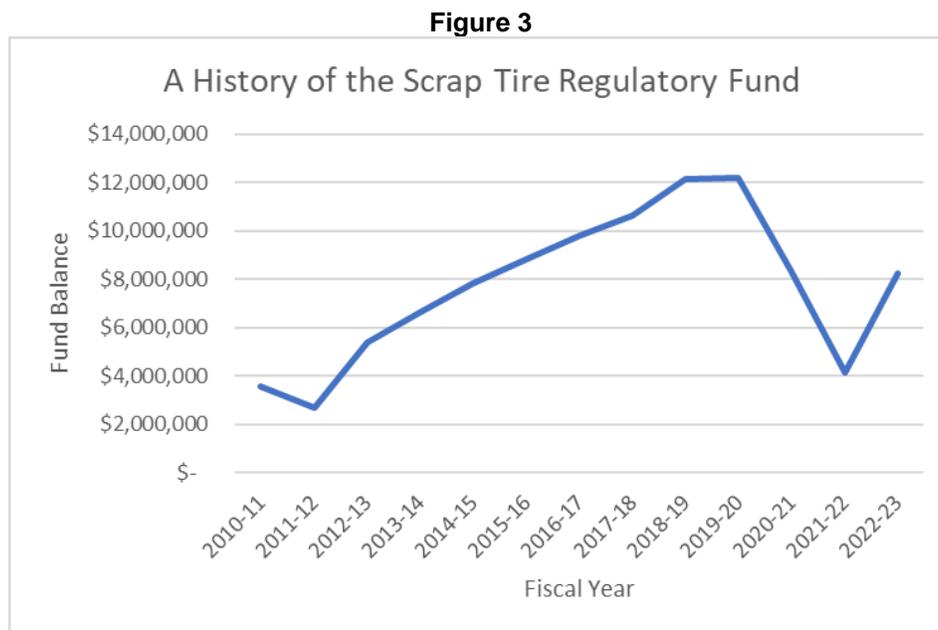
- For EGLE's administrative costs, including implementation and enforcement (however, statute prohibits money from being spent for the employment of more than 11 full-time equated positions).
- For the Secretary of State's administrative costs associated with the collection of a tire disposal surcharge under the Michigan Vehicle Code.
- For the cleanup or collection of abandoned scrap tires and scrap tires at collection sites.
- For grants to reimburse the cost of purchasing scrap tires to support the development of increased markets for scrap tires.
- For grants of up to 50% of the cost of purchasing equipment, or research and development, to provide for a new or increased use for scrap tires.
- For associated enforcement costs, including grants to local law enforcement agencies.³

For the cleanup or collection of abandoned scrap tires and tires at collection sites, EGLE must give priority to funding activities at older scrap tire collection sites (i.e., those in which the scrap tires were accumulated before January 1, 1991) and to collection sites that pose an environmental risk or are threats to safety, public health, or welfare. Before issuing a grant for cleanup activities, EGLE must consider the extent to which issuing the grant would contribute to the achievement of a balanced distribution of grants throughout Michigan.⁴

Recent Grant Awards and Fund Balance History

According to EGLE, in fiscal year (FY) 2022-23, 97 cleanup grants totaling \$1,445,140 were awarded.⁵ Of these, 95 were new grants and two were amended grants. The Department states that the resulting cleanups targeted removal of approximately 722,500 passenger-tire equivalents. In addition, EGLE awarded seven market development grants totaling \$2,037,771 in FY 2022-23. The funded projects affected six counties and included scrap tire collection infrastructure and road construction using rubber modified chip seal, rubber modified asphalt, and rubber modified concrete.

Figure 3 shows a history of the Scrap Tire Regulatory Fund's balance from FY 2010-11 through FY 2022-23.⁶



³ MCL 324.16908.

⁴ *Id.*

⁵ Michigan Department of Environment, Great Lakes, and Energy, "Report on Utilization of Revenues of the Scrap Tire Regulatory Fund for Fiscal Year 2023".

⁶ The author extends his appreciation to Jonah Houtz, Fiscal Analyst, for his assistance in the preparation of this report.