Comments by the U.S. Tire Manufacturers Association on the Connecticut Coalition for Sustainable Materials Management Public Engagement Questions – Request for Comments and Solutions

JS

John Sheerin <jsheerin@ustires.org>
Thu 10/15/2020 17:23
To: DEEP RecyclingProgram
Cc: Sarah Amick <samick@ustires.org>; Sean R. Moore <smoore@ustires.org>; Kim Kleine <kkleine@ustires.org>

CT EPR 2020 Rev final.docx
66 KB

Elements of Effective State Programs 1.21.20.docx
392 KB

Greetings,
USTMA is pleased to submit our comments to the Connecticut Coalition for Sustainable Materials Management regarding the Public Engagement Questions. Our comments consist of both of the documents attached above. Please contact me should you have any questions,
Sincerely,
JS

John Sheerin
Director, End of Life Tire Programs
O: 202-682-4838 M: 708-334-1677
1400 K Streeet, Suite 900
Washington, DC. 20005
@USTires UStires.org

October 15, 2020

DEEP.RecyclingProgram@ct.gov

Re: **Comments by the U.S. Tire Manufacturers Association on the Connecticut Coalition for Sustainable Materials Management Public Engagement Questions – Request for Comments and Solutions**

The U.S. Tire Manufacturers Association is the national trade association representing thirteen major tire manufacturers that produce tires in the United States, including Bridgestone Americas, Inc., Continental Tire the Americas, LLC; Cooper Tire & Rubber Company; Giti Tire USA; The Goodyear Tire & Rubber Company; Hankook Tire America Corp.; Kumho Tire USA; Michelin North America, Inc.; Nokian Tyres; Pirelli Tire North America; Sumitomo Rubber North America, Inc.; Toyo Tire Holdings of Americas Inc. and Yokohama Tire Corporation. USTMA members appreciate the opportunity to provide comments to the Connecticut Coalition for Sustainable Materials Management on the public engagement questions.

I. USTMA's commitment to sustainability.

Sustainability drives our members' business practices and operating principles. From engineering innovations that maximize tire longevity and performance to ensuring driver and employee safety, to preserving the environment throughout the life cycle of a tire, our members are continually looking for new ways to improve the societal contributions of their products and operations. As part of this, we remain committed to understanding ~~any~~ potential impacts of our tires on human health and the environment.

USTMA has a sustainability goal that all scrap tires enter sustainable end-use markets. To achieve this goal, USTMA works with states and the federal government, industry groups, recyclers, environmental groups, ~~and~~ academics and other stakeholders to develop sustainable, circular markets that divert scrap tires from landfills. E~~These e~~nvironmentally sound and economically beneficial end-use markets maximize the value of materials throughout their repeating lifecycles.

II. Overview of scrap tire markets in the United ~~-~~States.

Roughly 76% of scrap tires in the United States enter end-use markets. The largest of these markets is Tire Derived Fuel (TDF), followed by ground rubber, civil engineering, and other smaller markets. Landfill disposal typically consumes those tires not recycled or reclaimed. The USTMA 2019 Scrap Tire Management Summary Report provides additional details about scrap tire management in the United~~-~~ S~~-~~tates (~~,~~ please see https://sustainability.ustires.org/~~ (include link to new sustainability website))~~.~~

Formatted: Font: Not Italic

Formatted: Font: Not Italic

Scrap tires are one of the most recycled and reclaimed products in the United~~-~~ States. USTMA recently compared the recycling and reclaim rate for scrap tires to other common materials and found that only automotive batteries had a higher recycling rate than scrap tires. (See https://sustainability.ustires.org/environment/#vision-6/1).

III. USTMA supports a free-market, shared responsibility system for scrap tires and the development of state scrap tire programs.

USTMA embraces a free market-based, shared responsibility system to improve scrap tire management in the United States. In a free market, shared responsibility system, scrap tires are collected by processors and markets are developed to consume their products. Competition between markets helps develop the best recycling solutions. Multiple markets are required to consume the large numbers of scrap tires generated in the United ~~-~~States. Individual s~~S~~tates are often partners in market development, enabling new innovations, researching lifecycle impacts and purchasing recycled materials.

The free market, shared responsibility approach to scrap tire management has been highly successful in the United States. Since 1990, the percentage of tires going into economically viable and environmentally sound end-use markets has increased from 11 percent of the scrap tires generated in 1990 to about 76 percent of the scrap tires generated in 2019. Concurrently~~Likewise~~, the number of tires in stockpiles has decreased by 94 percent, from roughly 1 billion tires in 1990 to about 56 million scrap tires remaining in stockpiles today.

Additionally~~The~~, the free-market shared responsibility approach has established a successful, stable scrap tire management infrastructure, typically regulated by state laws governing tire hauling, storage, processing, and end-use markets. For example, thirty-six states have implemented tire hauler permit or license programs to curb illegal dumping. Most of those states have recordkeeping system requirements and manifest systems which~~. Recording keeping and manifest systems~~ work to reduce illegal dumping.

~~A. USTMA supports the development of state scrap tire programs~~

USTMA also supports a time~~-~~limited fee, often placed on the sale of new tires, to fund state scrap tire programs, develop markets for scrap tires, advance stockpile abatement, prevent illegal dumping and enforce state laws. For additional details about the elements of effective state programs that USTMA supports, please see Attachment 1.

IV. Scrap tire management in Connecticut.

In 2015, USTMA conducted a review of scrap tire management in New England. We shared this study with a tire stewardship symposium sponsored by the Connecticut Department of Energy and Environmental Protection (CT DEEP). Connecticut has identified small-scale illegal scrap tire dumping, with no identified illegal stockpiles as of 2019. Unfortunately, Connecticut does not have regulations or a specific enforcement program to address illegal tire dumping or to fund the cleanup of illegally dumped tires, and this has not changed since 2015. Appropriate regulations and active enforcement against illicit scrap tire haulers can address much of this problem.

USTMA recommends Connecticut consider creating a state scrap tire program that focuses on development of sustainable, circular markets for scrap tires and is funded through a tire fee. Three scrap tire processors are located in Connecticut, including Liberty Tire Recycling (the nation's largest

scrap tire recycler) and numerous other processors are located in surrounding New England states. However, although Connecticut has scrap tire processing facilities in the state, there are no significant markets or uses for scrap tires in Connecticut. As a result, most scrap tires in Connecticut are delivered to Maine papermills for use as Tire Derived Fuel (TDF).

Scrap tire markets serve to pull tires through the system into downstream applications. Limitations on scrap tire recycling are driven by lack of demand for tire derived products.

V. Why Extended Producer Responsibility (EPR) is not an appropriate tool to solve illegal dumping and scrap tire management concerns in Connecticut.

USTMA opposes an EPR ~~product stewardship~~ system for managing scrap tires in Connecticut because it would not grow needed markets for scrap tires.

A. An EPR system in Connecticut will significantly complicate the existing free market, shared responsibility system that exists in 35~~all~~ other states and provide the opportunity for other states to dump their tires "for free" into the state.

Connecticut would need to consider the innumerable complications that would develop from a single state having its own unique system including free riders from other states dumping their tires ~~'for free'~~ into the state without charge. Connecticut is a small state bordered by three neighboring states. There is little to stop cross border transport of scrap tires and neighboring consumers and business would have economic incentives to treat~~treat~~ Connecticut as a dumping ground for their tires.

B. An EPR system in Connecticut will not reduce costs for municipalities.

One rationale that is often offered in support off ~~or product stewardship or~~ EPR systems is to reduce costs for municipalities. However, s~~S~~crap tires generally do not enter ~~the~~ municipal waste streams, and are instead collected by retail tire dealers. Consequently, that rationale does not apply in this case, and f~~F~~urther, a well-run and funded state program can offset any ~~current~~ costs that currently are borne by municipalities.

C. An EPR system~~s are~~ is most appropriate where there is no collection or management system in place to manage a ~~the~~ waste stream.

USTMA recognizes that Connecticut has adopted an EPR approach for other materials including rechargeable batteries, electronic waste, and mattresses. For those materials, no established collection and processing infrastructure or significant markets existed. Those approaches are~~ese materials are~~ distinguishable ~~ed~~ from the current scrap tire management situation where there is a well–established collection and processing infrastructure and beneficial end-use markets exist to consume the vast majority of scrap tires in the United~~.~~ States, making ~~. Further,~~ scrap tires are one of the most recycled materials in the United States. The~~refore, the~~ success of the free-market, shared responsibility system demonstrates that there is no value in~~need to~~ overhauling the system.

D. Effective state scrap tire programs ensure scrap tires enter sustainable, circular end-use markets and prevent illegal dumping.

We recognize that Connecticut, like other states, ~~have~~ has limited resources and we strongly support the implementation of a tire fee in the state to support a state scrap tire program. Successful state programs have a fee or vehicle transfer fee that provides needed resources ~~to states~~ to manage scrap tires. USTMA recommends that Connecticut consider the advancement of regulations to enforce against illicit tire haulers and review regulatory barriers that limit scrap tire market growth. Implementing a tire hauler license or permit program with financial assurance mechanisms, as considered by the state in 2018, is a terrific first step.

VI. Response to questions.

1. Are there any model programs, best practices, or innovative concepts that the Coalition should consider, that could provide a scalable solution in any of the Focus Areas, listed above? The Coalition is interested in hearing about approaches that are conceptual, implemented on a pilot basis, or implemented at scale, whether here in Connecticut or in other jurisdictions in the United States or other countries.

USTMA supports a free market, shared responsibility system for scrap tires based on~~to~~ developing sustainable, circular markets ~~for scrap tires~~, establishing regulations, and enforcing~~e~~ those regulations. Successful state scrap tire programs have been implemented in 35 states.

We encourage states to adopt a fee to support state scrap tire programs. Fees are often assessed at the point of vehicle registration. State scrap tire fees provide a consistent source of funding for the state to develop scrap tire markets through various mechanisms such as purchasing preference programs and grants to develop markets for scrap tires.

Please s

~~S~~ee Attachment 1, Effective Elements of State Scrap Tire Programs, for additional details.

EPR systems in other parts of the world have generally been effective in collecting scrap tires, but not necessarily in developing markets to stimulate demand for scrap tires as a valuable resource for tire derived products. The goal should be to stimulate such demand, so that one day scrap tire disposal becomes a true circular economy, bringing significant environmental benefits to society as well as paying for itself.

2. For any solution identified in Question 1, what are the barriers that need to be addressed in order to advance any of these solutions at scale in Connecticut?

a. **Are there different implementation considerations for full or partial "subscription" towns versus towns that provide for curbside collection of trash & recyclables?**

b. Is it necessary or beneficial for the solution to be implemented on a statewide, multi-town, or other regional basis, or can it be implemented successfully town-by-town?

A statewide approach is required to obtain scalability and efficiencies which can enable development of scrap tire recycling markets and effectively combat illegal dumping. Ideally the approach should seek regional and even national alignment.

3. **For any solution identified in Question 1, please describe the types of implications or benefits that the solution provides with respect to:**

a. **Sustainability- environmental benefits**

States with a fee on the sale of new tires or a vehicle transfer fee are able to provide funding for Amnesty Days, enforcement, illegal dumping abatement, and most importantly market development. This common framework has been tailored to local requirements across the country, and has enabled scrap tires to become the second most recycled consumer commodity (after automotive batteries). Recycling has sustainability benefits including managing end-of-life materials, conserving materials for additional uses, displacing virgin materials, saving energy, reducing greenhouse gases and others.

Sustainable, circular solutions for scrap tires, like the use of rubber modified asphalt (used in Massachusetts, Rhode Island, and New Hampshire, among many other states), and sustainable infrastructure solutions like stormwater infiltration galleries that clean stormwater with Ttire Dderived Aggregate (TDA) media provide market growth opportunities. Rubber modified asphalt produces less tire and road wear particles than concrete, lasts longer than standard asphalt, recycles tire rubber, and is typically quieter than comparable road surfaces.[1]

b. Reducing costs

The free market, shared responsibility system is proven to be cost-effective and movesplaces the cost of recycling tires from municipalities toon the individuals and companies usingwho use those tires. A state program to enforce strong regulations and reduce illegal dumping will correspondingly reduce costs to municipalities.

Both free market, shared responsibility systems and EPR systems typically are funded by a "tire fee" paid by the consumer of new tires. The difference between the two systems does not lie in who pays for the system, but who manages it. USTMA believes state management of scrap tire programs works best due to the implicit need for rules, enforcement and infrastructure which only a state can provide.

[1] See https://azdot.gov/sites/default/files/2019/05/tire-wear-emissions-for-asphalt-rubber-portland-cement-concrete-April2006.pdf

4. **Would you be interested or willing to present to the Coalition or a Coalition working group on solutions you've highlighted, or is there another speaker or organization that would be helpful for the Coalition to hear from on this topic?**

USTMA's Director of End of Life Tire Programs John Sheerin would be happy to present to the Coalition or a Coalition working group. We also note~~recommend~~ it may be helpful to hear from leaders of other state programs, and we can offer recommendations for contacts in Michigan, California, and Alabama. Further, the Scrap Tire Workgroup, an unincorporated association of state scrap tire regulators, meets regularly to share best practices and develop solutions to scrap tire issues. The Coalition may find it helpful to hear from l~~L~~eaders in the workgroup ~~may also be helpful for the Coalition to hear from~~ on particular scrap tire topics such as rubber modified asphalt, enforcement, civil engineering and other workgroup committee topics.

Other stakeholders that ~~would be helpful for~~ the Coalition to may find helpful to hear from ~~on scrap tire recycling~~ include the Tire Industry Association, the New England Tire Dealers Association, the Institute of Scrap Tire Recycling Industries, and scrap tire recyclers like Liberty Tire Recycling (formerly Lakin Tire) and others operating in Connecticut and nearby states.

5. **DEEP can play an important role in advancing sustainable materials management solutions, including: issuing RFPs for long-term energy contracts to support anaerobic digestion facilities; providing grants for collection trucks powered by compressed natural gas (CNG) or electricity through the Volkswagen settlement; employing different approaches to permitting innovative technologies; and streamlining permitting processes. Are there things that DEEP should do differently in its approach to any of the above roles/functions, that would better support sustainable materials management in Connecticut?**

USTMA recommends that DEEP consider a partnership with the Connecticut Department of Transportation to establish pavement standards that allow for new and innovative technologies like rubber modified asphalt to compete in the market. DEEP's stormwater programs should consider utili~~util~~zing~~e~~ tire derived aggregates in stormwater infiltration galleries, retention basins, and flexible pavements to improve water quality. Available research demonstrates the benefits of using tire derived aggregate in managing not just the quantity but also the quality of waters that flow through these technologies. (*include citation to CA research*).

6. **Are there any solutions that you would like the Coalition to know about that do not fit within the Focus Areas above?**

Several solutions we would like the Coalition to know about relate to e~~E~~ducation and outreach programs. P~~Additional p~~ublic education may be beneficial to ensure the public understands that tire dealers will accept scrap tires for recycling for a modest charge. C~~, and c~~ollaboration with mosquito abatement districts is an~~are~~ effective approach~~es~~ to reduce illegal dumping which has been utilized in Massachusetts. A communication program like South Carolina's "See It – Report It" program with a hotline and web-based reporting can also reduce illegal dumping (https://scdhec.gov/see-it-report-it).

Formatted: Font: Not Bold

Best Practices from states like New Jersey, California and Texas could be used to augment antidumping efforts.

7. **Are there are any aspects of the Focus Areas, listed above, that the Coalition should not consider (and if so, why)?**

USTMA recommends that the Coalition assist in development of a robust scrap tire management program in the state that creates demand driven markets for scrap tires. USTMA recommends Connecticut consider adopting the key elements of effective state scrap tire management programs that are implemented in 35 other states, including a fee to generate funding to grow markets and prevent illegal dumping.

VII. USTMA welcomes the opportunity to work with the state to advance scrap tire management in Connecticut.

We welcome the opportunity to work with the Connecticut Coalition for Sustainable Materials Management to collaborate on ideas to improve scrap tire management in the state and advance a free-market, shared responsibility scrap tire management system.

We recommend collaborating with the Connecticut Department of Transportation for a pilot project to use rubber modified asphalt and adjust state paving standards to allow the product to compete in the marketplace. We also recommend that CT DEEP join the other 49 states that participate in the Scrap Tire Workgroup described in Item 4., above.

Thank you again,

John Sheerin

Director End of Life Tire Programs
U.S. Tire Manufacturers Association

Elements of effective state scrap tire management programs

A SCRAP TIRE PROGRAM MOST EFFECTIVE WHEN:

- A time-limited fee is assessed to fund the scrap tire program;
- It is focused on expanding and stimulating sustainable, circular markets for scrap tires;
- Stockpile abatement is conducted when sufficient outlets and markets exist;
- Permits and licenses are required for the transporting and processing of scrap tires, and
- All regulations are actively enforced

A SCRAP TIRE PROGRAM WORKS WHEN:

- A user fee is assessed (most efficiently at the point of vehicle registration);
- The fee is placed into a fund dedicated to the management of scrap tires;
- Funds are used to stimulate sustainable, circular markets;
- Contracts are awarded to private companies and individuals who exhibit economical and environmentally sound markets;
- States educate stakeholders about how best to manage scrap tires;
- The user fee is reduced when ample sustainable and circular markets exist, and all stockpiled tires have been eradicated. (A nominal fee may be needed to maintain continued enforcement and oversight)

SCRAP TIRE FEES SHOULD BE USED TO:

- Assist states and local communities in establishing scrap tire management programs and creating enforcement and licensing systems;
- Research and develop end-use markets for scrap tires;
- Provide grants or loans to end-users of tire-derived materials;
- Provide end-user reimbursement;
- Conduct scrap tire stockpile abatement projects; and
- Conduct amnesty clean ups.
- ***Scrap tire fees should not subsidize collecting or processing scrap tires.***

About the U.S. Tire Manufacturers Association (USTMA). USTMA is the national trade association for tire manufacturers that produce tires in the U.S. USTMA members share a common, aspirational goal that all scrap tires enter sustainable end use markets. USTMA members are committed to continuous improvement of the performance of our products, worker and consumer safety and environmental stewardship. USTMA's scrap tire management efforts are a reflection of the tire industry's commitment to the concept of shared responsibility for its products when they not suitable for use on vehicles. USTMA works with all stakeholders, including states, U.S. EPA and members of our value chain to develop scrap tire markets, eliminate scrap tire stockpiles and implement state regulations that foster sustainable scrap tire markets.