



FISCAL YEAR 2021 SCRAP TIRE MARKET DEVELOPMENT GRANTS

INTRODUCTION AND ELIGIBILITY CRITERIA

Section 16908(2)(d) of Part 169, Scrap Tires, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), authorizes the Michigan Department of Environment, Great Lakes, and Energy (EGLE) to issue reimbursement grants for the following:

- For grants to reimburse the cost of purchase of scrap tires to support the development of increased markets for scrap tires. Only the cost of purchasing scrap tires from Michigan scrap tire processors or other generators of scrap tires in Michigan is eligible for reimbursement.
 - A “scrap tire” is defined as a tire that is no longer being used for its original intended purpose including, but not limited to, a used tire, a reusable tire casing, or portions of a tire. (Part 169, 324.16901(1)(w))
 - Cost reimbursement grants are available for 50 percent of the cost of purchasing scrap tires. Reimbursement grants cannot exceed \$89.00 per ton.
- Cost reimbursement grants are available for up to 50 percent of the cost of purchasing equipment, or for research and development, to provide for a new or increased use of scrap tires.

Research and development are broadly defined as any activity associated with creating new innovations in existing products, services, or procedures or the discovery of new innovations that lead to the creation new products. For the purposes of the Scrap Tire Market Development Grant Program, proposals should identify a viable end market(s) and associated partners working towards a common outcome.

EGLE is now accepting applications for funding scrap tire market development projects from eligible public and private entities. This packet is provided to satisfy the requirements in Section 16908(3) of Part 169, which states applications for grants shall be submitted on a form approved by and containing the information required by EGLE.

Submission of a complete application does not guarantee that the applicant will receive a Scrap Tire Market Development Grant (Grant). Award of Grant funding is subject to program review and legislative appropriation.

ELIGIBILITY CRITERIA

Applicants must meet the following criteria to be considered for a Grant:

1. The applicant must submit a **complete** application EQP5155 (FY 2021) via email (**EGLE-ScrapTire@Michigan.gov**) by the application deadline. A complete application is described below in the section titled “Required Application Components.”
2. The project must demonstrate new or increased uses of scrap tires in manufactured products, such as modified asphalt, rubber modified chip seal, molded or extruded rubber products, or aggregate replacement materials, civil engineering projects, or be for the research and development of methods to increase the use of scrap tires.
3. Scrap tires must be purchased from a Michigan processor or other Michigan generator of scrap tires. Grants are available for up to 50 percent of the cost of purchasing equipment or for new research and development. The applicant must commit to at least 50 percent of the total project amount, in cash. In-kind services are not allowed as part of the match but will be considered during the application evaluation process.
4. The applicant must submit documentation of the property owner’s permission for the applicant to do business at that location and a scrap tire collection site registration application, fees, and bond, if applicable.
5. The applicant must not be in litigation with the state of Michigan or any other public entity concerning compliance with Part 169 or Part 115, Solid Waste Management, of the NREPA. If an applicant has been ordered to pay fines and/or penalties for previous violations of Part 169 or Part 115, all penalties/fines must have been paid in full.
6. Applicants requesting funding for scrap tires or equipment must submit documentation that the technology to be utilized in the proposed process is beyond the research stage and that a demonstration has indicated the proposed process is technically feasible for full-scale production. (Not applicable for applicants requesting funding for research and development.)
7. The project must be in Michigan.
8. The applicant must be registered to do business in Michigan and provide a Corporate ID Number or be a governmental entity.
9. When needed, grantees must use a Michigan scrap tire processor. A list of Michigan scrap tire processors is available online:

http://www.michigan.gov/documents/deq/deq-whm-stp-processorlist_240416_7.pdf

If the applicant is a county or other local unit of government, the Michigan-based scrap tire processor shall be selected through the local unit of government’s competitive bid process to ensure the most cost-effective use of Grant funds. Prior to issuance of an agreement for Grant funds, the grantee will need to demonstrate that the selected scrap tire processor(s) meet the following conditions:

- The processor is authorized to do business in and is in the State of Michigan. The processor must possess all the required permits, registrations, and/or licenses required by law. Out of

state haulers/processors may be considered and approved by EGLE on a case-by-case basis for tires **located in Michigan's Upper Peninsula (UP)**, provided the applicant is unsuccessful in finding a Michigan hauler/processor able to operate in the UP or provide services in support of the proposed Grant project.

- The processor has agreed with the Grantee to process the tires and transport the processed tires to the approved end-user.
- The processor has a contract(s) with the scrap tire material user(s) that will receive the processed tires.
- The processor will use and properly complete the Scrap Tire Transportation Record form (EQP 5128) when accepting and transporting the scrap tires.
- The processor will notify the Grantee of any changes that would make the processor unable to meet all conditions or those of the Grant agreement.