

FY22 MARYLAND SCRAP TIRE ANNUAL REPORT

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Prepared for: Senate Education, Health, and Environmental Affairs Committee

House Environment and Transportation Committee

Larry Hogan, Governor State of Maryland

Boyd K. Rutherford, Lt. Governor State of Maryland

Bill Ferguson, Senate President Maryland General Assembly

Adrienne A. Jones, House Speaker Maryland General Assembly

MARYLAND DEPARTMENT OF THE ENVIRONMENT 1800 Washington Boulevard | Baltimore, MD 21230 | mde.maryland.gov 410-537-3314 | 800-633-6101 x3314 | TTY Users: 7-1-1

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Executive Summary

Introduction

The FY22 Scrap Tire Annual Report, as required by *Environment Article*, Section 9-275(c), Annotated Code of Maryland, is prepared for the Senate Education, Health, and Environmental Affairs Committee and the House Environment and Transportation Committee of the Maryland General Assembly to advise the Standing Committees of MDE's progress in implementing the law and ensuring the proper management of scrap tires in Maryland. The report includes Maryland's Scrap Tire Program activities undertaken by MDE and the Maryland Environmental Service (MES) from July 2021 through June 2022, and describes planned activities for the coming year.

Financial Statement Summary

- The *Environment Article*, Section 9-275, Annotated Code of Maryland, provides MDE with the responsibility for administering the Used Tire Cleanup and Recycling Fund (the Fund).
- The Fund is generated through the collection by the Comptroller of the Treasury of an \$0.80 per tire recycling fee imposed on the first sale of any new tire in the state. This fee is set by the Board of Public Works up to \$1 per tire.
- There was a 0.8% increase (from \$3,393,676 in Fiscal Year (FY) 2021 to \$3,421,356 in FY22) in the amount of gross tire fee revenues deposited into the Fund (see Table I).
- MDE used \$1,447,907.34 of the revenues received by the Fund in FY22 for administrative expenses of the MDE Land and Materials Administration (LMA), as per Section 9-275(a) of the Environment Article.

Accomplishments and Results

- Maryland's licensed scrap tire facilities processed 7.5 million scrap tires in FY22, including 4.6 million Maryland-generated scrap tires, and 1.9 million scrap tires imported from out-of-state (see Figure 1).
- Maryland generated an estimated 6.2 million scrap tires in FY22 that were managed in the following manner: recycled or used as fuel in Maryland (75%) and exported to other states for disposal, recycling, or use as fuel (25%) (see Figure 2).
- Approximately 99% of the scrap tires processed in Maryland were recycled and 1% were used as supplemental fuel in a cement kiln and a solid waste acceptance facility.
- Since the inception of the Scrap Tire Program, more than 11.1 million scrap tires have been recovered from 1,171 illegal stockpile cleanup sites.
- During FY22:
 - 37 illegal scrap tire stockpile sites were cleaned up, and approximately 3,036 scrap tires were removed (see Table II);
 - 100% of illegal stockpile site cleanups were completed by the responsible parties in response to administrative efforts and enforcement actions, without use of the Fund;
 - o 92 new scrap tire licenses were issued (see Table IV); and
 - 141 scrap tire licenses were renewed (see Table IV).
- At the end of FY22, there were 2,624 valid Maryland scrap tire licenses (see Table IV).

Table I – Maryland Used Tire Cleanup and Recycling Fund FY22 Revenues and Expenditures

Fund Balance (7/1/2021)	\$	1,671,547.11
Less Revenue Received in FY22	\$	1,525,092.85
Add Open Prior Year Encumbrances	\$	18,360.07
Cash Balance	\$	164,814.33
FY22 Revenues		
Gross Used Tire Fees Revenues after Comptroller Adjustment	\$	4,946,449.14
Total Revenue for FY22	\$	4,946,449.14
FY22 Expenditures		
Scrap Tire Program Expenses	\$	833,957.47
LMA Expenses	\$	1,447,907.34
Department Indirect Costs	\$	403,253.78
Stockpile Cleanups		
Garner/Brandywine	\$	142,253.27
Boehm/Crownsville (credit)	\$	0
Scrap Tire Drop-Off Event (credit)	\$	0
Total Stockpile Cleanups	<u>\$</u> \$	0
MES Projects and Administration	\$	16,885.42
Total FY22 Expenditures	\$	2,844,257.28
Total Open Encumbrances	\$	150,000.00
Total Fund Balance (6/30/2022)	\$	2,117,006.19

Overview

The Scrap Tire Recycling Act (Act) established a mechanism for the cleanup of illegal scrap tire stockpiles and for the collection, transportation, and recycling or processing of all scrap tires that are generated annually in Maryland. The Act established the Fund to support the Scrap Tire Program.

- MDE uses the Fund for administration of the Scrap Tire Program, such as scrap tire licensing activities, illegal stockpile cleanups, enforcement/compliance, remedial actions, and for the development and distribution of public information concerning scrap tire issues.
- Under MDE's authorization, MES may use portions of the Fund to implement and oversee programs established as part of a scrap tire recycling system, and other projects that reduce, recover, and/or recycle scrap tires.

Illegal Scrap Tire Stockpile Cleanups

Objective

To ensure that illegal stockpiles are cleaned up, the Scrap Tire Program initially attempts to use administrative enforcement procedures to direct property owners to remove illegal stockpiles using their own resources. If administrative enforcement efforts are unsuccessful, then the Fund may be used. In cases in which the Fund is used, the Scrap Tire Program seeks cost recovery from responsible parties for any expenses incurred at sites that are ineligible for exemption from paying cost recovery.

Accomplishments

Since the inception of the Scrap Tire Program in 1992, more than 11.1 million scrap tires have been recovered from 1,171 illegal stockpile cleanup sites.

During FY22, the Scrap Tire Program continued to oversee the cleanup and recovery of 307,676 scrap tires identified in illegal stockpiles at the end of FY21. There was one newly identified illegal scrap tire stockpile in FY22.

In FY22, the Scrap Tire Program successfully completed cleanup of 37 illegal scrap tire stockpiles, consisting of approximately 3,036 scrap tires (see Table II). These sites were in 11 of the state's 24 jurisdictions, and ranged in size from 10 to 267 scrap tires.

All the illegal scrap tire stockpile cleanups completed in FY22 were conducted by the responsible party without using the Fund.

Table II – Illegal Scrap Tire Stockpile Cleanups Completed in FY22

		Initial
		Number of
Site Name	County	Scrap Tires
Action Land Industrial Partnership/Wald	Charles	100
Adams/St. Michael's	Talbot	119
Carl/Frederick	Frederick	40
Conover/Laurel	Prince George's	30
Dade/Leonardtown	St. Mary's	155
Dwyer/Frederick	Frederick	75
Ebel/Upper Marlboro	Prince George's	140
Flick/Monrovia	Frederick	46
Garner/Waldorf	Charles	56
Gomez/Hyattsville	Prince George's	130
Graybill/Hagerstown	Washington	55
Hurd/Hagerstown	Washington	69
Jones/Elkton	Cecil	50
Jones/Woodbine	Carroll	41
Kenny/Frederick	Frederick	24
Knight/Colora	Cecil	10
Lennon/Hurlock	Dorchester	122
Lopez/Accokeek	Prince George's	78
MacKenzie/Union Bridge	Frederick	38
McLane/New Windsor	Carroll	74
Morris/Charlotte Hall	St. Mary's	160
Morris/Charlotte Hall 2	St. Mary's	226
Mowery/Buckeystown	Frederick	60
Mowery/Hagerstown	Washington	150
Orellana/White Plains	Charles	267
Schenk/Bel Air	Harford	30
School/Adamstown	Frederick	51
Sneckenberger/Smithsburg	Washington	
Sprout/Rising Sun	Cecil	
Sullivan/Frederick	Frederick 8	
Sutton/Fort Detrick	Frederick 2	
Van Bibber/Elkton	Cecil	40
Van de Weert/Upper Marlboro	Prince George's	243
Weaver/Williamsport	Washington	100
Wells/Gaithersburg	Montgomery	33
Wood/Hopewell	Washington	28
Zent/Keymar	Carroll	51
TOTAL SCRAP TIRES REMOVED		3,036

FY23 Ongoing Illegal Scrap Tire Stockpile Cleanups

The Scrap Tire Program expects to continue or complete cleanup on 37 illegal scrap tire stockpile sites in FY23. Most of the illegal scrap tire stockpiles will be cleaned up by responsible parties using administrative efforts and enforcement actions. Table III details the scrap tire illegal stockpile cleanups to be continued during FY23.

Table III – Illegal Scrap Tire Stockpile Cleanups Pending or Ongoing in FY23

Site Name	County	Legislative District	Initial Number of Scrap Tires
Foys Salvage/Greensboro	Caroline	7	200,000
Snap Holdings, LLC / Clarksville (formerly Tyler	TT 1	10	(1.07.6
Towing / Clarksville) †	Howard	13	61,376
Mt. Airy Auto & Truck Parts, LLC / Mt. Airy	Frederick	4A	15,000
Ewings Used Cars & Parts, Inc. / Middle River	Baltimore	7	4,500
Harcum/Mardela Springs	Wicomico	38B	3,200
Johns-Gibbs / Marydel	Caroline	36	3,050
Harpers / Elkton	Cecil	36	3,000
Tilghman / Easton	Talbot	37B	3,000
Hackett / Rhodesdale	Dorchester	37B	2,500
Frederick / Crownsville	Anne Arundel	33A	1,000
McIntyre / Huntingtown	Calvert	27B	1,000
Zepp / Pasadena	Anne Arundel	31	1,000
DNR / Mardela Springs	Wicomico	37B	1,000
Thomas / Chesapeake Beach	Calvert	27B	1,000
Tucker Enterprizes, LLC / Clarksville	Howard	13	800
Lynn / Upper Marlboro (Charles Lynn Property)	Prince George's	27B	750
Szymanski / Rock Hall #2	Kent	36	600
Beachwood North H.O.A. / Sparrows Point	Baltimore	6	500
Turner Transit / Capitol Heights	Prince George's	24	500
Decatur / Cumberland	Allegany	1C	500
Carter / Nanjemoy	Charles	28	500
Munson / Waldorf	Charles	28	500
Johnson Auto Parts & Recycling / Indian Head	Charles	28	300
Rodenhauser / Bowie	Prince George's	23B	250
Tower Terra, LLC / Brandywine #2	Prince George's	27A	250
Roberts / Ocean City	Worcester	38C	200
Bruner / Galena	Kent	36	200
WMATA / Landover	Prince George's	18	200
Womack Brothers, Inc. / Baltimore SWP	Baltimore City	44A	200
Sarver-Hill / Cumberland	Allegany	1B	200
Pasta / Abingdon	Harford	34B	150
Monocacy River at Devilbiss Bridge Road / Frederick	Frederick	4	100
Anne Arundel County / Pasadena	Anne Arundel	2	100
Bailey-Dean / Hurlock	Dorchester	37B	80
McAleer / Dickerson	Montgomery	15	60
Dixon/Accokeek	Prince George's	26	60
Conners / Mt. Airy	Frederick	4	50
TOTAL SCRAP TIRES REMAINING TO BE	REMOVED	-	307,676

[†] Cleanup preparations began using the Fund before the property was sold. The remainder of the cleanup is expected to be performed without use of the Fund.

State Funded Illegal Scrap Tire Stockpile Cleanups

No new state-funded illegal scrap tire stockpile cleanups were initiated in FY22.

Scrap Tire Projects

MES has the primary role in the planning and implementation of scrap tire projects to promote the development of new technologies for processing scrap tires while reducing, recovering, and recycling scrap tires from illegal stockpiles in Maryland.

Projects Initiated During FY22

Agricultural Scrap Tire Drop-Off Event Project

- MDE, in conjunction with MES and the Maryland Farm Bureau, Inc., conducted a regional Agricultural Scrap Tire Drop-Off Event in seven Maryland counties (Cecil, Caroline, Calvert, Kent, Queen Anne's, St. Mary's, and Talbot).
- The events were held from March through May 2022.
- Approximately, 1,728 tons of agricultural scrap tires (the equivalent of over 172,800 passenger tires) were collected during FY22 events.
- Over 10,661 tons of agricultural scrap tires (the equivalent of over 1,066,100 passenger tires) in total have been collected from farmers during FY22, and past events of this type.

Citizen Scrap Tire Drop-Off Event Project

- MDE, in conjunction with MES, conducted a Statewide Citizen Scrap Tire Drop-Off Event in 21 Maryland jurisdictions (Allegany, Baltimore City, Carroll, Cecil, Charles, Caroline, Calvert, Dorchester, Frederick, Garrett, Harford, Kent, Montgomery, Prince George's, Queen Anne's, Somerset, St. Mary's, Talbot, Washington, Wicomico, and Worcester).
 - Three counties declined to participate (Baltimore, Anne Arundel, and Howard).
- The events were held from June through October 2022.
- As of June 30, 2022, approximately 101 tons of scrap tires (the equivalent of over 10,100 passenger tires) were collected from Harford and Cecil counties during the June 2022 events. Results are not yet available for the county events that took place after June 30, 2022. Some of the county events have not yet been held as of the date of this report.
- Over 11,472 tons of scrap tires (the equivalent of over 1,147,200 passenger tires) in total have been collected from citizens during FY22, and past events of this type.

Small Scrap Tire Stockpile Cleanups Project

- MDE, in conjunction with MES, are in the planning and development stage to clean up several small scrap tire stockpiles that are unlikely to be remediated without assistance from the state.
- \$286,000 has been encumbered for this project.
- Cleanup activities are expected to take place during FY23.

Licensing

Under Section 9-228 of the *Environment Article*, MDE is required to license facilities that collect or process scrap tires, as well as scrap tire haulers.

This comprehensive licensing program allows for the efficient management of scrap tires:

- From the point of generation;
- Via a licensed or approved transportation system; and
- To a licensed or approved scrap tire facility for the transfer, collection, or processing of the scrap tires.

MDE issues the following types of scrap tire licenses and approvals:

- Scrap Tire Recycler License For a facility that converts scrap tires into marketable products.
- Scrap Tire Collection Facility License For a facility that collects or accumulates scrap tires temporarily on a site and transfers scrap tires to licensed or approved scrap tire facilities. There are three categories of collection facility licenses:
 - General License: Sites with up to 50 scrap tires at any given time.
 - Secondary License: Sites with up to 1,500 scrap tires at any given time.
 - Primary License: Sites with more than 1,500 scrap tires at any given time, based on the capacity of the facility.
- Scrap Tire Hauler License For a person who, as a part of a commercial business, transports scrap tires in the state.
- Substitute Fuel/Tire Derived Fuel (TDF) Facility Approval For a facility that uses whole or chipped scrap tires to replace or supplement existing fuel sources.
- Solid Waste Acceptance Facility (SWAF) Approval For a permitted refuse disposal or acceptance facility that accepts scrap tires for collection or processing.

Licensing Accomplishments in FY22:

- Ninety-two (92) new and 141 renewal scrap tire licenses were issued (see Table IV).
- There were 2,624 valid scrap tire licenses and other approvals at the end of FY22.

Туре	New	Renewed	Total Issued (FY21)	Total Valid Licenses
General Collection	25	N/A	25	1,496
Secondary Collection	28	89	117	682
Primary Collection	0	0	0	1
Recyclers	0	0	0	0
TDF Facility	0	0	0	0
Solid Waste	0	0	0	0
Haulers	39	52	91	445
TOTAL	92	141	233	2.624

Table IV – Scrap Tire Licenses in FY22

Scrap Tire Markets

All licensed or approved scrap tire facilities and haulers are required to submit semiannual reports to MDE, which are used to compile scrap tire markets data. The reports must include:

- The origin and number of scrap tires received, collected, or processed at the facility;
- The scrap tire haulers that transported the scrap tires;
- The quantity of scrap tires transported, in number or weight; and

• The approved facilities where the scrap tires were deposited.

There is no data currently available on actual amounts of scrap tires generated, so an estimate based on population is used. Based on the assumption that scrap tires are generated at a rate of one tire per person per year, the most recent Census numbers were used to estimate that 6.2 million scrap tires were generated in Maryland during FY22. The actual number of scrap tires generated could vary from the estimate due to factors, such as economic conditions, special government programs, product recalls, and other factors.

During FY22, the state's scrap tire processing facilities managed approximately 7,459,393 scrap tires. Details are provided in Tables V and VI.

- This represents a 1% increase from the previous year (see Figure 1). The 7,459,393 scrap tires processed include approximately 62% (4,630,804) Maryland generated and 38% (2,828,589) imported scrap tires.
- Of the 7,459,393 scrap tires processed, approximately 99% (7,365252) were recycled, a 1% increase from the percentage reported in FY21. The remaining 1% (94,141) were used as fuel.

Table V – Maryland Licensed Scrap Tire Processing Facilities

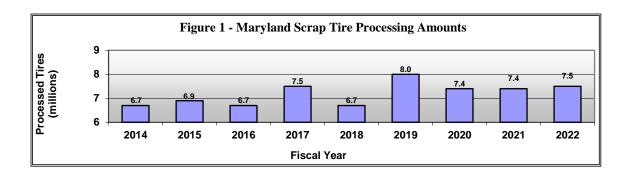
Facility Name/Type	Location	Operation	Telephone	Scrap Tires Processed in FY22
	1300 Moreland Avenue	•		
Emanuel Tire	Baltimore, MD 21216	The company has been	(410) 947-0660	5,741,774
Company / Recycler	Baitilliole, MD 21210	processing scrap tires since 1957. The operation		
		converts scrap tires into 1-		
		to-2-inch size tire chips.		
Auston Tire Recycling	1202 Pauls Lane	Processes scrap tires into	(410) 335-1016	1,163,478
/ Recycler	Joppa, MD 21085	products such as rubber		, ,
		mulch material for		
		landscaping or		
		playgrounds.		
Holcim US, Inc. / TDF		The operation utilizes tire	(301) 739-1150	84,317
	Hagerstown, MD 21741	chips as a supplemental		
		fuel in its cement kiln to		
		generate up to 35% of the		
		process heat needed to		
		convert the raw material		
Y 0 Y 7	01.50	into cement.	(440) 505 0000	4.50.000
K & K Tire, Inc. /	816 Oregon Avenue	Processes scrap tires into	(410) 636-2002	460,000
Recycler	Linthicum, MD 21090	products such as rubber		
		mulch material for		
		landscaping or		
Wheelabrator	1901 Annonalis Das d	playgrounds.	(410) 234-0808	0.924
Baltimore LP	1801 Annapolis Road Baltimore, MD 21230	The facility has been approved to burn scrap	(410) 234-0808	9,824
(BRESCO) / SWAF	Daiminoie, MID 21230	tires with municipal solid		
(DRESCO) / SWAI		waste.		
TOTAL				7,459,393

Table VI -Scrap Tires Processed in Maryland

	MD Generated	Out-of-State Generated	Scrap Tires Processed in MD
Facility Name/Type	Scrap Tires	Scrap Tires	in FY22
Emanuel Tire Company/ Recycler^	2,961,940	2,779,834	5,741,774
Auston Tire Recycling/ Recycler^	1,160,281	3,197	1,163,478
Holcim US, Inc. (formerly St. Lawrence Cement Co.)/	38,759	45,558	84,317
TDF*			
K & K Tire, Inc./ Recycler^	460,000	0	460,000
Wheelabrator Baltimore LP (BRESCO) / SWAF*	9,824	0	9,824
TOTAL	4,630,804	2,828,589	7,459,393

^{* 48,583} scrap tires used as fuel.

^{^ 4,582,221} scrap tires recycled.



Of the estimated 6.2 million Maryland-generated scrap tires, approximately 74% (4,582,221) were recycled in Maryland facilities and 1% (48,583) were used as fuel in Maryland facilities during FY22. The remaining 25% of the Maryland generated scrap tires (1,569,196) were exported to permitted facilities out of State (see Figure 2 and Figure 3).

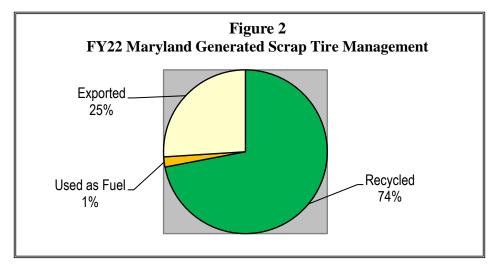


Figure 3 – Scrap Tire Flow in FY22

