



MARYLAND SCRAP TIRE ANNUAL REPORT Fiscal Year 2024

Maryland Department of the Environment

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Executive Summary

Introduction

The fiscal year (FY) 2024 Scrap Tire Annual Report, as required by Environment Article, §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 the Maryland Department of the Environment's (MDE) progress in implementing the law and ensuring the proper management of scrap tires in Maryland. The report includes Scrap Tire Program activities undertaken by MDE and the Maryland Environmental Service (MES) from July 2023 through June 2024 and describes planned activities for the coming fiscal year.

Financial Statement Summary

- The Environment Article, §9-275, Annotated Code of Maryland, authorizes MDE to administer the State Used Tire Cleanup and Recycling Fund (the Fund).
- The Fund is generated through the collection by the Comptroller of the Treasury of a \$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 (BPW) up to \$1 per tire.
- There was a 12.4% decrease (\$3,875,545 in FY23 to \$3,394,576 in FY24) in the amount of gross tire fee revenues deposited into the Fund (see Table I).
- MDE used \$1,443,899.65 of the revenues received by the Fund in FY24 for administrative expenses of the MDE Land and Materials Administration, pursuant to §9-275(a) of the Environment Article.

Accomplishments and Results

- Maryland's licensed scrap tire facilities processed 5.7 million scrap tires in FY24, including 4.1 million Maryland-generated scrap tires and 1.6 million scrap tires imported from out-of-state (see Figure 3).
- Maryland generated an estimated 6.2 million scrap tires in FY24 that were managed in the following manner: recycled or used as fuel in Maryland (65%) and exported to other states for disposal, recycling, or use as fuel (35%) (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 1,176 illegal stockpile cleanup sites.
- During FY 2024:
 - One illegal scrap tire stockpile site was cleaned up, and approximately 160 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;
 - 154 new scrap tire licenses were issued (see Table IV); and
 - 193 scrap tire licenses were renewed (see Table IV).

- At the end of FY24, there were 2,710 valid Maryland scrap tire licenses (see Table IV).

**Table I – Maryland Used Tire Cleanup and Recycling Fund
FY24 Revenues and Expenditures**

Fund Balance (6/30/2023)	<u>\$ 3,259,132.20</u>
Comptroller Revenue Adjustment*	\$ -3,395.99
Fund Balance (7/1/2023)	<u>\$ 3,255,736.21</u>
Add Open Prior Year Encumbrances	<u>\$ 216,838.06</u>
 Adjusted Beginning Balance	 <u>\$ 3,472,574.27</u>
FY24 Revenues *	
Gross Used Tire Fees Revenues after Comptroller Adjustment	<u>\$ 3,394,576.10</u>
Cost Recovery	<u>\$ 0.00</u>
Total Revenue for FY24	<u>\$ 3,394,576.10</u>
FY24 Expenditures	
Scrap Tire Program Expenses	<u>\$ 1,178,527.83</u>
Land and Materials Administration Expenses	<u>\$ 1,443,899.65</u>
Department Indirect Costs	<u>\$ 454,788.48</u>
Illegal Stockpile Cleanups <i>Garner/Brandywine</i>	<u>\$ 0.00</u>
MES Projects and Administration	<u>\$ 26,311.49</u>
Total FY24 Expenditures	<u>\$ 3,103,527.45</u>
 Total Open Encumbrances	 <u>\$ 190,526.57</u>
 Ending Balance (6/30/2024)	 <u>\$ 3,573,096.35</u>

*The comptroller made a last-second adjustment to their expenses and reduced the 4th quarter revenue transfer by \$3,395.99.

**Revenue collected from scrap tire penalties is deposited into the Maryland Clean Water Fund, not the Maryland State Used Tire Cleanup and Recycling Fund. Scrap tire penalties for FY24 were \$35,878.

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 where the Fund is used, the Scrap Tire Program seeks cost recovery from responsible parties for any expenses incurred at sites that are not eligible 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 1,176 illegal stockpile cleanup sites.

During FY24, the Scrap Tire Program continued to oversee the cleanup and recovery of 514,076 scrap tires identified in illegal stockpiles at the end of FY23. There were no newly identified illegal scrap tire stockpiles in FY24.

In FY24, the Scrap Tire Program successfully completed the cleanup of one illegal scrap tire stockpile, consisting of approximately 160 scrap tires (see Table II).

The illegal scrap tire stockpile cleanup completed in FY24 was conducted by the responsible party without using the Fund.

Table II – Illegal Scrap Tire Stockpile Cleanups Completed in FY24

Site Name	County	Initial Number of Scrap Tires
Docket/Waldorf	Charles	160
TOTAL SCRAP TIRES REMOVED		160

FY 2025 Ongoing Illegal Scrap Tire Stockpile Cleanups

The Scrap Tire Program expects to continue or complete cleanup on 39 illegal scrap tire stockpile sites in FY25. 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 FY25.

Table III – Illegal Scrap Tire Stockpile Cleanups Pending or Ongoing in FY25

Site Name	County	Legislative District	Initial Number of Scrap Tires
Foys Salvage/Greensboro	Caroline	7	400,000
Snap Holdings, LLC/Clarksville (formerly Tyler Towing / Clarksville) †	Howard	13	61,376
Mt. Airy Auto & Truck Parts, LLC/Mt. Airy	Frederick	4A	15,000
SZI Real Est. Enterprises, LLC/Bryans Road	Charles	28	6,000
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 Enterprises, 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
Jackson/Baltimore City	Baltimore City	46	400
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
Connors / Mt. Airy	Frederick	4	50
TOTAL SCRAP TIRES REMAINING TO BE REMOVED			514,076

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

State-Funded Illegal Scrap Tire Stockpile Cleanups

No new State-funded illegal scrap tire stockpile cleanups were initiated in FY24.

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 FY24

No new State-funded scrap tire stockpile cleanups were initiated in FY24.

Licensing

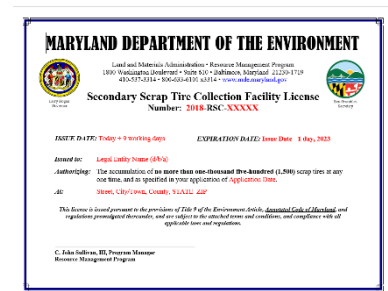
Under §9-228 of the Environment Article, MDE is required to license facilities that collect or process scrap tires, as well as scrap tire haulers.

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 FY 2024:

- 154 new and 193 renewal scrap tire licenses were issued (see Table IV).
- There were 2,717 valid scrap tire licenses and other approvals at the end of FY24.

Table IV – Scrap Tire Licenses in FY24

Type	New	Renewed	Total Issued	Total Valid Licenses
General Collection	35	N/A	35	1,537
Secondary Collection	50	115	165	688
Primary Collection	0	0	0	1
Recyclers	0	0	0	0
TDF Facility	0	0	0	0
Solid Waste	0	0	0	0
Haulers	69	78	147	491
TOTAL	154	193	347	2,717

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 market 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.

No data is currently available on the 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 FY24. 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 FY24, the state’s scrap tire processing facilities managed approximately 5,689,160 scrap tires. Details are provided in Tables V and VI.

- This represents a 16% decrease from the previous year (see Figure 1). The 5,689,160 scrap tires processed include approximately 65% (4,054,118) Maryland generated and 35% (2,145,882) imported scrap tires.
- Of the 5,689,160 scrap tires processed, approximately 99% (5,641,913) were recycled, the same as the percentage reported in FY23. The remaining 1% (47,247) were used as fuel.

Table V – Maryland Licensed Scrap Tire Processing Facilities

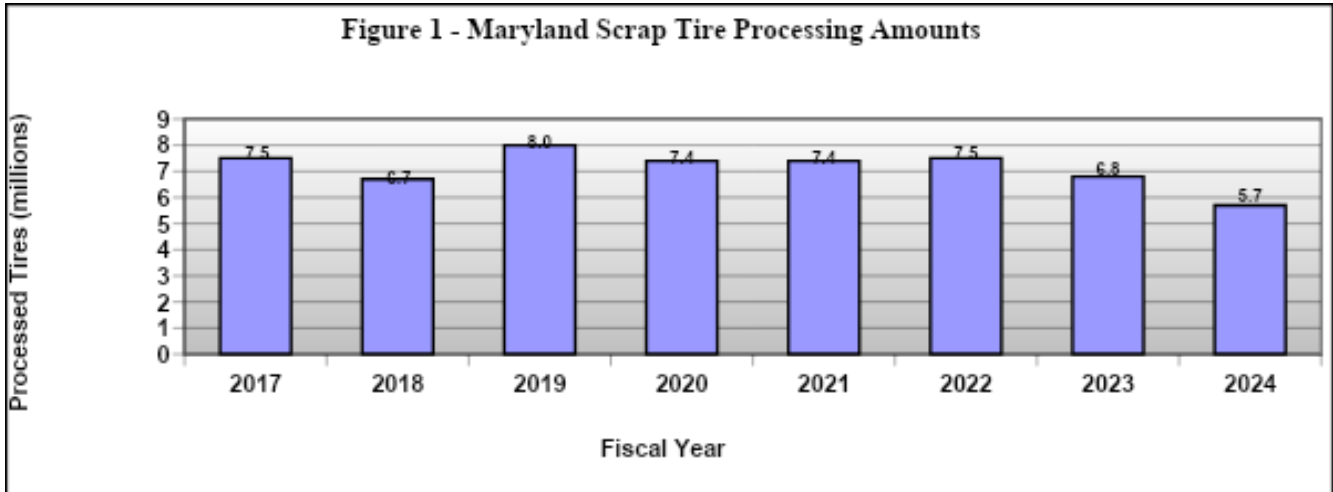
Facility Name/Type	Location	Operation	Telephone	Scrap Tires Processed in FY24
Emanuel Tire Company / Recycler	1300 Moreland Avenue Baltimore, MD 21216	The company has been processing scrap tires since 1957. The operation converts scrap tires into 1-to-2-inch size tire chips.	(410) 947-0660	4,682,384
Auston Tire Recycling / Recycler	1202 Pauls Lane Joppa, MD 21085	Processes scrap tires into products such as rubber mulch material for landscaping or playgrounds.	(410) 335-1016	884,264
Holcim US, Inc. / TDF	1260 Security Road Hagerstown, MD 21741	The operation utilizes tire chips as a supplemental fuel in its cement kiln to generate up to 35% of the process heat needed to convert the raw material into cement.	(301) 739-1150	42,400
K & K Tire, Inc. / Recycler	816 Oregon Avenue Linthicum, MD 21090	Processes scrap tires into products such as rubber mulch material for landscaping or playgrounds.	(410) 636-2002	75,265
Wheelabrator Baltimore LP (BRESKO) / SWAF	1801 Annapolis Road Baltimore, MD 21230	The facility has been approved to burn scrap tires with municipal solid waste.	(410) 234-0808	4,847
TOTAL				5,689,160

Table VI – Scrap Tires Processed in Maryland

Facility Name/Type	MD Generated Scrap Tires	Out-of-State Generated Scrap Tires	Scrap Tires Processed in MD in FY24
Emanuel Tire Company/ Recycler [^]	3,085,798	1,596,586	4,682,384
Auston Tire Recycling/ Recycler [^]	849,308	34,956	884,264
Holcim US, Inc. (formerly St. Lawrence Cement Co.)/ TDF*	38,900	3,500	42,400
K & K Tire, Inc./ Recycler [^]	75,265	0	75,265
Wheelabrator Baltimore LP (BRESKO) / SWAF*	4,847	0	4,847
TOTAL	4,054,118	1,635,042	5,689,160

* 47,247 scrap tires used as fuel.

[^] 5,641,913 scrap tires recycled.



Of the estimated 6.2 million Maryland-generated scrap tires, approximately 64.7% (4,010,371) were recycled in Maryland facilities and 0.7% (43,747) were used as fuel in Maryland facilities during FY24. The remaining 34.6% of the Maryland generated scrap tires (2,145,882) were exported to permitted facilities out of State (see Figure 2 and Figure 3).

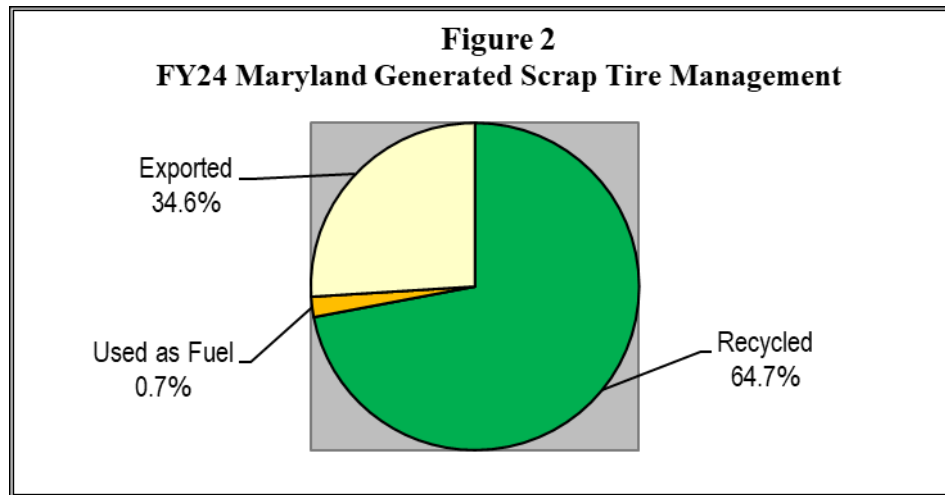


Figure 3 – Scrap Tire Flow in FY24

