



RUBBER
manufacturers
association

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**Testimony of the Rubber Manufacturers Association
Connecticut Environment Committee
SB 869
February 13, 2015**

The Rubber Manufacturers Association is the national trade association representing major tire manufacturers that produce tires in the United States, including Bridgestone Americas, Inc., Continental Tire the Americas, LLC; Cooper Tire & Rubber Company; The Goodyear Tire & Rubber Company; Michelin North America, Inc.; Pirelli Tire North America; Toyo Tire Holdings of Americas Inc. and Yokohama Tire Corporation. RMA members appreciate the opportunity to provide our views regarding SB 869.

RMA BACKGROUND

The RMA embraces a free market-based shared responsibility system to improve scrap tire management in the United States. RMA works with state governments, industry and others to develop sustainable markets that divert scrap tires from landfills to environmentally sound and economically beneficial end-use markets and eliminate old scrap tire stockpiles. RMA supports effective state laws and regulations to provide appropriate enforcement to deter illegal dumping. RMA also provides leadership to coordinate among stakeholders and to compile and share information and technical data in support of end-use market applications for scrap tires.

The 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 96 percent of the scrap tires generated in 2013. Likewise, the number of tires in stockpiles has been decreased by over 90 percent, from about 1 billion tires in 1990 to about 75 million today. In sum, we have a system that is working and has achieved significant positive results.

The scrap tire recovery rate is higher than that of aluminum cans (67%), plastic bottles (30%), paper (65%) or glass bottles (34%) and far better than products recently regulated under extended producer responsibility like batteries or thermostats (about 10%), or electronic wastes (about 25%). Only automotive batteries have a higher landfill diversion rate at over 98 percent. While the current scrap tire system is robust, RMA's vision is 100 percent of end-of-life tires entering beneficial end-use markets and no remaining stockpiled scrap tires in the United States.

The free-market based shared responsibility approach has established a successful, stable scrap tire management infrastructure, regulated by state laws governing tire hauling, storage, processing and end-use markets.

STATUS OF SCRAP TIRE MANAGEMENT IN CONNECTICUT

Recently, RMA conducted a review of scrap tire management in New England. We shared this study with a recent 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. 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. Appropriate regulations and active enforcement against illicit scrap tire haulers can address much of this problem.

Connecticut also does not have any appreciable in-state markets for scrap tires. Since the 1990s, the state annually consumed 8-10 million passenger tire equivalents as Tire Derived Fuel at the recently shuttered Exeter Tires-to-Energy facility. A New England market study recently conducted by RMA showed most Connecticut tires now go to Maine as fuel for pulp and paper mills.

RMA OPPOSES SB 869

SB 869 would establish an Extended Producer Responsibility (EPR) system for managing scrap tires in Connecticut. We share the desire to move towards higher value end uses for scrap tires. However, developing higher value end use markets takes time and effort. We welcome the opportunity to work with Connecticut policymakers to help foster scrap tire markets and develop regulations and an enforcement program to eliminate illegal dumping of scrap tires.

However, an EPR system for managing scrap tires in Connecticut would add costs and bureaucracy without any significant benefit, displacing and bringing inefficiency to a well-functioning free market system. In particular:

- Costs to consumers would go up significantly. For example, the EPR scrap tire system in Ontario is the most expensive system in the world.
- The bill does not address 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 Connecticut.
- The high price of this bill will drive Connecticut tire consumers across the borders hurting business in Connecticut.
- One rationale for EPR is to take costs off the municipalities. Scrap tires generally do not enter the municipal waste stream as they are generally collected at retail tire dealers. Cost savings to municipalities are both minimal and not quantified.

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SB 869 would pose a top to bottom overhaul for a system that needs minor adjustments. We recognize that Connecticut has adopted an EPR approach for some other materials. In those cases, no established collection and processing infrastructure or significant markets existed. These situations are unlike the current scrap tire management situation where there is a well-established collection and processing infrastructure and beneficial end-use markets for the vast majority of scrap tires nationwide (96 percent in 2013). We continually are working to improve and strengthen end-use markets for scrap tires, but the baseline is markedly different and does not indicate a complete overhaul of the system.

We understand that Connecticut, like other states, has limited resources. However, some basic regulatory parameters; enforcement against illicit tire haulers and a review of regulatory barriers that discourage tire recycling siting and expansion could help foster improved scrap tire markets in Connecticut and New England.

Thank you for the opportunity to present our views. We look forward to working with the Committee and other Connecticut policymakers to make appropriate improvements to the current free-market scrap tire management system.

Respectfully Submitted,

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