

RECYCLED RUBBER MARKET CHALLENGES AND SUCCESSES

CA Waste Tire Program & Strategies for Dealing with the Crumb Rubber Controversy

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CA Waste Tire Program

- 1990: 25-cent fee on scrap tires left at tire retailers. \$4-\$6 million annually to program.
 - Clean up tire piles.
 - Permit tire facilities.
 - Register tire haulers and manifest waste tires.
 - Divert tires from landfills with recycled tire products.
 - Market development and research (grants & loans for private sector).

CA Waste Tire Program (cont.)

- 1997: 25-cent fee now charged for every new tire sold in CA.
- Late 1990's: 3 massive tire fires destroy multi-million tire piles.
- 2000: Tire fee increased to \$1 per new tire sold. 2004 up to \$1.75.
- CA constitution prevents tire fee dollars from going to general fund or elsewhere. Must spend \$\$ on tire programs.

CA Waste Tire Program (cont.)

- Aside from CalRecycle administrative actions, new CA legislation expands tire programs:
 - Grants and for local tire cleanups and amnesty events.
 - Grants to locals for RAC, TDPs, and TDA.
 - CalTrans required to use RAC in 35% of projects.

CA Waste Tire Program (cont.)

- Key to program: Diversify (RAC, crumb rubber, TDA, ADC, TDF, exports, used tires).
- From 27 million tires in 1990, with 90% going to landfills to . . .

42 million tires in 2014, with almost 90% diverted from landfills.
- State recycling goal is 75%. Today is only 38%.

CA Waste Tire Program (cont.)

- AB 1239: Most dramatic proposal to change CA tire program.
 - Goal is to reach 75% tire recycling.
 - Increase tire fee to \$3?.
 - Allocate \$30 million annually for awards to “customers” of TDPs and manufacturers?
 - \$2 for each 12 lbs. recycled PTE?
 - Amendments due soon or two-year bill?

CA Waste Tire Program (cont.)

- Current tire program, \$44.5 million to spend:
 - \$15 million-plus for market development and research.
 - \$8 million for tire pile cleanups.
 - \$8 million for enforcement.
 - \$500,000 for waste tire haulers.
 - \$12 million for staffing and administration.
 - \$1 million for contracts.

Dealing with the Crumb Rubber Controversy in CA—Senate Bill 47

- Two NBC news reports in fall 2014 suggesting links between crumb rubber and cancer.
- CA State Senator Jerry Hill introduces SB 47:
 - Study on tire rubber ingestion.
 - Moratorium on sale to CA schools and locals until after study published.
 - Hearing set in Senate E.Q. Committee for March 18, 2015

Crumb Rubber Controversy (cont.)

- Coalition formed: 1) supports study; 2) opposes moratorium (CA industry and job impacts).
- 50+ studies worldwide thus far—No link between crumb rubber and illness.
- CalRecycle funded 2 studies—one looking into effects of ingesting/inhaling tire rubber—no link to disease.

Crumb Rubber Controversy (cont.)

- Arguments against moratorium affect on industry and jobs effective with Committee members.
- SB 47 “softened” to simply a ban on grants to schools and locals, bidding and hearing requirements.
- Despite continued opposition, SB 47 passes to Appropriations Committee.

Crumb Rubber Controversy (cont.)

- April 13, 2015 Senate Appropriations Committee hearing:
- --Media frenzy.
--Opposition adds two allies: schools and building trades union.
--Continue support of study.
--Oppose ban on grants, bidding and public hearing requirements.
- SB 47 sent to “Suspense File.”

Crumb Rubber Controversy (cont.)

- Meanwhile, CalRecycle commits to funding study (grown to \$6.2 million cost, 3-5 years long).
- May 27, 2015: Appropriations Committee swayed by schools, unions, industry. “Holds” SB 47, effectively killing it.
 - Similar bills die in VA and Minn.; alive in NY and KY.

Things to Remember:

- Empathize with parents' concerns.
- 99% of public don't read studies, assume media allegations are correct.
- Focus on scientific studies, especially ones funded by public health depts.
- Build coalitions with industry, schools, recyclers, unions.
- Stress "fairness" issue ("not a single one of 50+ studies finds a link").
- Continued opposition can damage all tire-derived products.