

**TESTIMONY OF**  
**DONALD THOMAS WILSON**  
**DIRECTOR OF GOVERNMENT RELATIONS**  
**FOR**  
**THE TIRE ASSOCIATION OF NORTH AMERICA**  
**BEFORE THE**  
**HOUSE ENVIRONMENTAL RESOURCES AND ENERGY**  
**COMMITTEE**  
**OF THE**  
**PENNSYLVANIA HOUSE OF REPRESENTATIVES**  
**ON**  
**HOUSE BILL 2236**  
**AUGUST 13, 1998**

Mr. Chairman, members of the Committee;

It is a distinct privilege to appear before you today on behalf of the members of the Tire Association of North America (TANA). This hearing on House Bill 2236 sponsored by Representative Mundy and on small waste tire piles is important to the improvement of the environment of the commonwealth and the health of its citizens.

My name is Donald Wilson. I am Director of Government Relations for TANA, formerly the National Tire Dealers and Retreaders Association. TANA is a 77 year old, national non-profit trade association representing all sectors of the North American replacement tire market. TANA's members range from single store retailers, to multi-store retail chains to billion-dollar tire manufacturing corporations. We appreciate the opportunity to participate in this hearing. Our members are engaged in the retail and wholesale distribution of tires, the retreading of tires and the manufacturing of tires.

The United States generates approximately 255 million scrap tires per year, approximately one tire for every man woman and child in the U.S. The Department of Energy and the U.S. Environmental Protection Agency estimate that there are between 750 million and 2 billion scrap tires stockpiled across the U.S.

Efficient transportation is essential to the nation's economy, the economy of each individual state and the mobility of the motoring public. Tires are essential to the nation's transportation sector. I would respectfully point out that virtually every item in this hearing room arrived here on a vehicle equipped with tires. Our nation is dependent on tires. When tires are no longer suitable for their original purpose, they are classified as scrap tires. The nation's scrap tires can pose significant environmental problems. Scrap tires also offer significant opportunities.

TANA's members have been actively involved in addressing the nation's scrap tire problem for decades. Our retreader members kept the nation running during World War II when new tires were virtually unavailable to the motoring public. Today, America's retreaders produce approximately 32 million retreaded tires annually. Since retreading requires only one third of the crude oil used to make a new tire, retreading saves approximately 376 million gallons (1.44 billion liters) of oil annually. Retreaded tires also save

America's trucking companies millions of dollars in operating costs. These savings are ultimately realized by American consumers in terms of lower prices for consumer products due to lower transportation costs. Eventually, however, all tires become unsuitable for their intended purpose.

As the nation's population has increased, so has the number of vehicles on the nation's highways. Multi-car families are now commonplace. Despite the fact that many of today's tires last four times as long as the average tire four decades ago, the number of tires being scrapped has grown steadily the last 50 years.

As the nation grew more environmentally conscious in the late sixties and seventies, public attention was increasingly directed to the nation's solid waste disposal problem. Many existing landfills were reaching capacity and waste recycling became increasingly important. As landfill operators sought to extend the life of their landfills, they began to discourage the landfilling of tires by charging higher tipping fees.

In the 1970's, TANA held the first international symposium on scrap tire recycling. The association was also working with the U.S. Fish and Wildlife Bureau encouraging the construction of artificial reefs from scrap tires to improve fish habitat in the nation's coastal waters. In the early eighties, the association again hosted an international symposium to focus attention on the need for waste tire recycling.

In the early eighties, Minnesota adopted the first state scrap tire regulations. TANA worked closely with federal, state and local officials to encourage the development of workable scrap tire management programs. Working closely with public health officials in South Carolina, TANA staff crafted the components of model state scrap tire management legislation. Those components have been implemented in dozens of states since the mid-eighties. North Carolina and Arkansas have followed very closely the original model TANA constructed.

Initially, scrap tire management in some states consisted of little more than banning the landfilling of tires. This often proved disastrous as illegal dumping increased dramatically. Scrap tire recycling was in its infancy. With limited markets for recycled rubber, and the landfilling of tires banned by statute or ordinance in many jurisdictions, scrap tire haulers, known in the industry as "casing jockeys", had limited legal alternatives for the tires

they collected. The Arab oil embargo and the high cost of petroleum in the seventies and early eighties also led entrepreneurs and some eccentrics to collect scrap tires and store them in above ground tire piles believing the piles would become valuable for their oil content. Tire piles, legal and illegal, soon dotted the nation's landscape.

But tire piles if not properly managed can pose serious environmental and public health problems. Tire piles pose the ever-present threat of fire as a result of arsonists or accidental ignition. The first major tire fire to draw national attention occurred in 1983 in Winchester, Virginia. The smoke from that fire could be seen from seven states and the fires burned for months. Tire piles also attract vermin and disease carrying mosquitoes. TANA was the industry leader in working with the U.S. Centers for Disease Control to educate all sectors of the industry to the dangers associated with mosquito infestations of tire piles. TANA also worked with the CDC to develop workable programs for preventing the importation of mosquito infested tires from Asia.

Public concern about tire fires and disease carrying mosquitoes led many states to ban the stockpiling of scrap tires without a permit. Increasingly states have adopted statutes requiring stockpilers to maintain fire lanes, spray for mosquitoes and have recycling options for their tires. Some states license recyclers.

Through research, new technology, and the entrepreneurial spirit, numerous valuable end-market uses have been developed for scrap tires. The number of end uses continues to increase every year. Some common ones are tire derived fuel, civil engineering applications, and manufactured products. The Scrap Tire Management Council of the Rubber Manufacturers Association estimates that in 1995 roughly 175 million scrap tires were recycled, including about 15 million that were exported. This accounts for approximately 70% of the scrap tires generated annually in the U.S. The remainder are stockpiled, shredded and buried in mono (single material) landfills, or used as landfill cover.

Scrap tires have been used as a supplemental fuel source in Japan, Europe, and the United States since the 1970s. Tire derived fuel (TDF) is usually produced by removing the bead wire, cutting the tires into chips and removing the belt wire from the chips. These chips are then burned as a supplement to other fuels in cement kilns, lime kilns, paper mill boilers,

utility boilers, industrial boilers, iron foundries, and copper smelters. Some kilns can burn whole scrap tires. Whole tire burning reduces or eliminates the costs of pre-processing. Reportedly, tire derived fuel compares favorably to the burning of coal in every aspect except for higher zinc emissions. The use of scrap tires for fuel increases every year, and is currently the largest single use of scrap tires.

Tire-to-energy technology preserves natural resources by utilizing the stored energy in petroleum-based tires. Tires have a heating value of 12,000 to 15,000 Btu per pound (6,668 to 8,335 kilocalories per kilogram). Each 20-pound (9-kilogram) car tire is equivalent to about 25 pounds (11.4 kilograms) of bituminous coal. Tires contain less ash than most types of coal and less sulfur than bituminous coals.

Cement kiln recycling has demonstrated a solid environmental record. A single cement kiln can use up to 2 million tire per year, saving more than two gallons of oil or 25 pounds of coal for each single tire burned. Combined, the nation's dozens of operating cement kilns are estimated to be using 100 million tires a year. The cement kiln industry should be recognized for the valuable contribution it has made in resolving the nation's scrap tire disposal problem.

Civil engineering uses for scrap tires and scrap tire rubber have grown significantly in recent years. Scrap tires are used in embankments, retaining walls, bridge buffers, asphalt pavements, highway construction aggregates and many other civil engineering applications. Scrap tire rubber is also used as daily cover in landfills, in septic tank systems, and at sewage sludge treatment facilities.

Scrap tire rubber is also used in molded rubber products. It is used for industrial and agricultural mats, playground coverings, and athletic tracks, as a soil additive, for composting and for mulching. Landmark research here in the commonwealth has resulted in patents for the surface modification of scrap tire rubber so that it can be blended with other polymers. New applications for using scrap tire rubber are conceived, tested and brought on line every year.

There are numerous ongoing efforts, in various stages of development, to use the rubber in scrap tires to make new tires. TANA's manufacturing members are leaders in this effort. Michelin Tire Corporation for example

TANA believes it is critical that tire retailers and retreaders have a reliable means of identifying legitimate scrap tire transporters. TANA commends representative Mundy for her efforts to address the problem of illegal tire dumping with House bill 2236. The basic components of HR 2236 reflect the policies that TANA and its members have supported for nearly 15 years.

It is critical however that there be proper oversight and management of hauler licensure or permitting. For example, earlier this decade the state of Iowa adopted a requirement that all commercial scrap tire transporters must be licensed. After licensing was implemented, a licensed hauler was found to be illegally dumping tires. He was ordered to clean up the illegal pile. Some time later it was discovered that the pile had not been cleaned up. In fact, the licensed hauler had continued to dump tires at the site illegally. When an enforcement action was brought, the hauler declared bankruptcy. Ultimately, the state held liable those tire retailers who had utilized the services of the hauler. It is important to note that the hauler prior to the final enforcement action continued to be a licensed hauler. Holding the tire retailer or retreader liable in such a circumstance flies in the face of any sense of equity. Tire retailers in the commonwealth simply could not live with such a system. If a hauler's license is revoked, tire retailers and retreaders must be notified. Tire dealers cannot be expected to call every week to determine if their hauler is still licensed. The fact that a hauler is licensed or permitted is in effect a seal of approval from the state. Tire retailers and retreaders must be able to rely on that seal of approval. If they utilize a state-licensed hauler, tire retailers and retreaders must be held harmless from any illegal acts of the licensed hauler.

Let me also speak out on behalf of the many legitimate scrap tire transporters operating in the commonwealth and throughout the nation. In the early 1980's there were a very limited number of legitimate recyclers in operation. Local municipalities and state legislatures with limited understanding of the tire disposal industry, banned tires from landfills. Haulers in many areas were left without legitimate disposal options. That is why this association working with state public health officials in South Carolina, developed the concept of "no fee" disposal sites. In the state of North Carolina, a per tire state fee is charged the consumer to pay for the disposal of the consumers' tires. Those moneys are distributed to the counties on an equitable basis only if the county provides a no fee site for the stockpiling of used tires. The county then contracts with recyclers or

permitted disposal sites for ultimate disposal of the tires. The county uses the dollars received from the state to purchase ultimate disposal services.

With no fee sites, haulers no longer have any financial incentive to dump the tires illegally. An orderly collection of tires is assured. Tire recyclers who bid on the disposal contract with a county are assured that they are dealing with a reliable source of supply. Historically, recyclers were dependent on haulers, many of whom went in and out of business almost overnight. No recycler can afford to make a major capital outlay in a recycling business if he is not assured of a reliable supply of scrap tires. Scrap tires still carry a negative value. Therefore, in almost all instances it is economically essential for tire recyclers to receive tipping fees. As a result of the income from tipping fees, rubber recyclers are able to sell recycled rubber at a price competitive with virgin rubber.

Some recyclers may not want to bid on county disposal contracts. TANA believes that tire haulers should be free to take their tires to any licensed recycler or disposal site. Tire recyclers should be free to negotiate directly with haulers. Haulers should be free to bypass the "no fee" site and go directly to the permitted recycler if the hauler chooses to do so.

TANA believes the conditions we have outlined are fundamental to averting illegal tire dumping and to fostering the continued growth and viability of the scrap tire recycling industry. We believe that House Bill 2236 would codify some of these fundamental conditions.

In closing Mr. Chairman let me again thank you and the members of this committee on behalf of TANA and its members for allowing me to testify. At this time I will be glad to try and respond to any questions you or the committee may have.