



ISRI is the voice of the recycling industry, promoting safe, economically sustainable and environmentally responsible recycling through networking, advocacy and education.

**STATEMENT OF
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PAST CHAIR, TIRE AND RUBBER DIVISION
INSTITUTE OF SCRAP RECYCLING INDUSTRIES
ON H.B. 1547**

**BEFORE THE
MARYLAND HOUSE ECONOMIC MATTERS COMMITTEE
JANUARY 19, 2020
ANNAPOLIS, MARYLAND**

Members of the Committee, I respectfully submit this statement on behalf of the Institute of Scrap Recycling Industries (ISRI) Tire and Rubber Division and its member companies. ISRI is the trade association that represents approximately 1,300 companies that process, broker, and industrially consume recyclable commodities including metals, paper, plastics, glass, textiles, rubber, and electronics. My company, Emanuel Tire, LLC, is an ISRI member company based in Baltimore, MD, and employs over 200 individuals. In the state of Maryland, the recycling industry directly supports over 2,000 jobs.

Statement Summary

Thank you for the opportunity to submit testimony in opposition of House Bill 1547, an act concerning producer responsibility for synthetic turf and turf infill. By mandating that manufacturers of individual components of a synthetic turf field system are responsible for the end-of-life management of fields, ISRI believes that this legislation will limit the beneficial use and recycling of synthetic turf and infill, not encourage it, by:

- Depriving property owners control and bargaining rights for the management and options available to them concerning their own property;
- Usurping control of the free market flow and management of recyclable materials from recyclers;
- Stifling innovation and new entries into the market for the reuse and recycling of components;
- Misapplying a management model designed for individual products on a synthetic turf field system made of multiple different component products; and
- Including disproportionate penalties that could drive manufacturers out of the state.

Emanuel Tires and the Tire Recycling Industry

Emanuel Tire Family of Companies, under the leadership of Norman Emanuel, has been in the scrap tire business for 60 years. We have received national recognition for our efforts to establish standards in the scrap tire industry and for deriving new uses for shredded tires. Emanuel Tire was a founding member of



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the National Association of Scrap Tire Processors (NASTP) – which is now the Tire & Rubber Division of the Institute of Scrap Recycling Industries (ISRI). Emanuel Tire has sat on the ISRI Board of Directors and is innately familiar with the development of state and national scrap tire recycling programs.

The Emanuel Tire Family of Companies processes over 17 million tires per year, typically received from one of three sources: tires delivered to our plant by individuals or companies; trailers or pick-up services at locations where customers have large volume of tires; and the clean-up of private or government owned stockpiles.

Emanuel Tire does not landfill any of our shredded products, all of the tires we shred are used in one of a number existing and promising markets, including:

- Tire Chips shredded to customer specification and used in civil engineering projects;
- Safe-T-Play and Safe-T-Footing 100% wire free playground and horse arena material;
- Recycled Reclaim Industry Material (RRIM), used by industry processors who fine grind our material then mold them for cattle mats, athletic surfacing and flooring tiles;
- Tire Derived Fuel (TDF) a fuel source in many kilns and energy plants;
- Septic System Material (SSM) used in commercial and residential drainage fields;
- Sound Wall Material rubber chips used to make highway noise reduction walls; and
- Forever Mulch, a colorized chip used in landscaping and architectural enhancement.

Emanuel Tire is committed to the environmentally safe use of tire products. We are licensed and recognized by the Maryland Department of the Environment, Pennsylvania Department of Environment and the Virginia Department of Environmental Quality as a Scrap Tire Hauler, Scrap Tire Collection Facility and a Scrap Tire Recycler. Additionally, Emanuel Tire employs an OSHA approved Environmental, Health and Safety program at all of our facilities.

Environmentally Responsible Solutions

Each year, approximately 110 million tires are processed in the United States by the recycling industry – or one tire for every three people in the U.S. In the past, scrap tires — generated when an old, worn tire is replaced with a new tire — were often dumped illegally in lakes, abandoned lots, along the side of the road and in sensitive habitats. Today, scrap tires are playing a much different role as an important part of the manufacturing process as well as providing environmentally responsible solutions to age-old problems.

Over the past few decades, tire recyclers have invested millions of dollars in technologies and equipment to recycle tires, allowing scrap tires to play an important role in strengthening our economy and protecting our environment. Thanks to these innovations in manufacturing, recycled rubber is now a common alternative used, for example, to facilitate softer playground surfaces, reduce the chance of



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injuries for athletes, and provide softer lower-impact surfaces for those on their feet hard at work and play.

Recycled rubber is a highly sought material in the manufacturing industry. In the U.S. alone, scrap processors produce more than 1 billion pounds of crumb rubber annually that is used in the creation of new products ranging from landscaping tools, playground covering, and infill for athletic playing surfaces used by pro-athletes, colleges/universities, high schools, and communities, as well as long-term, high-traffic items such as roadways, sidewalks and horse tracks. Applications for recycled rubber — such as rubberized asphalt and crumb rubber — have become recognized for their preferable properties and are gaining in prominence and widespread use.

EPR Model Deprives Field Owners and Recyclers of Property Rights and Stifles Innovation

Rather than encouraging market development and growth, this legislation effectively denies property owners their rights to manage and utilize their property. There are numerous markets to which owners can choose to utilize for the management of turf fields at their end of current life. It is the open market competition for these opportunities that incentivize innovation for new recycled content end markets.

By mandating five year plans that list all participants in the program and detail how components are to be recycled, manufacturers are inhibited from seeking best use alternatives. HB 1547 essentially creates an incentive for manufacturers to utilize only a few recyclers to handle their products. This stifles competition and discourages new entrants into the market who may have developed new methods to reuse or recycle components.

Further, HB 1547 denies property owners their rights to choose alternative end use markets and their rights to freely bargain and contract for the end use of their field components. Synthetic field turf components are property that field owners currently have the opportunity to regain value from by reselling individual field components to recycle and reuse markets. If Maryland places responsibility for field stewardship on turf and infill manufacturers, they are taking away opportunities from field owners, and potentially limiting the control owners have over the end-of-life management decisions for their own property.

HB 1547 also places the manufacturer of synthetic turf field components in charge of developing how the product will be recycled. This inevitably means the manufacturers are responsible for selecting and limiting those recyclers who may otherwise have competed in the marketplace for those materials. In the industry, we call this "flow control" which is a concept fraught with market and constitutional complications and concerns.

Just as important, HB 1547 would stifle future developments in the reuse, recycling, and reclamation of synthetic turf field components. Technological innovation is a key part of the recycling industry, and every year new uses and processing methods are being developed that expand the recyclability of products. It is the free market for materials that encourages this innovation and investment, without which the government would be left trying to finance future developments.



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Recyclables Are Not Waste

The components of synthetic turf are not solid waste but valuable commodities traded and sold in global markets. By defining "recycling" as a series of activities through which materials are "recovered or otherwise diverted from the solid waste stream", HB 1547 implies that synthetic turf and turf infill components (and by extension, other recyclable materials) start as solid waste in the solid waste stream. In reality, these components have never entered the solid waste stream and should not be regulated as such.

Unlike waste, recyclables are commodities processed into tradable and highly valued specification-grade products that manufacturers use as raw material inputs to make new products. Because new products are continually entering the marketplace, recyclers need to be extremely innovative in order to keep up with commodity and end-use market developments. The pioneering entrepreneurship of the recycling industry is responsible for the technological developments in equipment and manufacturing processes.

Better Ways to Address Reuse, Recycling, and Disposal

Desires to increase the reuse and recycling of synthetic turf and turf infill should be addressed through market development strategies. Producer responsibility mandates on materials commonly handled in the existing marketplace impede innovation and recycling. Placing control of the existing recycling and reuse infrastructure and markets in the hands of producers only leads to flow control schemes that squash competition. Instead, policy can be developed to incentivize reuse and recycling over other end-of-life management options.

The improper disposal or illegal dumping of synthetic turf or turf infill components can be addressed through proper enforcement. Parties who take such illegal actions should be held responsible and prevented from opportunities for future mismanagement. Shifting future responsibility to another party is not how to effectively curb illegal behavior.

Synthetic Turf Fields are not Single Products Suitable for EPR

EPR is not an efficient mechanism for handling synthetic turf due to its multiple components. While existing EPR programs may cover an array of products, the items covered are themselves single products, made by a single manufacturer. A synthetic turf field incorporates products from multiple manufacturers, making responsibility difficult to parse.

In addition to the complexity created by synthetic turf, different types of turf infill, shock pads, elastic layers, and drainage layers each potentially involving different manufacturers, each of these components of a synthetic turf field may have their own lifespan. The usage and maintenance of the field will also greatly impact the overall lifespans of the components.

This combination makes field owners, who oversee installation and use of fields over their lifespan, best suited to manage the end-of-life decisions for the components of their property, not individual



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manufacturers attempting to coordinate details on the components, their lifespan, and their end-of-life management specifications.

5 Year Program Span is Confusing

The five year plan in HB 1547 is not helpful because it fails to account for the typical extended lifespan of turf fields. Synthetic turf fields have long life spans, typically about 10 years, which is one of the reasons they are preferred by so many communities. However, HB 1547 specifically calls for five year plans for items that a producer sells into the state during the term of the plan. Besides not conforming with the long life spans of fields, the five year term for stewardship plans is confusingly worded. It appears to apply:

- Prospectively to items the producer sells or offers "in the state during the five year term of the stewardship plan"; but
- Retrospectively to items that are already installed and were sold by a producer that no longer does business in the state.

HB 1547 does not clearly address turf and infill already installed by a producer who currently does business in the state.

Disproportionate Penalty will Drive Manufacturers out of the Market

An EPR program as complicated and confusing as that outlined in this legislation should include proportionate penalties which HB 1547 lacks. The only penalty outlined in HB 1547 is an automatic barrier for a producer or stewardship organization from soliciting new contracts related to synthetic turf and turf infill for at least one year. This could result in a company - or group of companies if the violation is by a stewardship organization - being unable to continue business in the state. The inevitable result is it will drive orphan product problems onto other participating producers. There is no alternative recourse given in the act for fines or other lesser penalties.

Conclusion

Maryland HB 1547 will deprive turf field owners of their property and bargaining rights to seek out best use recycling options for their fields at the end of their current use, and harm the beneficial use and ultimate recycling of synthetic turf and synthetic turf infill. By mandating that manufacturers of individual components of a synthetic turf field system are responsible for the end-of-life management of fields, ISRI believes that this legislation will take power over end-of-life management decisions from field owners and limit the recyclability of synthetic turf and infill, not encourage it.

Because of this, and on behalf of all tire recyclers working to improve our environment and economy by keeping valuable recyclable materials out of landfills, I urge this distinguished committee to oppose this legislation.