

Tire Incentive Program

Eligibility Criteria and Evaluation Process for the
Tire Incentive Program (Fiscal Year 2021–22)

Background Statutory Authority

- Funding through the California Tire Recycling Management Fund.
- PRC sections 42872 and 42873 allow for the awarding and funding of grants for activities and applications that result in reduced landfill disposal or stockpiling of waste tires.
- PRC section 42872 (g) specifically authorized development and implementation of incentive payment program.

Program Highlights

- Successful, competitive market development grant program that provides a reimbursement (as an incentive payment) to eligible businesses that use crumb rubber in eligible products or substitute crumb rubber for virgin rubber, plastic, or other raw materials in products that are sold.
- \$3,250,000 available for FY 2021–22.
- \$25,000 minimum and \$500,000 maximum award.

Proposed Process

- Review Fiscal Year (FY) 2021–22 applications using the eligibility, criteria and evaluation process applied in the FY 2020–21 cycle, except as described under the Proposed Changes.
- The Program reimburses grantees quarterly via incentive.

Applicant Eligibility

Eligible applicants include:

- Manufacturers that produce an eligible product.
- Waste tire processors that also manufacture an eligible product.
- Manufacturers of devulcanized rubber.
- Manufacturers that produce calendered rubber sheet products.
- Rubber compounders.

Product Eligibility

Eligible products include, but not limited to:

- Flooring underlayment.
- Rubberized flooring.
- Various building products.
- Various traffic devices.
- Other.

Proposed Changes

Revise eligible product types to remove:

- Once eligible playgrounds and athletic fields.

This revision is a precautionary measure until the study and findings of the Office of Environmental Health Hazard Assessment's (OEHHA) Human Health Risk Assessment Report are released.

Application Process

- Applicants will submit application using CalRecycle's online Grant Management System.
- Application information will include, but not limited to:
 - Contact and business information.
 - Most recent Federal tax return.
 - Appropriate business and product information.

Tax return and other proprietary information appropriately labeled will be treated as "trade secret" consistent with PRC section 40062.

Application Review

- Staff will analyze applicant's estimates for reasonableness and will make adjustments when appropriate.
- To guard against an applicant overestimating product sales, applicants that used less than 50 percent of a previous Program award will be considered only after all other eligible applications have been awarded.

Reimbursement

- Table below represents reimbursement categories, products and incentive amounts.

Eligible Categories, Products and Incentive Amounts

Categories	Products	Incentive per Pound
TDP	An existing or new/improved TDP	10 cents for crumb rubber or end-of-life material used in eligible products
Feedstock conversion or devulcanized rubber	An existing or new/improved product currently manufactured with virgin rubber, plastic or other material which will be produced with a minimum of five percent crumb rubber or devulcanized rubber	40 cents for total crumb rubber used or devulcanized rubber sold
Fine (≤ 50) mesh	An existing or new/improved product that will use fine (≤ 50) mesh	50 cents for total crumb rubber used

Other Requirements

- **Only** California-generated crumb rubber from California waste tire processors.
- Incentives are not to increase management and/or officer compensation.
- Application and reimbursement documentation is subject to review and audit.
- Grantees will provide periodic Progress Reports, a Final Report, and Progress Updates for three years after the grant term ends.

Tentative Timeline

Date	Program Event
May 2021	Post Notice of Funds Available, application, and related instructions and documents on the web site
June 2021	Question and Answer Period
July 2021	Applications due
August/September 2021	Conduct application evaluation/review process and determine funding for eligible applicants
October 2021	Grant Agreement distributed and executed
April 1, 2024	Grant Term ends

More Information

- For more information, please refer to the Tire Incentive Program Webpage: <https://www.calrecycle.ca.gov/tires/grants/tip>
- Subscribe to the TIP listserv to receive important program information updates:
<https://www2.calrecycle.ca.gov/Listservs/Subscribe/134>
- If you have questions that are program-specific, please contact Nick Amante at Nicholas.Amante@CalRecycle.ca.gov or (916) 341-6364.