
Tire Environmental Act Program Grant Manual

Opportunity for Funding

Department of Environment & Conservation | Office of Sustainable Practices





Overview

In 2015, the Tennessee Automotive Association partnered with the State of Tennessee, Department of Environment and Conservation (TDEC) and the General Assembly to establish the Tire Environmental Fund. At the time of a new motor vehicle retail sale in Tennessee that is to be titled and registered in Tennessee, a flat fee based on the number of the vehicle's wheels is assessed. The purpose of the fee is to fund projects that create and/or expand beneficial end uses for waste tires.

Under Tennessee Code Annotated section 68-211-305, TDEC is designated by the Tire Environmental Act as the administrator of the Tire Environmental Act Program (TEAP) for beneficial end use of waste tires in Tennessee, including fund recipient selection. Oversight of TEAP is managed through TDEC's Office of Sustainable Practices (OSP). Reports updating program progress and metrics are made annually to TDEC's Commissioner and the General Assembly.

The new tire environmental fee is imposed on the purchase of new motor vehicles under Tennessee Code Annotated section 68-211-303. This is distinct from the tire pre-disposal fee, which is imposed on the sale of new tires except those tires sold as a component of a new or used motor vehicle. The funds collected through the tire environmental fee and deposited in the Tire Environmental Fund are used for TEAP; the tire pre-disposal fee revenue is allocated to the Solid Waste Management Fund or to counties by the Department of Revenue for beneficial end use of tires in accordance with Tennessee Code Annotated Title 67, Chapter 4, Part 16, and section 68-211-867.

Purpose of the Tire Environmental Act Program

The purpose of TEAP is to develop and implement programs to enhance collection, transportation, and processing related to Tennessee markets for waste tires and to provide grants to encourage research, technologies, and processes to enhance the use of tires as alternative fuels or in innovative infrastructure developments. Applicants must demonstrate how their project will improve or enhance beneficial end uses for scrap tires. TEAP provides financial assistance to eligible entities in Tennessee that fit into one, or more than one, of the following eligible project categories:

1. **Tire Recycling:** Collection, transportation, and processing of waste tires into a material for beneficial end use¹, as defined in the footnote below. Some example projects include tire shredding, tire granulation, pyrolysis, and cryogenic processing. Proposals should identify viable end market(s) and associated partners.
2. **Tire-derived Material Use:** Some potential example projects include construction of permeable surfaces that have environmental and engineering advantages, molded or extruded rubber products, and use of tire-derived aggregate in construction erosion control, filtration, or the construction of infrastructure using tire-derived materials.
3. **Research and Development:** Research and development must focus on waste tire management, the use of tires as alternative fuels, or the use of tires in innovative infrastructure developments. Proposals should identify viable end market(s) and associated partners. Some potential example projects include rubberized asphalt research or research of alternative processing technology.

¹ A beneficial end use of scrap tires is the use of tires to serve as a replacement for another material, after it is processed and loses its identity as a solid waste or as a tire by providing an environmental or engineering advantage, or by the material becoming a value-added product that is returned to commerce. A beneficial end use shall not result in unacceptable environmental or public health impacts and may not simply be a disposal method. According to Tennessee Code Annotated section 68-211-867, a “beneficial end use” includes: (1) Cement manufacturing; (2) Burning of tire-derived fuel in contained industrial boilers for the capture of energy; (3) Production of tire-derived fuel, provided the department approves the planned use of the processed tire material; (4) The crumbling or pyrolysis of tire material, provided the processor provides for the planned use of the processed tire material under such requirements established by the department; (5) Recreational applications, including, but not limited to, playgrounds, running tracks, and walking paths; or (6) Any use otherwise deemed appropriate by the department of environment and conservation and for which either the board has promulgated rules or the department has developed and published policies.

Grant Timeline

Grant applications must be received electronically through TDEC's [Grants Management System](#). Awards for this grant cycle are subject to available funds and awarded at the discretion of OSP. Submission of a complete application does not guarantee that the applicant will receive a TEAP grant.

Grant Timeline:

- **Mid-January:** Grant open period begins; announce solicitation
- **Mid-April:** Proposal submission deadline; begin review and processing of applications; determination of scope of services/work for grant awards
- **Beginning of June:** Prepare grant offer to successful applicants
- **Mid-July:** Deadline to receive signed grant contracts for processing
- **Beginning of August:** Target execution date for grants

***No work shall begin on grant projects until an executed contract has been signed by all parties.**

Eligibility

Entities that will conduct, install, or construct projects to enhance or expand beneficial end uses in Tennessee for Tennessee waste tires are eligible for TEAP funding. TDEC encourages project submissions that are fully Tennessee-based, both in terms of tire origination and processing. For tire-derived product use projects, additional documentation of tire origin will be required from the tire processor when submitting the application for funding. Documentation shall include, at a minimum, tonnage of Tennessee tires collected annually, tire types being collected (passenger, truck, agricultural), tonnage of tires acquired for project being submitted, total count of tires being recycled, and primary geographic region where tire collection occurs. An example certification document can be found on the TEAP webpage.

To be eligible, an entity must obtain all permits, registrations, or certifications required for the proposed project by state law prior to application. Any entity that has been issued a permit, registration, or certification must be current and in good standing regarding such permit, registration, or certification. All applicants will also undergo a check for compliance with applicable laws and regulations.

Applicants must meet the following criteria to be considered for a grant:

1. The applicant must submit a complete application via TDEC's [Grants Management System](#). A complete application is described below in the section titled "Format and Checklist."
2. The project must demonstrate new or increased uses of scrap tires or scrap tire derived material.
3. The project must fall into one of the following categories: tire recycling, tire-derived material use, or research and development.
4. Scrap tires must be acquired from within the state of Tennessee (some of out-of-state feedstock is allowable but Tennessee feedstock is preferred). Additional documentation of tire origin may be required from the applicant before finalizing the grant contract.
5. The project must be located in Tennessee.
6. Applicants requesting funding for scrap tires or equipment must submit documentation that the technology to be utilized in the proposed process is beyond the research stage and that a demonstration has indicated the proposed process is feasible for full-scale production (not applicable to Research and Development Category).
7. "Tire-derived product use" projects shall post at least one permanent sign in public location(s) stating the approximate amount of Tennessee scrap tires that were collected and diverted from landfills and that the project was funded in part by the Tire Environmental Act Program.

Projects Not Eligible:

- Used tire sales
- Projects that involve disposal of tires into a landfill
- Purchase of real property
- **New** construction of buildings or structures (improvements and upgrades to an existing facility are acceptable)
- Ideas for beneficial reuse of tires not supported by proof of concept
- Projects that do not provide sufficient evidence of available matching funds
- Ideas for research and development not supported by proof of concept and partnership with an approved entity, as identified above
- Items not directly related to the diversion and beneficial reuse of Tennessee tires

By signing the Grant Application, the applicant certifies that the entity along with any other officers, directors, owners, partners, employees, or agents is (are) not presently debarred, suspended, proposed for debarment or suspension, or declared ineligible for an award by any state or federal agency. This is in accordance with Federal Acquisition regulation 52.209-5 and Tennessee Comprehensive Rules and Regulations 0690-03-01-.17.

Funding**Grant Requests and Matching the Grant:**

The applicant must, at a minimum, match the grant amount requested UNLESS the applicant is a Local Education Agency (LEA), higher education institution, local government, state government, or nonprofit. The applicant must specify the match percentage as one of the following:

- 80% grant / 20% match (specific to LEAs, higher education institutions, local government, state government, or nonprofits); or
- 50% grant / 50% match (specific to for-profit entities)
- Greater than 50% match (amount specified)

Preference is given to applicants that provide greater than 50% match.

Items Not Eligible for Matching Funds:

- Real property
- Furniture, furnishings, and fixtures
- Salaries or wages of employees of for-profit entities
- Fees associated with permits and associated financial assurance
- Professional fees, including architectural and engineering services, and administration costs
- Other items not directly related to the diversion and beneficial reuse of Tennessee tires
- Expenses incurred outside of the TEAP contract term

Minimum And Maximum Fund Requests

- The minimum amount of funding that can be requested for an eligible project is \$10,000.00.
- The maximum amount of funding that can be awarded for an eligible project is \$1,000,000.00.

Grant Cancellation:

- TDEC may terminate and cancel this grant program at any time. In such a case, TDEC will give the applicant 30 days written notice.
- If for any reason the funds become unavailable, TDEC may cancel the contract and will not be obligated to make any payments under the contract after the termination date. TDEC will provide a 30-day notice of any such termination.

TEAP is a competitive grant; not all eligible applications will receive funding and preference will be given to entities that have not previously received TEAP funding. Responses to applications will be made within the grant timeline identified above. If an application does not receive funding, TEAP staff will discuss the reasons for denial with applicants, upon request.

***No work shall begin on grant projects until an executed contract has been signed by all parties.**

Format and Checklist

Application Content/Requirements:

Applicants must complete and provide the items listed below in the grant application. As part of your application, you will be asked to submit the following in TDEC's Grant Management System:

1. Project Title
2. Brief Project Description (maximum 500 words)
3. Project Narrative that addresses selection criteria detailed below (maximum 10,000 words)
4. Budget Justification
 - In addition to completing the budget page (one page), the applicant will provide a budget justification, to describe various line-items
5. A Completed Detailed Budget
 - Each item of the budget form is to be addressed; marked with zero if not applicable. Additional budget lines may be added to the form as required to characterize the project.
 - If applicable, applicants should attempt to obtain at least three (3) quotes for equipment and services to be funded through TEAP

(Applications failing to follow the length and formatting guidelines are subject to disqualification.)

Forms and attachments relative to this grant offering may be found at the end of this manual.

Selection Criteria

PROPOSAL: Applicants must explain each selection area. Applications are scored based on these criteria.

1. Tires Recycled
 - a. Estimated weight of scrap tires diverted from landfills (lbs. or tons) or number of scrap tires estimated. to be diverted from landfills during project duration (up to 3 years)
 - b. Estimated long term impact to scrap tire recycling in Tennessee
2. Value
 - a. Return on Investment - Number of tires recycled evaluated against the funds requested along with other factors that create value (explain value in comments); Describe the value such that this type of project is financially viable without grant funding or describe the value to scrap tire markets overall.
3. Creative / New Technology
 - a. Unique & Emerging Technology
 - b. Model for Future Projects
 - c. Creation of end market for Tennessee scrap tires
4. Public Awareness/ Exposure
 - a. Relevant experience with the technology or process
 - b. Strength of team assembled for project (including commitment of key participants) as evidenced by letters of commitment or support
 - c. Schedule, milestones, and deliverables of project
5. Community and Educational Benefits
 - a. Number of project partners
 - b. Impact on the surrounding community (job creation, community mobilization, and/or educational value)
 - c. Benefit economically distressed or underserved communities
6. Ability to leverage(match) funding to enhance overall project objectives
 - a. Percentage of match
 - b. Description of match
 - c. Project viability (if applicable)
7. Proof of end-markets as evidenced by letters of commitment or support
 - a. Projected environmental benefits

Note

- Funding will be awarded to applications selected according to fund limitations and the merit of the applications. Applications may be partially funded based on a revised scope and budget agreed upon by the applicant(s) and TDEC.
- Preference to be given to projects that use Tennessee contractors and local purchases of equipment.

Funding Conditions

All grants will be awarded through the use of a grant contract, which will include terms and conditions other than those found in this manual. Full execution and acceptance of a complete, valid grant contract is necessary for the award of any grant.

Budget

Budget Spreadsheet Example

Grant Budget				
Item	Expense	Funds Requested	Grantee Match	Total Project
1	Salaries/wages, Benefits & Taxes ²			
2	Supplies, Equipment Rental & Maintenance, Printing & Publications			
3	Other ³			
4	Capital Purchase ³			
5	Indirect Cost			
6	In-Kind Expense			
	Grand Total			

Budget Justification

In addition to completing the budget spreadsheet (provided by the grantee), a budget justification must be included with either **three (3) quotes** for each line item involving a purchase or a justification for fewer quotes.

² Funding of salaries/wages are only acceptable for tire-derived material use projects and research & development (for-profit entities may not propose that a project fund salaries/wages and they are not eligible to serve as match)

³ Detailed itemized descriptions and costs are required for all items in these categories in the Budget Justification.

Reporting Requirements

Tire Recyclers/Processors – semi-annual progress reports during project construction and five (5) years of post-construction annual reporting detailing the number of tires processed.

Tire-derived Material Use – semi-annual progress reports during project construction and a project completion report within sixty (60) days of completion detailing the number of tires diverted from landfills.

Research and Development – annual progress reports throughout project and a project completion report within sixty (60) days of completion detailing research conclusions and recommendations.

TDEC Sustainability Statement

TDEC acknowledges that the products and services we procure have fundamental human health, environmental, and economic impacts, and that purchasing decisions should exemplify our commitment to sustainability and to protecting the environment and the quality of life of Tennesseans. TDEC endeavors to reduce the environmental impacts of its operations and to promote fiscal responsibility and community and environmental stewardship by integrating sustainability considerations in sourcing processes while continuing to observe general state purchasing laws and procurement policies.

TDEC Title VI Statement

The Grantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Grantee on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Grantee shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

Contact

All communications concerning this application and award process can be completed through the Grants Management System. This can be accessed at:

https://tdec.smartsimple.com/s_Login.jsp

Applicants will need to register first. Any questions prior to applying can be directed to:

<https://www.tn.gov/environment/program-areas/opsp-policy-and-sustainable-practices/community-programs-and-services/tire-environmental-act-program-teap-.html>

Please email Tire.grant@tn.gov for questions throughout the application and award process. All other communications (regular mail, express mail, electronic mail, or fax), concerning this application and award process must be addressed to:

Tennessee Department of Environment and Conservation
Office of Sustainable Practices
Tire Environmental Act Program
William R. Snodgrass TN Tower
312 Rosa L. Parks Ave, 2nd Floor
Nashville, TN 37243
tire.grant@tn.gov

Applicants should communicate with TDEC through the email identified above. Limiting communication is essential in order to create fairness and impartiality in the process of reviewing the proposals for this grant program. Communication with other TDEC staff could be perceived as an effort to use special access to exert unfair influence in this discretionary grant award process. While TDEC generally encourages open communications, TDEC expects to administer this process fairly and reserves the right to reject an application for improper communication in violation of this provision.

Frequently Asked Questions

1. *Who is eligible for the Tire Environmental Act Program (TEAP)?*

Any government agency, private company, individual, or non-profit organization that is located in Tennessee is eligible to apply. Eligible projects must create beneficial end uses for Tennessee scrap tires. Applicants must be in compliance with all federal, state and local laws to be eligible.

2. *What projects are NOT eligible for TEAP?*

Any project outside the Tennessee state line or projects that do not use Tennessee scrap tires. Projects that do not demonstrate a verified and good return on investment (i.e., number of tires recycled vs. funds/dollars requested) will also be considered ineligible. Any project that involves Tennessee scrap tires being landfilled will not be eligible for TEAP funding.

3. *What type of projects can apply?*

Applications will be accepted for three categories of project types: tire recycling, tire-derived material use, and research and development.

4. *What amount of funding can I request for my project?*

The minimum amount of funding that can be requested is \$10,000.00 and the maximum amount that can be requested is \$1,000,000.

5. *Where can I see examples of funded projects?*

Examples of funded projects can be found on the left navigation bar on the TEAP web page or by clicking [here](#).

6. *Does TDEC provide technical assistance to help applicants determine whether a project is economically feasible?*

TDEC will answer questions concerning tire recycling projects eligibility and provide limited information about similar projects successes and/or failures. TDEC will not provide economic advice or the feasibility of a project being profitable. Feasibility studies are recommended and are the responsibility of the applicant.

7. *When can projects begin?*

Projects may begin after the Grantee is notified by State that the grant contract has been fully executed. Any work performed outside of the contract term will not be reimbursed.

8. *How long will I have to complete the project?*

Grantee will have three years from the effective date of the project contract to complete the project (unless a longer contract length is approved by TDEC). Contract terms may be extended upon justification and request. Projects must be completed by the end date set out in the executed contract. Work performed after the executed contract end date will not be reimbursable.

9. Reimbursement of Project Expenses

Payment of project expenses takes place on a reimbursement basis. The Grantee must make payments for work completed and then submit required invoice documentation to TDEC for payment.

10. How will funds be made available to successful grant applicants?

Payments will be made electronically through the Automated Clearing House (ACH). Grantees will be required to provide account information in order to receive a grant reimbursement.

11. Can I use part of the funds for design expenses and grant administration?

Grant funds may not be used for architecture and engineering services.

12. What are the Grantee's post-completion responsibilities to the proposed project?

Grantees are responsible for the continued operation and maintenance of the project, if appropriate and as specified in the grant contract. It is required by the contract that grantees must submit a quarterly report for Tennessee tires that have been sent to beneficial end-market use. The reports will be required for a period of time designated by TDEC.

13. Does the Davis-Bacon Act apply?

The funding is not federal funding so Davis-Bacon does not apply. However, if the project involves a state highway construction project as defined by Tennessee Code Annotated § 12-4-402, then the Prevailing Wage Act for State Highway Construction Projects does apply.

14. Does TDEC check for compliance prior to awarding grant funds?

If applicable, TDEC will perform a compliance check on grantees to assess environmental compliance prior to awarding a grant.

15. If the project is in its design phase is the project eligible to apply?

Yes – if the project has not started.

16. Can multiple projects go on the same application?

No. (Limit only one application per entity, per location at a given time.)

17. Can applicants that have received funding in past apply again?

If an applicant has an open contract with the TDEC from a previous TEAP grant round, then the applicant can't apply. If the applicant's previous project has been physically complete for more than 30 days and has been approved as complete by TDEC, then the applicant can apply.

18. Where can I find grant documents and files?

The Grant Application, Grant Manual, and Questions and Answer compilation are posted on TDEC's website: <https://www.tn.gov/environment/program-areas/opsp-policy-and-sustainable-practices/community-programs-and-services/tire-environmental-act-program--teap-.html>.

19. What are the reporting requirements associated with the grant?

Reporting required for the grant application will include origin of tires (proof of Tennessee tires being processed) and quantities of tires going to beneficial end-market use (proof of end use destinations).

20. When a grant is awarded, what are my Title VI responsibilities?

Title VI of the Civil Rights Act of 1964 prohibits discrimination based on race, color, or national origin in programs or activities receiving federal financial assistance. As a recipient of funds from TDEC, who is a recipient of federal funding, recipients of funds that pass through TDEC in the form of grants are required to comply with the rules, laws and regulations of Title VI.

When applying for this grant, the applicant must complete a Title VI Pre-Audit Survey as well as a Title VI Training Certification. If your organization does not have a Title VI program, the Department has various resources that may assist you in the administration of and compliance with this grant.

Attachments

Attachment 1 – Tire Recycling Projects Scoring Rubric

Attachment 2 – Tire Derived Materials Project Scoring Rubric

Attachment 3 – Research and Development Projects Scoring Rubric

Attachment 1

Tire Recycling Projects Scoring Rubric

Criteria	Explanation	Point Distribution
Matching Funds	TEAP projects require a match of 50% minimum. If an applicant chooses to increase the match, it will improve the score.	80/20 match - 20 pts 70/30 match - 10 pts 60/40 match - 5 pts 50/50 match - 0 pts
Tire Sources	Percentage of feedstock derived from Tennessee Tires	76-100% - 10 pts 51-75% - 8 pts 11-50% - 5 pts 1-10% - 0 pts
Tires Recycled	Tires estimated to be diverted from landfills for beneficial use per year	>1,000,000 tires - 20 pts 500,000 to 999,999 - 15 pts 250,000 to 499,999 - 10 pts 100,000 to 249,999 - 5 pts <99,999 - 0 pts
Value	Return on Investment - Number of tires recycled evaluated against the funds requested along with other factors that create value (explain value in comments)	>1 tire per \$2.00 - 50 pts 1 tire per \$5.00 - 40 pts 1 tire per \$10.00 - 20 pts 1 tire per \$100.00 - 10 pts 1 tire per \$500.00 - 5 pts <1 tire per \$500.00 - 0 pts
Innovation	Projects that show new and innovative technology for tire processing or in creating beneficial end uses for scrap tires	New/Worldwide - 10 pts New to the USA - 7 pts Technology that increases production for processing or using rubber - 5 pts
Additional Considerations: Community Development	Project partnerships, impact on the surrounding community (jobs, etc.), and educational value/awareness. Projects that promote community development through jobs and partnerships.	Partnerships >3 partners - 10 pts 2 partners - 7 pts 1 partner - 3 pts Jobs Created >50 jobs - 10 pts 20 to 49 jobs - 7 pts 1 to 10 jobs - 5 pts
Other	Projects that promote high visibility for public and community awareness of uses for recycled tires.	0 - 20 pts

Attachment 2

Tire Derived Materials Projects Scoring Rubric

Criteria	Explanation	Point Distribution
Matching Funds	TEAP projects require a match of 50% minimum. If an applicant chooses to increase the match, it will improve the score.	80/20 match - 20 pts 70/30 match - 10 pts 60/40 match - 5 pts 50/50 match - 0 pts
Tennessee Scrap Tire End Product Sources	Percentage of feedstock derived from Tennessee tires	76-100% - 10 pts 51-75% - 8 pts 11-50% - 5 pts 1-10% - 0 pts
Tires Recycled	Tires estimated to be diverted from landfills for beneficial use per year	>1,000,000 tires - 20 pts 500,000 to 999,999 - 15 pts 250,000 to 499,999 - 10 pts 100,000 to 249,999 - 5 pts <99,999 - 0 pts
Value	Return on Investment - Number of tires recycled evaluated against the funds requested along with other factors that create value (explain value in comments)	>1 tire per \$2.00 - 50 pts 1 tire per \$5.00 - 40 pts 1 tire per \$10.00 - 20 pts 1 tire per \$100.00 - 10 pts 1 tire per \$500.00 - 5 pts <1 tire per \$500.00 - 0 pts
Innovation	Projects that show new and innovative technology for tire processing or in creating beneficial end uses for scrap tires	New/Worldwide - 10 pts New to the USA - 7 pts Technology that increases production for processing or using rubber - 5 pts
Additional Considerations: Community Development and Visibility	Project partnerships, impact on the surrounding community (jobs, etc.), and educational value/awareness. Projects that promote community development through jobs and partnerships.	Partnerships >3 partners - 10 pts 2 partners - 7 pts 1 partner - 3 pts Jobs Created >50 jobs - 10 pts 20 to 49 jobs - 7 pts 1 to 10 jobs - 5 pts
Other	Projects that promote high visibility for public and community awareness of uses for recycled tires.	0 - 20 pts

Attachment 3

Research and Development Scoring Rubric

Criteria	Explanation	Point Distribution
Matching Funds	TEAP projects require a match of 50% minimum. If an applicant chooses to increase the match, it will improve the score.	80/20 match - 20 pts 70/30 match - 10 pts 60/40 match - 5 pts 50/50 match - 0 pts
Expected Impact	Impact of the R&D that expands markets for beneficial scrap rubber products in Tennessee (e.g., modified asphalt expansion, recovered carbon black (rCB) market development, etc.)	Impact: > 3 markets - 10 pts 2 markets - 8 pts 1 market - 5 pts 0 markets - 0 pts
Potential Future Tires Recycled	Tires estimated to be diverted from landfills for beneficial use per year through the project research and development	>100,000 tires - 20 pts 50,000 to 99,999 - 7 pts 20,000 to 49,999 - 5 pts 5,000 to 19,999 - 2 pts 1,000 to 4,999 - 1 pt <999 - 0 pts
Innovation	Projects that show new and innovative technology for tire processing or in creating beneficial end uses for scrap tires	New/Worldwide - 10 pts New to the USA - 7 pts Technology that increases production for processing or using rubber - 5 pts
Additional Considerations: Community Development and Visibility	Project partnerships, impact on the surrounding community (jobs, etc.), and educational value/awareness. Projects that promote community development through jobs and partnerships.	Partnerships >3 partners - 10 pts 2 partners - 7 pts 1 partner - 3 pts Jobs Created >50 jobs - 10 pts 20 to 49 jobs - 7 pts 1 to 10 jobs - 5 pts
Other	Projects that promote high visibility for public and community awareness of uses for recycled tires.	0 - 20 pts
*R&D projects are not directly compared to the score of tire recycling or tire-derived materials projects		

