

DRIVING 21ST CENTURY SOLUTIONS FOR AMERICA

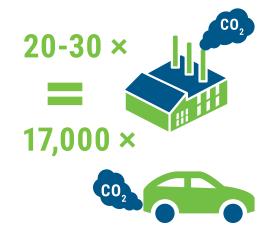
U.S. tire manufacturing has an annual economic footprint of \$170.6 billion and is responsible for more than 291,000 U.S. jobs in manufacturing, distribution and retailing. The industry supports more than 510,000 additional U.S. jobs in supplier and induced activities, totaling more than 801,000 jobs nationwide. The U.S. Tire Manufacturers Association (USTMA) and its member companies are committed to working with Congress to advance the following 8 key policy priorities. Incentivizing the expansion of advanced technologies and helping American manufacturing compete globally will advance road safety, drive tire innovation and grow manufacturing jobs in the U.S.

REVERSE THE FINAL NATIONAL EMISSION STANDARDS FOR HAZARDOUS AIR POLLUTANTS (NESHAP) RULE ON RUBBER TIRE MANUFACTURING

USTMA member companies are aligned with the U.S. Environmental Protection Agency's (EPA) mission to ensure the preservation of America's clean air. Tire manufacturers understand the importance of, and have complied with, the existing EPA NESHAP standard to reduce emissions of hazardous air pollutants (HAPs) from rubber mixers. However, despite EPA's own risk assessment demonstrating the industry's HAPs are under the acceptable threshold, the agency published the NESHAP final rule for the rubber tire manufacturing sector.

This final rule imposes **significant financial burdens** on tire manufacturing facilities and creates an **adverse environmental impact** – all while providing **negligible environmental benefits**. To meet EPA's final rule emission limits, tire manufacturing facilities will have to install and operate regenerative thermal oxidizers (RTOs), which require **significant input of natural gas to combust pollutants**.

Congress should take action to undo this final rule and limit the deleterious effects on the U.S. tire manufacturing industry, the U.S. economy and the environment.



Operating 20-30 RTOs can produce as much CO_2 as 17,000 passenger vehicles.

PRESERVE VITAL GLOBAL SUPPLY CHAINS OF IMPORTED RAW MATERIALS AND EQUIPMENT REQUIRED FOR AMERICAN MANUFACTURING



The integrity of global supply chains is vital for the preservation and growth of tire manufacturing in the United States, American commerce and our national defense, as some raw materials and equipment required during the manufacturing process cannot be sourced domestically.

Congress must preserve existing supply chains and ensure that access to these raw materials and equipment is not jeopardized so that American tire manufacturing can continue to supply our nation's needs.

ENCOURAGE THE NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION (NHTSA) TO MODERNIZE SAFETY STANDARDS AND ESTABLISH NATIONAL REGULATIONS FOR TIRE CONSUMER INFORMATION

Congress should support NHTSA efforts, like the ANPRM of 2019, to eliminate outdated Federal Motor Vehicle Safety Standards (FMVSS) tests and removal conditions to prohibit harming the global competitiveness of the U.S. tire manufacturing industry. Congress should direct NHTSA to comply with its mandates under EISA and the FAST Act to modernize safety standards, preserve industry competitiveness and fulfill the objectives of the laws enacted by Congress in order to develop a unified North American approach to consumer tire information and standards.*

NHTSA Advance Notice of Proposed Rulemaking (ANPRM) of 2019

This ANPRM identified regulations for review that present an opportunity to lower burdens on tire manufacturers and increase regulatory effectiveness by eliminating rules that do not reflect current technology and removing requirements where compliance costs exceed benefits. Since 2019, no action has been taken by NHTSA to complete its directive under F.O. 13777.

Energy Independence and Security Act (EISA) of 2007

USTMA advised Congress on EISA provisions, establishing a national tire fuel efficiency consumer information program to educate consumers about the effect of tires on vehicle fuel efficiency, safety and durability.

Fixing America's Surface Transportation (FAST) Act of 2015

USTMA worked with Congress on FAST Act provisions, including regulations that tie tire fuel efficiency and wet traction minimum performance standards.

INCENTIVIZE THE USE AND DOMESTIC MANUFACTURING OF RETREADED TIRES FOR COMMERCIAL VEHICLES

Commercial tire retreading is a process where carefully inspected and selected <u>tire casings</u> receive new tread. This practice provides a highly effective way to recycle tires with many notable economic and environmental benefits. Congress should provide financial incentives for domestic tire retreading, such as a per-tire manufacturing grant to tire retreaders or as a tax credit to purchasers of domestically retreaded tires. Congress should also require domestically retreaded tires for the federal fleet and any fleet under federal contract, when possible.

Retreading tires...



Creates local jobs across the United States



Reduces energy consumption, CO₂ emissions and raw material usage



Reduces tire disposal challenges

^{*} Bridgestone Americas, Inc., Continental Tire the Americas, LLC, GITI Tire (USA), The Goodyear Tire & Rubber Company, Hankook Tire America Corp., Kumho Tire U.S.A., Inc., Nokian Tyres Inc., Pirelli Tire North America, Inc., Toyo Tire Holdings of Americas Inc., and Yokohama Tire Corporation support federal implementation of a consumer information program with performance standards for tires. Michelin North America dissents from the USTMA position on that issue, and supports all other industry priorities stated in the USTMA letter.

INVEST IN EXPANDING SUSTAINABLE AND CIRCULAR MARKET SOLUTIONS FOR END-OF-LIFE TIRES

Following three decades of USTMA successfully working with all levels of government, industry and environmental groups to grow new and existing recycled rubber markets, end-of-life tires have become one of the most recycled products in the United States. However, the growth in recycled rubber markets has not been keeping pace with annual generation. Congress should strengthen these efforts by incentivizing the use of rubber modified asphalt (RMA) in infrastructure projects and supporting research to assess the benefits of tire derived aggregate (TDA).

Rubber Modified Asphalt (RMA)

RMA is a mixture of recycled ground tire rubber and asphalt that provides proven economic, performance and environmental benefits, compared to traditional asphalt, in building better roads and highways. To take advantage of RMA's proven benefits, Congress should identify RMA as a preferred pavement material for federal projects and support funding for RMA research.

RMA road performance benefits:

- A longer service life
- Less cracking and rutting
- Less road spray in wet conditions
- Increased skid resistance
- Significant noise reduction
- A better ride quality
- Reduced tire wear
- 32% reduction in CO emissions

TDA stormwater infiltration gallery benefits:

- Easier and cheaper to transport to work sites
- Enhanced water volume-capture potential, allowing stormwater galleries to be constructed in constricted spaces
- Captures potentially harmful roadway runoff, including microplastics and heavy metals, before they reach groundwater

Tire Derived Aggregate (TDA)

TDA is large shreds of end-of-life tires that can be used as cost-effective infill material for roadside embankments, retaining walls and stormwater infiltration galleries. To capitalize on how TDA outperforms traditional gravel, Congress should fund research and demonstration projects using TDA in federal, state and local construction projects.

SUPPORT FUNDING TO IDENTIFY, DEVELOP AND EXPAND SOLUTIONS TO MITIGATE ROADWAY RUNOFF EFFECTS

Stormwater must be protected as a valuable resource since it flows from our infrastructure into surrounding ecosystems. Congress should identify, develop and expand the use of mitigation strategies and technologies to treat stormwater runoff from roadways and incentivize deploying current technologies that filter pollutants before they enter waterways.

Proven Methods to Reduce Roadway Pollutants







Street sweeping



Bioswales



Public awareness campaigns

ENSURE FAIR, EQUAL AND STANDARDIZED ACCESS TO DIGITAL VEHICLE DATA AND INFRASTRUCTURE ASSETS

The future of mobility is changing rapidly with major innovations in advanced driver-assistance systems (ADAS), autonomous driving, vehicle electrification and vehicle-to-vehicle and vehicle-to-infrastructure connectivity.

Congress should support the standardization of real-time access to data and hardware resources to advance innovation of connected and autonomous technologies in the United States.

Data Helps Drivers Monitor...



Fuel efficiency



Tire maintenance



Road conditions



Weather conditions

SUPPORT THE DEVELOPMENT OF DOMESTIC SOURCES OF SUSTAINABLE NATURAL RUBBER



Natural rubber is used in all tires and provides essential performance and durability qualities. Congress should promote the development of a domestic supply of sustainable natural rubber, including guayule and TKS (dandelion), recognizing that natural rubber is critical to the tire industry, national security and the U.S. economy. For example, commercial and military aircraft tire treads and heavy-duty truck and bus tread are made almost exclusively from natural rubber because of unique properties that synthetic rubber cannot offer.

The entire natural rubber supply chain comes from outside the United States.

Any supply chain interruptions may have serious repercussions for the U.S. tire market, potentially restricting domestic tire manufacturing for tires for trucks, military vehicles and aircraft.



Congress should support the development of a domestic natural rubber industry to include:



Agricultural support

to incentivize required investments to adapt to planting rubber-producing crops



Commercial economic incentives

to scale processing facilities to extract the rubber and other high-value co-products from guayule and TKS



Research funding

to further develop domestic sources of natural rubber