

ISRI Position on Reporting Recycling Activities¹

Overview

For a variety of reasons, federal, state and local legislators and regulators seek to quantify the recycling of all materials from residences, businesses, institutions and industrial facilities that are recycled within their jurisdiction. Although in some circumstances, there has been major disagreement about the extent to which some or all of the desired information is necessary, it is typically deemed by the requesters to be crucial in assessing the effectiveness of recycling programs in meeting certain goals or targets and to solid waste planning efforts within those jurisdictions. ISRI recognizes that if those governmental entities are not afforded the opportunity to include certain recycling activities carried out by private sector recyclers in their recycling reports those entities may not achieve the goals that have been set for them and the economic and political ramifications of "missing" such goals or targets are major. Thus, ISRI does not oppose the collection of such data where there are compelling reasons to do so. However, while the private sector recycling industry is willing to assist in such endeavors, it is incumbent upon those collecting the data to be cognizant of any undue burdens they may be placing upon private businesses and to avoid compromising the confidentiality of those businesses' proprietary data.

Scrap is not Waste/ Recyclable Materials are Commodities

Additionally, in order to assure their full participation, it is paramount to the recycling industry that governments seeking to collect data on recyclable materials acknowledge that **recyclables are not waste and recycling is not disposal**. Solid waste by definition is that which has been discarded (e.g., refuse, garbage, putrescible materials and offal). Recyclable materials that are given, sold, donated or otherwise transferred in commerce are not discarded and therefore are clearly not waste. A recyclable material that was not destined for a landfill or incinerator or has been diverted from the solid waste stream has intrinsic value and is not discarded; it never enters the realm of solid waste. Recyclable materials do not require management as solid waste and thus do not require regulation as solid waste. Thus, it is imperative that any reporting of recycling activities be clearly distinguished from solid waste management; recyclable materials reports should be separate and distinct from any solid waste reports. It is imperative that the distinction between recyclable materials and solid waste is clearly made. Governmental entities seeking to quantify waste reduction should make that measurement at solid waste disposal facilities. Notwithstanding the fact that recyclable materials processed by private sector recyclers are not solid waste, the efforts of the private sector recycling industry do contribute significantly to the reduction of solid waste that is managed through landfilling or incineration. However, recycling and solid waste management are two different activities and should reporting of these activities be deemed necessary, they should be accounted for separately.

¹ As adopted by the Board of Directors on June 20, 2017

Only Count that which is Appropriate

It is important to ascertain exactly what recycling activity a governmental entity wants or needs to quantify. For instance, in most states recycling goals are directed to those materials typically generated by residences and offices (paper and glass, plastic or metal food and beverage containers). Reporting materials other than those specifically enumerated in "recycling laws" or "recycling goals" is inappropriate and beyond the realm of existing authority.

Recyclers are prepared to assist governmental entities in designing a program that will present a true picture of recycling activities and avoids double counting of materials. Reporting by private sector recyclers should be limited to tonnages of recyclable materials handled as governmental entities have no need for information pertaining to vendors or customers or the cost of recyclable materials purchased or the sales price for the finished product that is sold.

Confidentiality

Any proprietary data reported by private sector recyclers must be accorded complete confidentiality, regardless of any state or local confidential documents laws or ordinances. Indeed, reporting to governmental entities should be done through a third party (certified public accounting firm, law firm, or other entity that is trusted and respected by both the private sector recyclers and the governmental entity) who will aggregate the data and report the aggregate results to the governmental entity. Where there are less than five private sector recyclers within the jurisdiction of a single governmental entity that requires reporting, arrangements must be made to aggregate their data with others to avoid revealing proprietary data.

It is the position of the Institute of Scrap Recycling Industries, Inc. (ISRI) that: For a variety of reasons, governmental entities seek to collect data on recycling activities within their jurisdictions. The Institute of Scrap Recycling Industries (ISRI) does not oppose the collection of such data where there are compelling reasons to do so and so long as the following criteria are met:

- The governmental agency responsible for collecting data recognizes that recyclable materials have intrinsic value, are not waste, and should not be regulated as such and that recycling should not be regulated in the same manner as solid waste management.
- Data collection relative to recyclable materials should be accomplished, if possible, **only** through recyclable materials reports, **not** solid waste collection, management, diversion or processing reports.
- Recyclable materials reports should be submitted, wherever possible, only to a governmental agency responsible for recycling activities, **not** solid waste management.
- Business operations data collected from private sector recyclers is proprietary and must be accorded complete confidentiality, regardless of federal, state or local law to the contrary. A mechanism should be created for reporting whereby such data can be collected by a third party (such as a certified public accounting firm, law firm or other entity mutually acceptable to the



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recyclers and the governmental entity). Data collected through the third party should be publicly reported only in statewide aggregates.

- Recyclable materials reports should be limited to data for which a governmental entity has a legitimate need to know. Furthermore, careful consideration must be given to the methodology for collecting the data to avoid multiple counting of the same materials, which could result in skewed reporting of recycling activities.