

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. fax	Meeting Attendees (1 page)	Jan. 27, 1994	P6/b(6)

COLLECTION:

Clinton Presidential Records
Domestic Policy Council
Brian Burke
OA/Box Number: 4791

FOLDER TITLE:

Ark Monroe - Association of Scrap metal Recyclers

2013-1074-S

sb41

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

Freedom of Information Act - [5 U.S.C. 552(b)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
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b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

ARK MONROE - ASSOC. OF SCRAP METAL RECYCLERS

PHOTOCOPY
PRESERVATION

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ARK MONROE, III
LICENSED IN DISTRICT OF COLUMBIA AND ARKANSAS

January 28, 1994

Mr. Bryan Burke
Senior Policy Analyst of Domestic Policy
Old Executive Office Building, Room 210
Washington, D.C. 20500

VIA MESSENGER

Dear Bryan:

Enclosed you will find the documents discussed at our January 27 meeting which include a booklet detailing the industry background of scrap recycling, a general description of the scrap recycling industry, and the specific environmental benefits of scrap recycling. I appreciate your taking time out of your busy schedule, not to mention missing a portion of your Superfund meeting, to meet with Dr. Cutler and Mr. Reiter.

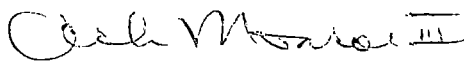
We appreciated your attentiveness and your willingness to listen to our position regarding the effects of Superfund legislation on the recycling industry. Additionally, we are truly grateful for any assistance you can give in correcting the Superfund language to eliminate its ill effects on the scrap recycling industry.

If you feel that you need more information or that it would be helpful for Mr. Cutler or Mr. Reiter to meet with other individuals active in Superfund legislation, do not hesitate to contact me or Beth Whitehead at (202) 347-4500.

Again, thank you for allowing us the opportunity to meet with you.

Yours very truly,

MITCHELL, WILLIAMS, SELIG,
GATES & WOODYARD, A PROFESSIONAL
LIMITED COMPANY

By: 
Ark Monroe, III

Recycling Scrap Materials Contributes to a Better Environment



Scrap processing and recycling contribute significantly to a better environment. Through recycling, we can supply huge percentages of the nation's raw material needs for manufacturing. For example, on an annual basis, recycled paper and paperboard constitute more than 30 percent of all the paper products produced today. Recycled textiles represent 13 percent of recovered discards that are reprocessed as fibers used to manufacture diverse products and materials. For instance, bleached denim and pure cotton scrap go into making the finest stationery and document paper, as well as U.S. currency.

The ready availability of scrap materials for recycling is particularly evident in metal products that can be reused to supply the nation's industrial needs. Recycled metals, expressed as a percentage of total metal consumption, compose the following annual percentages of our raw material needs:

Metal	Percentage
Iron and Steel	45%
Copper	43%
Aluminum	32%
Lead	55%
Zinc	19%
Stainless Steel	50%

A 1989 Environmental Protection Agency (EPA) report on the solid waste problem indicates that by the year 2000 Americans will be accumulating 190 million tons of

municipal solid waste, most of it going into rapidly diminishing municipal landfills. Of that total waste, 41 percent will be paper, 8.7 percent metal, 6.5 percent plastics, and 8.2 percent glass — all recyclable materials.

Recycling such materials, as well as others that are deposited in landfills, would result in enormous energy savings as well as conserving valuable raw materials.

For example, producing a ton of aluminum from virgin bauxite ore takes the energy equivalent of 8.1 metric tons of coal, but producing the same amount of aluminum from recycled scrap takes 0.4 metric tons — a reduction of 95 percent. This means that recycled aluminum requires only 5 percent of the energy needed to make a can from ore.

Last year, energy savings from aluminum can recycling alone were enough to



**Institute of Scrap
Recycling
Industries, Inc.**

supply all the power needs of Boston for a full year. Another way of appreciating the energy savings from reclaiming aluminum cans is to consider that one recycled 12-ounce aluminum beverage can saves six ounces of gasoline.

Each year the United States uses more than 70 million tons of paper and paperboard — or about 580 pounds per person — but only 30 percent of it is recycled. Compared to producing a ton of paper from virgin wood pulp, recycled paper uses half the energy and half the water, results in 74 percent less air pollution and 35 percent less water pollution, and creates five times more jobs. According to one study (Gunn and Hannon, 1983) 100 million tons of wood could be saved each year if all paper that could be technically and economically recycled was actually recycled.

EPA has identified seven major benefits when scrap iron and steel are used instead of virgin materials — iron ore and coal — in making new steel:

- 74% savings in energy
- 90% savings in virgin materials use
- 86% reduction in air pollution
- 40% reduction in water use
- 76% reduction in water pollution
- 97% reduction in mining wastes
- 105% reduction in consumer wastes generated.

The following chart notes typical energy savings achieved from recycling common scrap materials compared with virgin material use.

Recycled Materials	Energy Savings
Aluminum	95%
Copper	85%
Iron and Steel	74%
Lead	65%
Zinc	60%
Paper	64%
Plastic	80+ %

Members of the Institute of Scrap Recycling Industries, Inc. (ISRI) are important contributors to this process of reclaiming obsolete items for reuse through recycling.

Each year, ISRI member companies prepare 9 million unwanted automobiles for recycling. They handle more than 90 million tons of recyclable materials annually, all of which otherwise would require disposal. This total represents the processing for recycling of:

- 50 million tons of scrap iron and steel
- 1.5 million tons of scrap copper
- 2.8 million tons of scrap aluminum
- 1 million tons of scrap lead
- 300,000 tons of scrap zinc
- 900,000 tons of stainless steel scrap
- 31 million tons of used paper
- 3 million tons of scrap glass*
- 275,000 tons of PET plastic scrap*

**Beverage containers only*

In addition, as major exporters of important industrial raw materials, ISRI members contribute billions of dollars to the strength of the American economy and to improving the U.S. trade balance. ISRI members are largely family-owned businesses, many of them in continuous operation for 75 years or more. They are proud to be **The Original Recyclers™**.



**Institute
of Scrap
Recycling
Industries, Inc.**

**1325 G Street, N.W., Suite 1000
Washington, DC 20005-3104
202 • 466-4050
FAX 202 • 775-9109**

The Institute of Scrap Recycling Industries, Inc. (ISRI) is the trade association representing companies that are processors, brokers, and consumers of scrap commodities — including ferrous and nonferrous metals, paper, plastics, glass, and textiles — and suppliers of equipment and services to this industry.



Fact Sheet

1325 G Street, N.W., Suite 1000
Washington, DC 20005-3104
202 • 466-4050

The Institute of Scrap Recycling Industries, Inc. (ISRI) is the trade association representing approximately 1,800 companies that process, broker, and consume scrap commodities — including ferrous and nonferrous metals, paper, plastics, glass, and textiles. Suppliers of equipment and services to this industry complete ISRI's membership.

In 1991, ISRI members diverted from the waste stream 90 million tons of recyclables, including more than 9 million automobiles — more than the domestic auto industry produced last year — by processing them for recycling. Commodities handled included:

- 49 million tons of scrap iron and steel — enough to make at least 490 million refrigerators or build 6,700 Eiffel Towers
- 31 million tons of scrap paper and paperboard — enough to manufacture more than 100 billion pizza boxes (enough for each American to have a pizza delivered daily for more than one year!)
- 2.8 million tons of scrap aluminum — enough to provide new siding for 8 million homes
- 1.5 million tons of scrap copper — enough to surface 350 trillion new pennies
- 3 million tons of scrap glass* — enough to manufacture 6 billion one-quart juice bottles
- 855,000 tons of scrap stainless steel — enough to make 10 billion spoons

In addition, ISRI members handled:

- 1 million tons of scrap lead
- 300,000 tons of scrap zinc
- 275,000 tons of scrap plastic*

(*Beverage containers only)

ISRI members manufacture or sell products for beneficial reuse, conserving impressive amounts of energy and natural resources in the recycling process. For example, recycled aluminum scrap saves the nation 95 percent of the energy that would have been needed to make new aluminum from ore. Recycled iron and steel result in energy savings of 74 percent; recycled copper, 85 percent; recycled paper, 65 percent; and recycled plastic, over 80 percent.

In addition to the obvious environmental contributions of the scrap recycling industry, ISRI members provide economic benefits to the nation, including exports, which totaled over 18 million tons in 1991, benefiting the U.S. balance of trade by nearly \$5 billion, according to the U.S. Department of Commerce.

Many ISRI members are small family-owned businesses, including a significant number that have been in continuous operation for 100 years or more. Others are large publicly traded or privately held corporations. ISRI itself represents almost 140 years of service to the business of processing and recycling scrap commodities; it was formed in 1987 through a merger of two groups: the National Association of Recycling Industries, founded in 1913, and the Institute of Scrap Iron and Steel, founded in 1928.

All ISRI members are experts in the handling, processing, shipping, and/or ultimate recycling of scrap commodities and can assist communities and organizations in the planning, establishment, and implementation of recycling activities. Because they are experts in resource recovery, their experience and capabilities can save countless public and private hours and dollars in developing effective approaches to resource recovery.

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Scrap :



Institute of Scrap
Recycling
Industries, Inc.





**Institute of Scrap
Recycling
Industries, Inc.**

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EasyLink: 620 23427
FAX: (202) 775-9109

Who handles all this? We do. The scrap recycling industry.

In plants throughout North America, member companies of ISRI, The Institute of Scrap Recycling Industries, Inc., handle 9 million automobiles a year. That's nearly 2 million more cars than the *entire* domestic auto industry produced last year.

In the past year, ISRI members handled almost 2 million tons of scrap copper, including copper used to manufacture new brass products, and 26 million tons of paper and cardboard. That's enough to print the Sunday edition of the *New York Times* for 58 years. Add to that almost 3 million tons of scrap aluminum, including 50 *billion* beverage cans.

We're making a world of difference for our world through recycling. If you want to know how we do it, and how we process virtually every kind of metallic product, plus paper, plastic, glass and textiles for recycling, get in touch with us. We make every day Earth Day!



Institute of Scrap Recycling Industries, Inc.
1627 K Street, N.W., Washington, DC 20006-1704 (202) 466-4050

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Who is making a world of difference for our world?

**Who handles more brass annually
than America's leading symphony orchestras?**



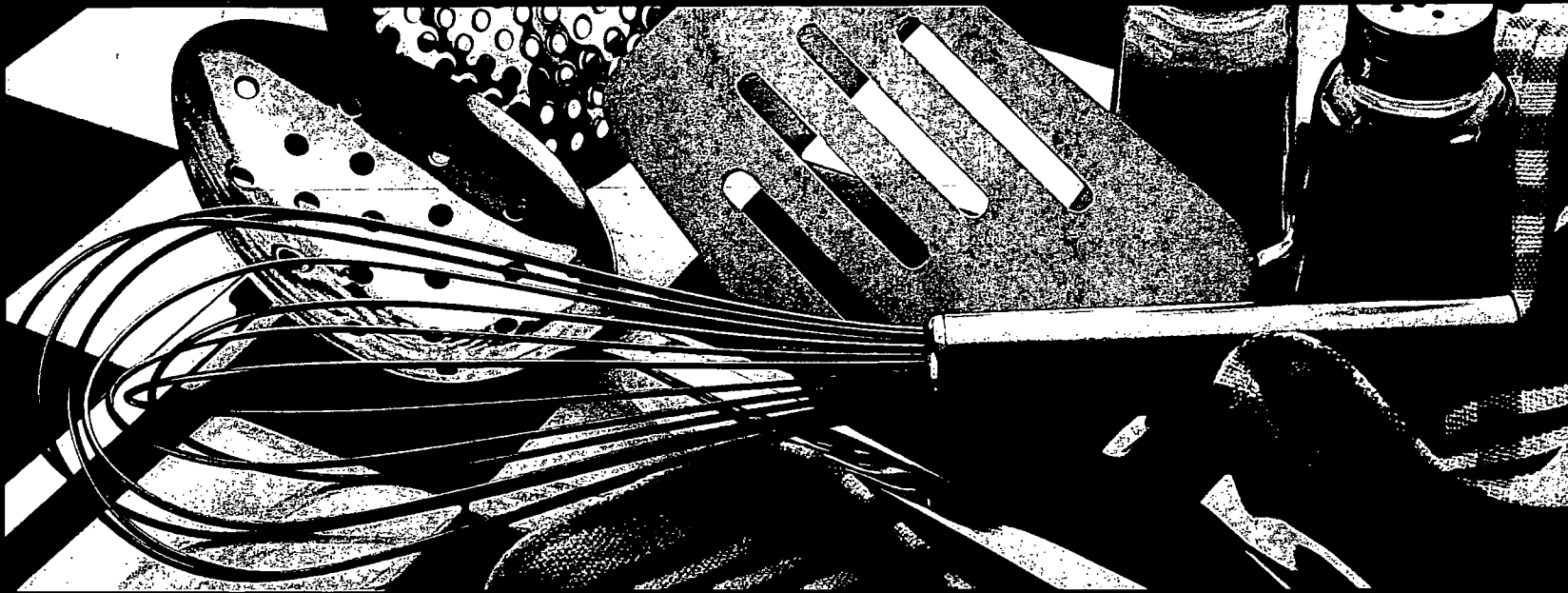
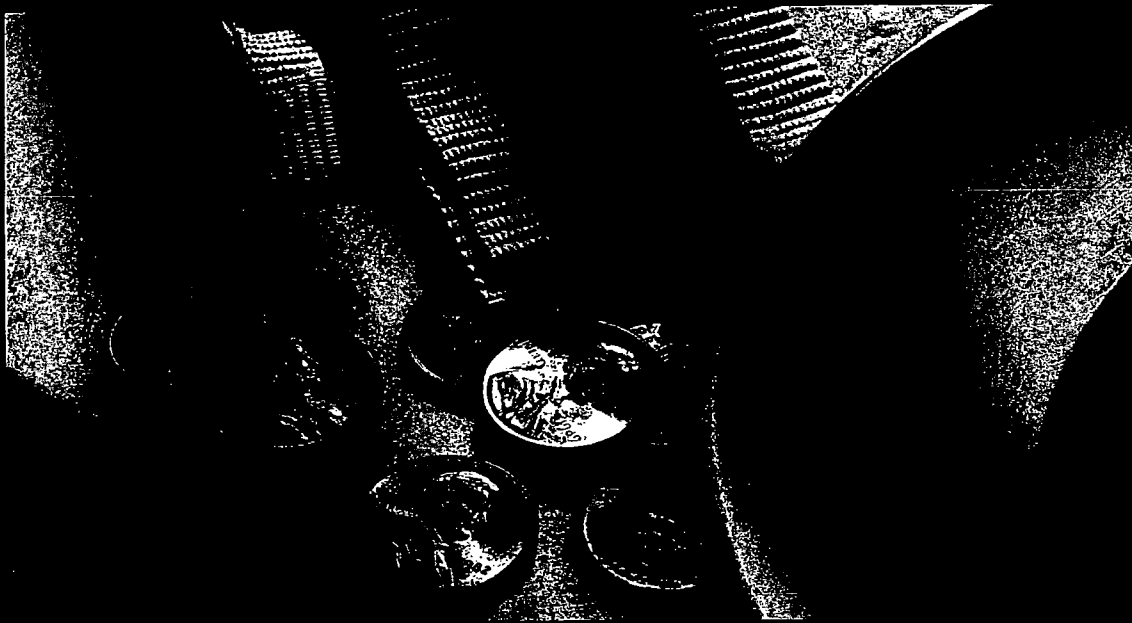
**Who handles enough paper and cardboard every year
to make boxes for 26 million pizzas?**

**Who handles enough aluminum in one year
to provide siding for 8 million homes?**



**Who handles more cars every year than Ford,
Chrysler and G.M. put together?**

**Who handles enough copper each year to make
360,000,000,000,000 pennies?**



**Who handles enough stainless steel in one year
to make 11 billion spoons?**

MITCHELL, WILLIAMS, SELIG, GATES & WOODYARD

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January 27, 1994

130 WEST CENTRAL AVENUE
POST OFFICE BOX 658
BENTONVILLE, ARKANSAS 72712-0658
TELEPHONE 501-870-9561
TELEFAX 501-870-0527Mr. Bryan Burks
The White House
Washington, D.C. 20500

Dear Mr. Burke:

This is to confirm the 4:00 p.m. meeting today with the representatives of the Institute of Scrap Recycling Industries, Inc. The following people will be attending this meeting:

1. Mr. Herschel Cutler, Executive Director, Institute of Scrap Recycling Industries.
Birthdate: (b)(6)
Social Security: (b)(6)
2. Mr. Mark Reiter, Manager Legislative and International Affairs, Institute of Scrap Recycling Industries, Inc.
Birthdate: (b)(6)
Social Security: (b)(6)
3. Mr. Ark Monroe, Partner, Mitchell, Williams, Selig, Gates & Woodyard
Birthdate: (b)(6)
Social Security: (b)(6)
4. Ms. K. Elizabeth Whitehead, Associate, Mitchell, Williams, Selig, Gates & Woodyard
Birthdate: (b)(6)
Social Security: (b)(6)

Attached you will find an information sheet regarding the Institute of Scrap Recycling Industries concerns with the Superfund legislation.

Best regards,

MITCHELL, WILLIAMS, SELIG,
GATES & WOODYARD, A PROFESSIONAL
LIMITED COMPANY

By:


K. Elizabeth Whitehead

We are asking for a clarification not a carve out or rewriting of the statute. The Courts have interpreted that recycling is arranging for the treatment or disposal of materials, and therefore subject to Superfund liability. This is not what Congress intended.

The Courts interpretation - applying Superfund liability to secondary (recycled) materials - and not to primary (virgin) materials is contrary to public policies of encouraging recycling.

Creating a preference for the use of virgin materials over recycled materials is contrary to the objectives of waste minimization, natural resource conservation, pollution prevention and energy conservation - environmental protection in general.

All we are asking for is that our product be treated the same as the product of any other manufacturer. That our product is not a waste and should not be subject to liability exposure as a waste. No other products are subject to this kind of exposure.

We are not asking for relief from Superfund exposure for contamination which we create. Recyclers should be held to the same environmental protection standards as anyone else. But, like everyone else, we should not be subject to exposure for our product.

Recycling Transactions - Bancus

Scrap Processing Ding Recycling - Smith

Supported by most major enviros. B/c interstate waste ban - was a bar. "Recycling is not disposal" (in essence)

Are virgin materials less likely to contaminate. Using govt liability scheme would not change ~~the~~ except where the product, b/c it is a waste, goes forward.

① - Process for Admin Bill

② -

NRDC
Friends

Nat'l Wild

EDF

Came from
NACREPT

Bruce Diamond

Martin McCrory

Bill

- Upper 20 billion w/ double counting. Trying to minimize the govt enforcement cost. 12-15 billion
- Enforcement provision for these provisions, would be necessary

Historically misclassified. Wholesaler, not manufacturer.
Grasped in a catchall for wholesalers.

Scrap processing w/ equipment and w/out.

→ (509.3) "Scrap processing" and a comment

Scrap processing: w/out. → how could this be used
to encourage those w/out standards to move those
with the management standards. (Option 2 "(F)")

Hazardous Waste Recyclers. Sep mtl exception under
RCRA.

[Any possibility of a bracket [] to hold the
place for this amendment.]

NGA Paper 6

Trans. and
product interest
11/8

at present. previous rules as recalled as 1990
with 2-5. Was there a 1-2000 rule minimum.

(OPTION 2

PROPOSED MANAGEMENT STANDARDS UNDER CERCLA)

"(e) MANAGEMENT STANDARDS - (1) No later than 24 months after the date of enactment, the Administrator shall promulgate regulations containing management standards applicable to persons which produce in a facility or transfer through a facility specification grade secondary materials for use as a feedstock to make a new product. The Administrator shall promulgate such management standards as may be necessary to protect human health and the environment. In promulgating the standards, the Administrator may distinguish between various recycling process activities, and the various residues that may be generated from such activities.

"(f) EFFECT ON SUPPLIERS OF UNPROCESSED SCRAP MATERIALS. - Beginning 36 months after the date of enactment, all transactions by which persons sell unprocessed scrap paper, scrap plastic, scrap glass, scrap textiles, scrap rubber, or scrap metal to a person meeting the management standards promulgated pursuant to (d) above shall be construed to be recycling transactions. Transactions by which persons sell unprocessed scrap paper, scrap plastic, scrap glass, scrap textiles, scrap rubber, or scrap metal to a person who does not meet the management standards promulgated pursuant to (d) above shall not be construed to be recycling transactions."

PROPOSED STATUTORY CLARIFICATION TO CERCLA
January 27, 1994

1. Add New Section 127, to read as follows:

"SEC. 127. RECYCLING TRANSACTIONS.

"(a) LIABILITY CLARIFICATION. - A recycling transaction shall not be construed to be arranging for the treatment or disposal of a hazardous substance under subsection (a)(3) of section 107.

"(b) RECYCLING TRANSACTION. - A recycling transaction is the sale of a material which has been diverted or removed from the solid waste stream that meets an industry recognized specification and consists primarily of one or more of the following: scrap metal, scrap paper, scrap plastic, scrap glass, scrap textiles, or scrap rubber.

"(c) EXCLUSIONS. - A transaction shall be disqualified as a recycling transaction upon a determination that:

"(1) any one of the following conditions exist at the time of the transaction:

"(A) the material is not commonly used to make
a new product;

"(B) the material neither competes with virgin
material, nor does the product made from the
material compete with products made in whole or
in part from virgin materials;

"(C) the production of the material does not result in a substantial amount of the input material being available for use as a feedstock to make a new product;

"(D) there is no evidence of either a published price for the material or a history of arm's length transactions in the material; or,

"(E) the material includes unnecessary hazardous substances intentionally introduced during its production; or,

"(2) it involved any of the following conditions at the time of the transaction:

"(A) the knowing sale of the material for a use constituting disposal;

"(B) the knowing sale of the material for burning for energy recovery or incineration or melting. This does not include "sweating," - the thermal separation of two or more materials due to differences in their melting points;

"(C) the knowing sale of the specification grade secondary material for use to produce a fuel;

"(D) the use of solvents or other liquid chemicals to process the materials; or

"(E) the sale of reclaimed lead acid batteries.

However, the sale by a person who collects and stores spent lead acid batteries but does not reclaim them is to be construed as a valid recycling transaction.

(OPTION 1 - PROPOSED MANAGEMENT STANDARDS UNDER RCRA)

"(e) EFFECT ON SUPPLIERS OF UNPROCESSED SCRAP MATERIALS. -

Beginning 36 months after the date of enactment, all transactions by which persons sell unprocessed scrap paper, scrap plastic, scrap glass, scrap textiles, scrap rubber, or scrap metal to a person meeting the management standards promulgated pursuant to Section 4011 of the Solid Waste Disposal Act, shall be construed to be recycling transactions. Transactions by which persons sell unprocessed scrap paper, scrap plastic, scrap glass, scrap textiles, scrap rubber, or scrap metal to a person who does not meet the management standards promulgated pursuant to (d) above shall not be construed to be recycling transactions."

2. Subtitle D of the Solid Waste Disposal Act is amended by the adding after section 4010 the following:

"SEC. 4011. SCRAP PROCESSING AND RECYCLING.-

"(a) DEFINITIONS - For the purposes of this section:

"(1) The term "scrap processing and recycling" means the diversion, collection, storage, sorting, shredding, shearing, baling, chipping, or similar act of separating or sizing scrap metal, scrap paper, scrap plastic, scrap glass, scrap rubber or scrap textiles to prepare such materials for use in making new products. The term does not include the following:

"(A) Placement on the land or water of residues from such processing.

"(B) The storage and use of such materials by the same person in making a new product.

"(2) The term "scrap metal" means bits and pieces of metal parts (such as bars, turnings, rods, sheets, wire) or metal pieces that may be combined with bolts or soldering (such as radiators, scrap automobiles, railroad boxcars) which when worn or superfluous can be recycled. At a minimum, the term does not include metal bearing sludge or pollution control dust.

"(b) SCRAP PROCESSING AND RECYCLING REGULATIONS. -

"(1) Not later than 24 months after the date of enactment of this Act, the Administrator shall promulgate regulations governing scrap processing and recycling; and the management of residues from such processing and recycling as may be necessary to protect human health and the environment. In promulgating the regulations, the Administrator may distinguish between various scrap processing activities in use for different scrap materials.

"(2) EXEMPTIONS. -

"(A)(i) In cases in which the Administrator determines that the regulation of particular scrap processing and recycling activities is not necessary to protect human health and the environment, the Administrator may exempt such activities from the regulations required under paragraph (1).

"(ii) Notwithstanding clause (i), the collection and processing of used beverage containers, scrap paper, scrap glass, and scrap plastic are exempt from the regulations promulgated under paragraph (1), unless the Administrator determines the regulation of such activity is necessary to protect human health and the environment.

"(B) The regulations promulgated under paragraph (1) shall not apply to the sizing of scrap material if -

"(i) such sizing activity is carried out by a person who buys material that has undergone scrap processing and recycling and uses the material solely for making a new product; and

"(ii) such sizing activity either does not generate residues or generates residues that are completely used in making a new product.

"(C) Any activities exempted under this paragraph shall be subject to any notification requirements that the Administrator determines appropriate.

"(3) CLASS PERMITS. - In cases in which the Administrator determines that the regulation of particular scrap processing and recycling activities or particular residue management activities is necessary to protect human health and the environment, and such regulation can be effectively accomplished through a class permit, the Administrator shall promulgate regulations to govern such activities through class permits. At a minimum, the regulations shall include requirements governing recordkeeping and storage of scrap materials. In promulgating the regulations, the Administrator shall consider requiring the storage of scrap metal amenable to airborne or waterborne migration in a manner which prevents or minimizes such migration.

"(4) SITE SPECIFIC PERMITS. - In cases in which the Administrator determines that the regulation of particular scrap processing and recycling activities or particular residue management activities, through the issuance of a site-specific permit is necessary to protect human health and the environment, the Administrator shall promulgate regulations to govern requiring an individual permit for such activities through individual permits.

At a minimum, the regulations shall include the requirements included in the regulations under paragraph (3).

"(5) RELATIONSHIP TO SUBTITLE C. - Nothing in this section shall be construed to restrict the authority of the Administrator to list or identify wastes as hazardous, and regulate the management of such wastes, under Subtitle C of this Act.

"(6) REGULATION UNDER THIS SECTION. - Scrap processing and recycling shall be regulated by the regulations promulgated under this section in lieu of other provisions of this subtitle, unless the Administrator specifically determines, after notice and opportunity for public comment, that the application of other requirements of this subtitle is necessary to protect human health and the environment. Nothing in this subsection shall be construed to restrict or otherwise effect:

"(A) the state solid waste planning and waste inventory provisions of this subtitle; or

"(B) the obligation of an owner or operator of a scrap processing and recycling facility which disposes of residues from such processing on-site to meet applicable disposal requirements.

"(c) **STUDY OF SCRAP PROCESSING AND RECYCLING RESIDUES** - (1) The Administrator shall conduct a study to ascertain the appropriate method or methods for sampling and determining the potential toxicity of residues from scrap processing and recycling that are destined for disposal, taking into account the heterogeneous nature of the residues. Nothing in this subsection shall be construed to limit the Administrator's authority to regulate such residues using existing methods.

"(2) The study shall be completed not later than 36 months after the date of enactment of this Act."

3. **TECHNICAL AMENDMENT** - The table of contents for subtitle D of such Act is amended by adding after the item relating to Section 4010 the following:

"Sec. 4011. Scrap Processing and Recycling."