

MEMORANDUM FOR HEADS OF DEPARTMENTAL ELEMENTS

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SUBJECT: Use of Recycling Revenue for Pollution Prevention

Department of Energy (DOE) sites have access to a significant source of funds from their recycling programs. Recycling revenue may now be used to improve the efficiency—and payback—from recycling and waste prevention activities and could help seed the implementation of self-sustaining pollution prevention programs at our sites.

In 1998, Congress reauthorized legislation (the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, 112 Stat. 2681-514, Pub. L. No. 105-277, section 608; hereafter, the “Act”) allowing the Department of Energy to receive and use funds from the sale of materials recovered through recycling or waste prevention programs. The Act specifies that the revenue must be used for: (1) acquisition, waste reduction and prevention, and recycling programs as discussed in Executive Order 12873, “Federal Acquisition, Recycling and Waste Prevention”; (2) other environmental management programs, including the development and implementation of hazardous waste management and pollution prevention programs; and, (3) other employee programs as authorized by law or deemed appropriate by the agency head.

Under Executive Order 13101, “Greening the Government Through Waste Prevention, Recycling, and Federal Acquisition” (September 14, 1998), DOE is responsible for developing a program to retain the proceeds from the sale of materials recovered through recycling or waste prevention activities. Section 207 of this Executive Order defines recycling as “the series of activities, including collection, separation, and processing, by which products or other materials are recovered from the solid waste stream for use in the form of raw materials in the manufacture of new products, other than fuel for producing heat or power by combustion.” A material recovered from the solid waste stream is “recycled” if it is used, reused, or reclaimed (40 CFR 261.1(c)(7)).

Solid waste and other materials eligible for retention of recycling revenue under Section 608 are defined in the Resource Conservation and Recovery Act (42 U.S.C. 6901). Examples of these materials are: office paper, glass, newspapers, plastics, cardboard, packaging materials, unusable pallets, aluminum cans, food waste, fluorescent lamps and ballasts, used oil, batteries, toner cartridges, and chemicals that have expired shelf-life dates. Any of these materials may be excluded from recycling at the discretion of the site manager or a designee.

Personal property is a term used to include all types and categories of assets owned by the Department, except land or other real property, DOE records, or other special items (e.g., certain

nuclear materials). Federal and Departmental guidance make it clear that personal property, including scrap, will not be processed under DOE's recycling program. Personal property which is no longer needed by the Department (i.e.; excess personal property, 41 CFR 101-43.001-6; surplus personal property, 41 CFR 101-43.001-31; and scrap, 41 CFR 101-43.001-29) is to be dispositioned in accordance with appropriate Federal and Departmental property management laws and regulations. (Any revenues from the disposition of personal property are to be handled in accordance with the DOE Accounting Handbook Chapter 13, paragraph 10b and are not to be commingled with Section 608 recycling receipts.)

Recycling revenues may not be used to supplement funds appropriated for purposes not expressly identified in the Act. The sites must expend the recycling receipts as stipulated by the Act, and should maintain adequate and auditable records demonstrating such compliance. Financial officers and contracting officers should ensure that appropriate procedures are being followed to accept, track, and disburse the funds from recycling activities conducted by contractors at DOE sites.

For more information regarding the materials covered or the disposition of recycling revenue covered under this memorandum, please contact the Office of Pollution Prevention (EM-77) at 301-903-1380 for recycling issues or the Budget Analysis Division (CR-14) at 202-586-4180 regarding financial matters.