

The New Waste Management Compliance Culture



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Introduction

The waste management compliance culture is shifting as sustainability and waste reduction become priorities across the industry. The renewed emphasis on protecting the environment is pushing environmental services businesses to rework their processes to allow for more sustainable operations. Besides changing business models, organizations must also deploy new equipment, build advanced facilities or establish strategic partnerships.

While taking on these strategies can empower businesses to not only comply with standards and implement innovative new solutions, it also creates high costs and potential disruption. Taking a strategic approach to funding can be invaluable in responding to environmental regulations, especially as compliance becomes a central element of the waste management sector.

This new emphasis on sustainability represents a cultural shift around compliance, and the change runs deep. Here's a look at some of the major areas of waste management that are being disrupted by regulatory pressure.



Regulations in solid waste management

The U.S. Environmental Agency regulates solid waste under the Resource Conservation and Recovery Act. Focused on non-hazardous solid waste from both municipal and industrial sources, the EPA's guidelines include the following core principles:

- Establishing standards for landfills.
- Prohibiting open dumping of solid waste material.
- Creating oversight for waste disposal facilities.

Each of these situations has its own set of rules and regulations that must be followed. For example, laws around landfills cover key issues such as:

- Requirements for groundwater monitoring.
- Restrictions surrounding the location for landfills.
- Necessary attributes of composite liners.
- Financial and procedural strategies for closure and post-closure care.
- Methods for leachate collection and removal.

The nuanced protections aren't exclusive to landfills, and the breadth of regulations for a wide range of disposal facilities highlights the growing emphasis of compliance in the waste management sector.



Regulations in hazardous waste management

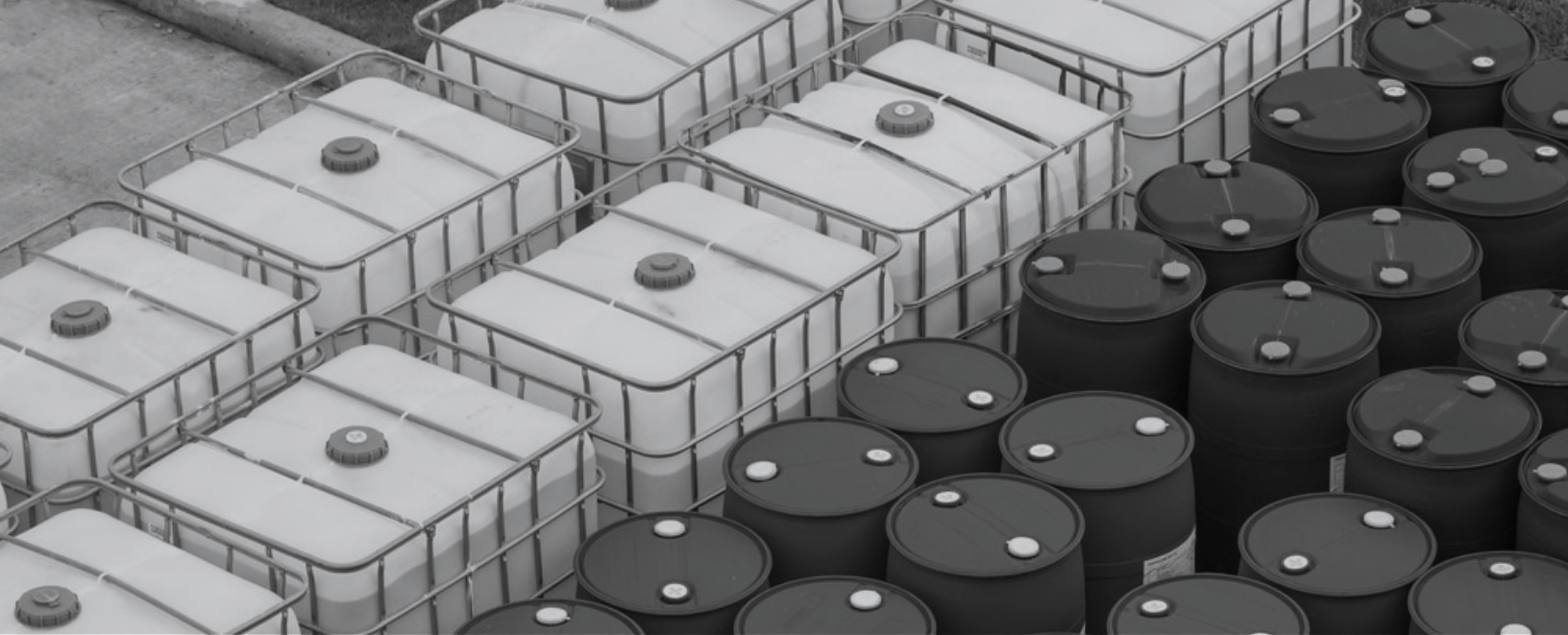
Hazardous waste management compliance is particularly challenging because the EPA is focused on end-to-end tracking of materials from creation through transit, storage and disposal. A general compliance inspection will assess how handlers interact with materials, identifying hazardous waste on-site and reviewing ongoing reports and documentation.

Waste management business must go beyond simply following best practices and tracking compliance, potentially across multiple teams and locations. This becomes incredibly time-consuming with traditional paper-based methods. Digital tracking solutions that let users update processes and track their work in more intuitive ways can be invaluable. However, modernizing documentation comes with significant infrastructure and application investments, adding a layer of cost challenges in dealing with increased regulatory scrutiny.

Each of these situations has its own set of rules and regulations that must be followed. For example, laws around landfills cover key issues such as:

1. Identifying hazardous waste.
2. Monitoring hazardous waste generators.
3. Overseeing hazardous waste transporters.
4. Enforcing best practices in treatment, storage and disposal facilities.

Waste management businesses must be prepared to properly track and monitor every facet of operations around hazardous waste to protect themselves from litigation stemming from a regulatory breach.



Regulations in household hazardous waste management

Households can generate significant quantities of hazardous waste, but regulating proper disposal and management of these materials can be particularly difficult. Waste management organizations must be particularly careful to understand the regulatory requirements surrounding household hazardous waste, as managing compliance can vary substantially depending on the specific type of waste.

In some cases, household hazardous waste will fall under the EPA's broad guidelines as set forth in the Resource Conservation and Recovery Act, Subtitle C. This applies to any materials that are categorized as one of the following:

- Ignitable.
- Corrosive.
- Reactive.
- Toxic.

Other types of household hazardous waste are managed under Subtitle D of the RCRA, which means they are treated similarly to solid waste and therefore regulated by state or local government bodies.

Dealing with household hazardous waste can be particularly difficult, as waste management companies can't control consumer behavior. However, offering a wide range of convenient services and waste collection opportunities can make it easier for consumers to follow best practice, something that in turn simplifies compliance for environmental services businesses.



Regulations in medical waste management

Environmental services organizations handling medical waste must look closely at state-based regulations to guide their operations. According to the EPA, state-led regulatory initiatives have taken hold in the medical waste management sector since the 1988 Medical Waste Tracking Act hit its expiration date in 1991. Since then, states have been building out their own regulations and using them to enforce best practices.

Major issues waste management businesses must consider when establishing processes that will comply with regulatory standards include:

- Protecting employees from exposure to medical sharps/needles. For waste management companies, the threat arises when containers break in garbage trucks or if needles are sent to recycling centers.
- Managing incineration processes for medical waste, as traditional methods create significant air pollution, and alternative methods, including thermal treatment, electropyrolysis and use of chemical mechanical systems, are all options.



Regulations for electronic waste management

Electronics are an increasingly essential part of modern life, and circuit boards contain valuable materials that can be recovered and recycled. What's more, many electronics include materials that can be highly pollutant or hazardous if not handled properly.

To address these issues, the U.S. federal government has established a National Strategy for Electronics Stewardship. These are farreaching regulations that cover everything from incentivizing sustainable design to reducing the negative impact associated with the export of e-waste.

Waste management businesses have an opportunity to create new services and promote sustainability by working within the National Strategy for Electronics Stewardship, and doing so requires an emphasis on recycling and taking advantage of the commodity marketplace.



Responding to a new compliance culture

Waste management businesses are dealing with regulatory oversight from federal, state and local government entities. Environmental sustainability is becoming a priority across the industry, creating opportunities for new business models alongside high costs that come with change.

Comerica Bank can help **environmental services organizations** deal with the new regulatory reality. Our lending and financial services are built around an advisory approach to working with clients. As a result, we bring expertise and nuanced support to our lending options, helping businesses find the right lending

fit to achieve their sustainability goals and promote compliance.



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Sources:

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¹Comerica ranks first nationally among the top 25 U.S. financial holding companies, based on commercial and industrial loans outstanding as a percentage of assets, as of June 30, 2018. Data provided by S&P Global Market Intelligence. This information is provided for general awareness purposes only and is not intended to be relied upon as legal or compliance advice for your business.

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