

ISRI Position on Electronic Reporting¹

Overview

The Institute of Scrap Recycling Industries (ISRI) recognizes that metals theft is a large problem and works diligently to combat it with a variety of efforts. Reporting of scrap metal sales transactions has been considered by some jurisdictions as a useful means to help law enforcement track metal thieves and combat metal theft. However, ISRI and its members are concerned about universal reporting of scrap metal transactions because reporting can be intrusive and subjects the confidential business and personal information of recyclers and their customers to the risk of misuse through a data breach, transfer, sale, or disclosure of the data.

It is the position of the Institute of Scrap Recycling Industries, Inc. that in the event that a state or local government or other official governing body is contemplating electronic reporting of scrap metal transactions, ISRI believes that adequate protection can only be provided if the law or ordinance adopting the reporting requirements specifically states that:

- Strict confidentiality will be maintained with regard to any data submitted to the data reporting system.
- The recycler cannot be compelled to waive any legal rights or proprietary interests in and to the data as a condition of access to and use of the designated reporting system.
- The data should not be subject to disclosure under applicable state public disclosure laws.
- Any user agreement imposed by the reporting system operator shall:
 - Have strict security, confidentiality, and liability provisions for the protection of data providers and their customers that are equal to or greater than those the data contractor agrees to provide in its contract with the government;
 - Indemnify data providers in the case of a data breach, backed by appropriate data protection insurance provided by the data contractor;
 - Ensure that the data provider retains ownership of its data, so that the data contractor may not take ownership of or require data providers to grant the data contractor a license of any kind (except to provide such data to law enforcement or other authorized parties prescribed in the law); and
 - Require that the data contractor give data providers notice if there is a breach or if a subpoena has been issued for the data given by a specific data provider.

¹ Adopted by the ISRI Board of Directors on November 5, 2016.