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AMERICAN ECOLOGY CORP  
Form 11-K  
June 30, 2003

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549  
FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(D)  
OF THE SECURITIES EXCHANGE ACT OF 1934  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2002

COMMISSION FILE NUMBER 0-11688

A. American Ecology Corporation 401(k) Savings and Retirement Plan and Trust  
B. American Ecology Corporation  
300 East Mallard, Suite 300  
Boise, Idaho 83706

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

AMERICAN ECOLOGY CORPORATION 401(K) SAVINGS AND RETIREMENT PLAN AND TRUST

Date: 6/30/2003  
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/s/ James R. Baumgardner  
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James R. Baumgardner  
As Trustee for the Plan

AMERICAN ECOLOGY CORPORATION  
401(K) SAVINGS AND RETIREMENT PLAN  
AND TRUST

INDEPENDENT AUDITOR'S REPORT  
AND  
FINANCIAL STATEMENTS  
WITH  
SUPPLEMENTAL INFORMATION

DECEMBER 31, 2002 AND 2001

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SUPPLEMENTAL INFORMATION

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

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INDEPENDENT AUDITOR'S REPORT

To the Trustees  
American Ecology Corporation 401(k) Savings and Retirement Plan and Trust

We have audited the accompanying statement of net assets available for benefits of American Ecology Corporation 401(k) Savings and Retirement Plan and Trust as of December 31, 2002 and 2001 and the related statement of changes in net assets available for benefits for the year ended December 31, 2002. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of American Ecology Corporation 401(k) Savings and Retirement Plan and Trust as of December 31, 2002 and 2001 and the changes in its net assets available for benefits for the year ended December 31, 2002 in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule on pages 9 and 10 is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ending December 31, 2002 and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Seattle, Washington  
June 18, 2003

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AMERICAN ECOLOGY CORPORATION 401(k) SAVINGS  
AND RETIREMENT PLAN AND TRUST  
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS  
DECEMBER 31, 2002 AND 2001  
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	2002	2001
	-----	-----
ASSETS		
Investments, at fair value		
Pooled separate accounts	\$7,547,611	\$8,570,992
Common Stock of American Ecology Corporation	205,302	161,008
Participant loans	375,680	385,404
Investments, at contract value	158,863	139,572
Receivables		
Employer match contribution	28	-
	-----	-----
NET ASSETS AVAILABLE FOR BENEFITS	\$8,287,484	\$9,256,976
	=====	=====

See accompanying notes.

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AMERICAN ECOLOGY CORPORATION 401(k) SAVINGS  
AND RETIREMENT PLAN AND TRUST  
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
YEAR ENDED DECEMBER 31, 2002

ADDITIONS		
Investment income		
Net appreciation in fair value of common stock	\$	79,764
Interest		30,752
		-----
		110,516
		-----
Contributions		
Employer		241,623
Employee		529,150
Rollovers		20,673
Employer contribution to union employees (see Note 1)		294,481
		-----
		1,085,927
		-----
Total additions		1,196,443
		-----
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO		
Net depreciation in fair value of pooled separate accounts		1,208,829
Benefits paid to participants		927,386
Administrative expenses		29,720
		-----
Total deductions		2,165,935
		-----
NET DECREASE IN ASSETS AVAILABLE FOR BENEFITS		(969,492)
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year		9,256,976
		-----
End of year	\$	8,287,484
		=====

See accompanying notes.

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AMERICAN ECOLOGY CORPORATION 401(k) SAVINGS  
AND RETIREMENT PLAN AND TRUST  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001

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NOTE 1 - DESCRIPTION OF PLAN

The following brief description of the American Ecology Corporation 401(k) Savings and Retirement Plan and Trust (the Plan) is provided for general information purposes only. Participants should refer to the Plan document for complete information regarding the Plan's definitions, benefits, eligibility, and other matters.

GENERAL - The Plan is a defined contribution plan covering all employees of American Ecology Corporation and its subsidiaries (the Company) who have one year of service and are age eighteen or older. A year of service is defined as a 12-consecutive month period in which an employee completes at least 1,000 hours of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Effective January 1, 2003, all employees of the Company who have 90 days of service and are age eighteen or older are eligible to participate in the Plan.

CONTRIBUTIONS - Each year, participants may defer up to 100 percent of their compensation as defined by the Plan, up to the maximum deferrable amount allowed by the Internal Revenue Service. Participants may elect to deposit their contributions in any of the investment options available. Participants may also contribute amounts representing distributions from other qualified plans. Participants direct the investment of their contributions into various investment options offered by the Plan. The Company contributes a discretionary matching contribution, which is determined by the Employer. For 2002 and 2001, the Company established the discretionary matching contribution for all participants equal to 55 percent of the amount of compensation deferred by each participant for the calendar year not exceeding 6 percent of compensation. In 2002, the Plan contributed \$294,481 of back pay to members of the Oil, Chemical and Atomic Workers Union as part of a stipulation enforced by the National Labor Relations Board.

PARTICIPANT ACCOUNTS - Each participant's account is credited with the participant's elective deferral, the Company's matching contribution and an allocation of Plan earnings and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances as defined. Forfeitures of terminated participant's nonvested benefits are applied to reduce the Company's future contributions to the Plan.

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AMERICAN ECOLOGY CORPORATION 401(k) SAVINGS  
AND RETIREMENT PLAN AND TRUST  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001

NOTE 1 - DESCRIPTION OF PLAN (Continued)

VESTING - The vesting schedule is as follows on Company matching contributions and actual earnings thereon:

Service	Percentage of Vested Interest
1 year	20%
2 years	60%
3 years	100%

The Plan provides for participants to be 100% vested upon death, permanent disability or the attainment of age 65.

PARTICIPANT LOAN - Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. The term of the loan will not exceed 5 years except in the case of a loan for the purpose of acquiring a primary residence. The term of the loan will be determined by the Administrator at the time the loan is made. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Plan administrator. Interest rates range from 5.0% to 9.5%. Principal and interest is paid ratably through bi-weekly payroll deductions.

PAYMENT OF BENEFITS - Upon normal retirement or death, vested benefits due to participants and their beneficiaries may be paid in the form of either a lump-sum distribution or fixed period annuities.

FORFEITED ACCOUNTS - At December 31, 2002, forfeited nonvested accounts totaled \$8,610. This amount will be used to reduce future employer contributions.

RISK - Investment securities are exposed to various risks, such as interest rate, market, and credit risk. It is reasonably possible, given the level of risk associated with investment securities that changes in the near term could materially affect the investment amounts reported in the financial statements.

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AMERICAN ECOLOGY CORPORATION 401(k) SAVINGS  
AND RETIREMENT PLAN AND TRUST  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES

USE OF ESTIMATES - The preparation of financial statements in conformity with generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ

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from those estimates.

INVESTMENT VALUATION AND INCOME RECOGNITION - The Plan's investments are stated at fair value except for its benefit-responsive investment contracts, which are valued at contract value (see Note 3). All other investments are carried at their fair value measured by quoted market prices.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Investment income is recorded as earned.

PAYMENT OF BENEFITS - Benefits are recorded when paid.

NOTE 3 - GUARANTEED INTEREST ACCOUNTS

The fair value of the guaranteed interest accounts held by the Plan is as follows at December 31:

	2002	2001
	-----	-----
Guaranteed interest account with interest at rates of 4.10% to 4.45% as of December 31, 2001, maturing on December 31, 2001.	\$ -	\$55,590
Guaranteed interest account with interest at rates 6.50% to 6.90% as of December 31, 2002 and 4.10% as of December 31, 2001, maturing on December 31, 2002.	27,653	26,539
Guaranteed interest account with interest at rates 4.10% to 6.10% at December 31, 2002 and 4.10% to 4.45% as of December 31, 2001, maturing on December 31, 2003.	39,518	37,871
Guaranteed interest account with interest at rates of 3.63% to 4.35% as of December 31, 2002, maturing on December 31, 2004.	89,077	-

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AMERICAN ECOLOGY CORPORATION 401(k) SAVINGS  
AND RETIREMENT PLAN AND TRUST  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001

NOTE 3 - GUARANTEED INTEREST ACCOUNTS (Continued)

	2002	2001
	-----	-----
Guaranteed interest account with interest at rates of 2.90% to 5.80% as of December 31, 2002 and 4.45% to 5.10% as of December 31, 2001, maturing on December 31, 2005.	\$1,389	\$17,176

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Guaranteed interest account with interest at rates of 6.05% to 6.11% as of December 31, 2002 and 5.10% as of December 31, 2001, maturing on December 31, 2006.	1,072	985
Guaranteed interest account with interest at rates of 5.41% to 5.71% as of December 31, 2002 and 5.10% as of December 31, 2001, maturing on December 31, 2007.	846	771
Guaranteed interest account with interest at rates of 5.15% to 6.01% as of December 31, 2002 and 5.10% as of December 31, 2001, maturing on December 31, 2008.	215	194
Guaranteed interest account with interest at rates of 6.99% to 7.00% as of December 31, 2002 and 5.10% as of December 31, 2001, maturing on December 31, 2009.	250	225
Guaranteed interest account with interest at rates of 5.78% as of December 31, 2002 and 5.1% as of December 31, 2001, maturing on December 31, 2010.	248	221
Guaranteed interest account with interest at rates of 4.98% to 5.55% as of December 31, 2002, maturing on December 31, 2011.	509	-
Guaranteed interest account with interest at rates of 4.2% as of December 31, 2002, maturing on December 31, 2012.	14	-

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AMERICAN ECOLOGY CORPORATION 401(k) SAVINGS  
AND RETIREMENT PLAN AND TRUST  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2002 AND 2001

NOTE 4 - INVESTMENTS

The following presents investments that represent 5 percent or more of the Plan's net assets:

	2002	2001
	-----	-----
Manulife Lifestyle Balanced	\$ 663,635	\$ 680,306
Manulife Lifestyle Growth	1,190,640	1,338,787
Manulife Money Market	776,947	746,874
Fidelity Advisor Contrafund	-	491,290
T. Rowe Price Science and Technology	-	466,202
Manulife Lifestyle Conservative	580,968	-

NOTE 5 - PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments include pooled separate accounts and guaranteed investment contracts that are managed by Manulife Financial and, therefore, these transactions qualify as party-in-interest transactions.

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The Plan invests in company stock.

NOTE 6 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100 percent vested in their employer contributions.

NOTE 7 - INCOME TAX STATUS

The Plan obtained its latest determination letter on April 9, 2001 in which the Internal Revenue Service stated that the original Plan and all amendments through December 11, 2000, were in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the Plan administrator believes the Plan as currently designed is being operated in compliance with the applicable requirements of the IRC.

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SUPPLEMENTAL INFORMATION

AMERICAN ECOLOGY CORPORATION 401(k) SAVINGS  
AND RETIREMENT PLAN AND TRUST  
EIN: 95-3889638  
PLAN NUMBER: 003  
DECEMBER 31, 2002

SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b) Identity of issue	(c) Description	(d) Cost	Cu v
*	Manulife Lifestyle - Conservative	Pooled Separate Account	**	\$ 5
*	Manulife Lifestyle - Moderate	Pooled Separate Account	**	
*	Manulife Lifestyle - Balanced	Pooled Separate Account	**	6
*	Manulife Lifestyle - Growth	Pooled Separate Account	**	1,1
*	Manulife Lifestyle - Aggressive	Pooled Separate Account	**	2
*	Manulife Guaranteed Interest Accounts	Maturing 12/31/02, 6.50% to 6.90%	**	
*	Manulife Guaranteed Interest Accounts	Maturing 12/31/03, 4.10% to 6.10%	**	
*	Manulife Guaranteed Interest Accounts	Maturing 12/31/04, 3.63% to 4.35%	**	
*	Manulife Guaranteed Interest Accounts	Maturing 12/31/05, 2.90% to 5.80%	**	
*	Manulife Guaranteed Interest Accounts	Maturing 12/31/06, 6.05% to 6.11%	**	
*	Manulife Guaranteed Interest Accounts	Maturing 12/31/07, 5.41% to 5.71%	**	
*	Manulife Guaranteed Interest Accounts	Maturing 12/31/08, 5.15% to 6.01%	**	
*	Manulife Guaranteed Interest Accounts	Maturing 12/31/09, 6.99% to 7.00%	**	
*	Manulife Guaranteed Interest Accounts	Maturing 12/31/10, 5.78%	**	
*	Manulife Guaranteed Interest Accounts	Maturing 12/31/11, 4.98% to 5.55%	**	



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*	Manulife Guaranteed Interest Accounts	Maturing 12/31/12, 4.2%	**	
*	Manulife Money Market	Money Market	**	7
*	MFC Short-Term Federal	Pooled Separate Account	**	1
*	Total Return Fund	Pooled Separate Account	**	2
*	MFC Dreyfus Premier Core Bond Fund	Pooled Separate Account	**	1
*	MFC T. Rowe Price Spectrum Income Fund	Pooled Separate Account	**	2
*	MFC Fidelity Advisor High Income Fund	Pooled Separate Account	**	1
*	Manulife Balanced Fund	Pooled Separate Account	**	
*	Manulife Equity Income Fund	Pooled Separate Account	**	
*	MFC Davis New York Venture Fund	Pooled Separate Account	**	
*	MFC T. Rowe Price Equity Income Fund	Pooled Separate Account	**	
*	MFC Mutual Beacon Fund	Pooled Separate Account	**	
*	MFC Weitz Partners Value Fund	Pooled Separate Account	**	
*	MFC Fidelity Advisor Div Growth Fund	Pooled Separate Account	**	2
*	MFC Franklin Balance Sheet Fund	Pooled Separate Account	**	1
*	MFC Mutual Discovery Fund	Pooled Separate Account	**	
*	MFC Domini Social Equity Fund	Pooled Separate Account	**	
*	Blue Chip Growth Fund	Pooled Separate Account	**	1
*	Manulife Capital Growth Stock Fund	Pooled Separate Account	**	
*	Manulife Growth Plus Stock Fund	Pooled Separate Account	**	
*	MFC Morgan Stanley Equity Growth Fund	Pooled Separate Account	**	
*	MFC Excelsior Value & Restructuring Fund	Pooled Separate Account	**	3
*	MFC Fidelity Contrafund	Pooled Separate Account	**	3
*	MFC Fidelity Advisor Large Cap Fund	Pooled Separate Account	**	
*	MFC Putnam Global Equity Fund	Pooled Separate Account	**	
*	MFC Prudential Jennison Growth Fund	Pooled Separate Account	**	
*	MFC Janus Advisor Worldwide	Pooled Separate Account	**	
*	MFC Templeton Foreign Fund	Pooled Separate Account	**	
*	MFC Scudder International Select Fund	Pooled Separate Account	**	
*	MFC Fidelity Advisor Overseas Fund	Pooled Separate Account	**	

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AMERICAN ECOLOGY CORPORATION 401(k) SAVINGS  
AND RETIREMENT PLAN AND TRUST  
SCHEDULE OF ASSETS HELD (AT YEAR END) (CONTINUED)  
EIN: 95-3889638  
PLAN NUMBER: 003  
DECEMBER 31, 2002

(a)	(b) Identity of issue	(c) Description	(d) Cost
*	MFC AIM Constellation Fund	Pooled Separate Account	**
*	MFC Janus Twenty Fund	Pooled Separate Account	**
*	MFC Scudder Mid Cap Fund	Pooled Separate Account	**
*	MFC Lord Abbett Development Growth Fund	Pooled Separate Account	**
*	MFC Franklin Small-Mid Growth Fund	Pooled Separate Account	**
*	MFC AIM Aggressive Growth Fund	Pooled Separate Account	**
*	Manulife Emerging Growth Stock Fund	Pooled Separate Account	**
*	MFC Dreyfus Founders Passport Fund	Pooled Separate Account	**

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*	MFC T. Rowe P rice Science & Technology Fund	Pooled Separate Account	**
*	MFC Templeton Developing Markets Fund	Pooled Separate Account	**
*	MFC Munder NetNet Fund	Pooled Separate Account	**
*	500 Index Fund	Pooled Separate Account	**
*	Total Stock Market Index Fund	Pooled Separate Account	**
*	Mid Cap Index Fund	Pooled Separate Account	**
*	Quantitative Mid Cap Fund	Pooled Separate Account	**
*	International Index Fund	Pooled Separate Account	**
*	Small Cap Index Fund	Pooled Separate Account	**
*	P articipant Loans	Bearing Interest between 5% -9.5%	-
*	American Ecology Corporation	Common Stock	**

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 \$ 8  
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