

FORM 10-Q/A
(Amendment No. 1)

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2006

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the Transition Period From _____ to _____

Commission File Number 0-20979

INDUSTRIAL SERVICES OF AMERICA, INC.
(Exact Name of Registrant as specified in its Charter)

Florida
(State or other jurisdiction of
Incorporation or Organization)

59-0712746
(IRS Employer
Identification No.)

7100 Grade Lane, PO Box 32428
Louisville, Kentucky 40232
(Address of principal executive offices)

(502) 368-1661
(Registrant's Telephone Number, Including Area Code)

Check whether the registrant (1) has filed all Reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

(Check one): Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ___ No X

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of March 31, 2006: 3,560,899.

Explanatory Note

This Amendment No. 1 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2006, which was filed with the Securities and Exchange Commission on May 10, 2006 (the "Original 10-Q"), is being filed to amend Item 4 - *Controls and Procedures* of Part I of the Original 10-Q to reflect that there were no significant changes to our internal controls or in other factors that materially affected, or were reasonably likely to material affect, these controls over financial reporting during the period covered by the Original 10-Q.

This Amendment No. 1 speaks as of the date of the Original 10-Q and we have not updated the disclosures contained herein to reflect events that have occurred since the filing of the Original 10-Q. Accordingly, this Amendment No. 1 should be read in conjunction with our Original 10-Q and our other filings made with the Securities and Exchange Commission subsequent to the filing of the Original 10-Q.

INDUSTRIAL SERVICES OF AMERICA, INC. AND SUBSIDIARIES

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Part I -- FINANCIAL INFORMATION

ITEM 4: CONTROLS AND PROCEDURES

(a) Evaluation of disclosure controls and procedures.

Based on the evaluation of the ISA Chief Executive Officer and the ISA Chief Financial Officer of our disclosure controls and procedures as of March 31, 2006, it has been concluded that the disclosure controls and procedures are effective for the purposes contemplated by Rules 13a-15(e) and 15d -- 15(e) promulgated by the Securities and Exchange Commission.

(b) Changes in internal controls over financial reporting.

There have been no significant changes to ISA's internal controls or in other factors that have materially affected, or are reasonably likely to materially affect, these controls over financial reporting during the period covered by this Report.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

INDUSTRIAL SERVICES OF AMERICA, INC.

Date: June 6, 2006

/s/ Harry Kletter
Chairman and Chief Executive Officer
(Principal Executive and Financial
Officer)

Date: June 6, 2006

/s/ Alan L. Schroering
Chief Financial Officer

INDEX TO EXHIBITS

<u>Exhibit Number</u>	<u>Description of Exhibits</u>
31.1	Rule 13a-14(a) Certification of Harry Kletter for the Form 10-Q/A for the quarter ended March 31, 2006.
31.2	Rule 13a-14(a) Certification of Alan Schroering for the Form 10-Q/A for the quarter ended March 31, 2006.
32.1	Section 1350 Certification of Harry Kletter and Alan Schroering for the Form 10-Q/A for the quarter ended March 31, 2006
