

CHEMICAL MANUFACTURERS ASSOCIATION

State Affairs Committee
Board Conference Rooms A&B, CMA
September 17, 1987

MINUTES

SAC-30-1

MEMBERS ATTENDING

Jack Brewer, Chairman
Geoffrey Hurwitz, Vice-Chairman
Richard Arnold
Garth Fort
James Murray
Colbert Wilhite
Deborah Witmer

Olin Corporation
Rohm & Haas Company
Allied Signal
Monsanto Company
Union Carbide Corporation
E.I du Pont de Nemours & Co.
FMC Corporation

Mary B. Heaton, Staff Executive
(for William Westendorf)

CMA

PRESENT BY INVITATION

Bob Ball
William Buckley
Nicholas Kalm
Jean Luck
Deborah Neale
Richard St. John
Max McCombs
Gerald Lore
Cliff Hilderley

Exxon Chemical Americas
Eastman Kodak
CIBA-GEIGY Corporation
Vulcan Materials
BF Goodrich
The UpJohn Company
Monsanto Company
Hoffman-LaRoche
Ashland Oil

Larry Gallo
Joan Riley
Becky Chidester
John Slavick

CMA
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CMA

MEMBERS ABSENT

Jerry Chambers
Timothy Holt
William Lafield
Ralph Loomis
Brian Munroe
Ronald Roberts
Ben Woodhouse

American Cyanamid
Air Products & Chemicals
Shell Chemical Company
CIBA-GEIGY Corporation
Occidental Chemical Corporation
Borg-Warner Chemicals
Dow Chemical USA

CMA 084434

The meeting was called to order at 10:00 a.m. by Chairman Jack Brewer.

1. Minutes of last meeting (Planning Conference)

The minutes of the last meeting were approved as distributed.

Jack Brewer asked members to pay special attention to page 4 of the Planning Conference summary which reviewed the results of the issue survey.

Mary Heaton called attention to the tab item that showed charters of Board committees had been created and a listing of the members of those committees. She stated that those committees were just forming and additional information would be shared as it was available. She called attention to the two committees that would have the most direct impact on CMA's State Affairs operations. They are the State Toxics Initiatives Work Group and the Advocacy Committee.

Jack Brewer introduced two new members of the State Affairs Committee. Colbert Wilhite, Vice President, State Affairs, Du Pont Company will be replacing Art Mszanski. Deborah Witmer, Director Public Affairs, FMC Corporation will be replacing Jerry Prout.

2. Review and approval of new directions for CMA State Affairs

Jack Brewer reviewed the report of the SAC Steering Committee that met on September 16. As each item was presented, there was discussion and a vote.

Item 1...Background

At the July planning conference the SAC expressed a desire for the committee to focus their efforts on issue advocacy.

Since the July meeting, a CMA Board level Advocacy Committee has been created to develop recommendations and identify resources to successfully meet the public policy challenges the chemical industry faces. This group has been asked to direct particular attention to several areas including: 1) Increased support and involvement for state chemical organizations; and 2) Increased support and involvement for state legislative and regulatory advocacy.

Recommendation Approved:

The State Affairs Committee will establish a task group to evaluate advocacy in the states. Their first task would be to develop a presentation that showed for all states: 1) What is the chemical industry presence in the state; 2) What are the existing organizations that are providing advocacy support in each state; and 3) What is the political climate in the state regarding the chemical industry. The second task for the group would be to develop an indepth study of this overview. A third task for the group would be to identify those issues in state capitals that have national implications.

Geoff Hurwitz will chair this task group. He was asked to provide a two page draft of an outline of advocacy needs in the states. This will be circulated in the next week to the SAC members for comment. The approved document will be provided to the Board Advocacy Committee.

Item 2 Background

During the past year committee members have expressed a desire to review operational procedures to make appropriate changes that would make the SAC more effective. A number of suggestions were expressed at the July planning conference that have been considered by the Steering Committee.

Recommendations approved:

The State Affairs Committee should have meetings limited to members and invited attendees. The Committee shall develop criteria for attendees. The Committee shall also set several open meetings each year which shall be held in different state capitols.

Each committee member should represent a company's senior state affairs management and make the commitment to accept certain responsibilities including: 1) Regular attendance at the meetings (75%); 2) Be prepared to take on specific assignments such as acting as a liaison with other committees, chairing work groups and reporting on states; and 3) Subscribe to SCAN to be used for committee communications.

Prior to the approval of the first recommendation there was considerable discussion about the intent of creating "closed" meetings. The approval was based on an understanding that member company representatives would be encouraged to attend if they had an issue to bring to the attention of the committee or if they had a particular interest in a portion of the agenda. It was also understood that if a task group or work group chairman was not a member of the committee, they would be invited to attend. Committee members were encouraged to send a substitute if they were unable to attend. However, substitutes will have no voting privileges. There also was the understanding that the committee would try to hold its open meetings outside Washington where there could be more local participation.

Item 3 Background

Discussions at the planning conference indicated that the purpose of the task groups should be redirected to advocacy efforts. Each group should focus on a specific issue. A charter should be created by the State Affairs Committee for each group. The groups should develop a work plan that would be approved by a SAC vote. When the work plan actions are completed, the group should sunset.

Recommendation:

All existing task groups except the Information Management Task Group and the Tort Reform and Insurance Task Group should be dissolved. The Tort Reform and Insurance Task Group should continue to carry out the directives of the Liability Reform Work Group. The State Toxics Initiative Work Group should continue. The ECRA work group should continue with an anticipated sunset at the end of this year. An advocacy work group should be created to work with the Board Advocacy Committee.

The SAC should set priorities for additional work groups which could include: waste minimization, toxic use reduction, state superfund standards (remediation), and Title III implementation. The need for air, water, and waste minimization work groups will be reevaluated at the October SAC meeting.

Max McCombs discussed standards and surface water quality issues such as biomonitoring.

ACTION ITEM: Joan Riley was asked to pursue this issue and report back at the next SAC meeting.

3. State Toxics Initiative update

Jim Murray reported on the STI Work Group meeting held on September 16. He reported that there was considerable discussion about whether CMA ought to become more directly involved in California by joining the Board of the Environmental Working Group (EWG). The cost for membership is \$5,000. He indicated that the STI group supported joining by a slim margin. The CMA membership question will be taken to the CMA Board group. Member companies with interests in California were urged to review their involvement with the work group. Bill Buckley has offered to help represent STI in California. Murray also indicated that the group was working on alternative initiative language. When this is ready, it will be sent out but should be kept confidential.

4. Massachusetts Toxic Use Reduction Act (HBN 4277)

Joan Riley reported that MA HBN 4277, if passed, could eventually prohibit the sale or use of any substance on the state right-to-know list. The bill mandates the reduction of the use of chemicals through a phase-out program and allows for the annual inclusion of additional chemicals. Targeted chemicals include all chlorinated solvents. This legislation would severely restrict manufacturers business opportunities in Massachusetts.

The Chemical Affairs Group of Associated Industries of Massachusetts (AIM) is active on this issue. AIM advocates better enforcement of existing environmental regulations rather than the passage of more restrictive laws. A public hearing has finally been scheduled and the reporting date has been extended to November 29. The most recent meeting of the group was September 25.

ACTION ITEM: Joan Riley urged members to review their interest in this legislation and contact Monty Lovejoy at AIM with offers of assistance. The Massachusetts DEQE is working on alternative language to this bill but it is not yet available.

5. CMA State Chemical Organizations Meeting

Jack Brewer pointed out the draft agenda of the meeting to be held in New York, October 13-15, and urged members to attend. Copies of registration forms were distributed.

6. Presentation by Reese Communications

John Ashford of Reese Communications described their services to the committee. They base their campaign efforts on demographic data. Their aim is to target those people most likely to vote that have not decided how they will vote.

7. Task Group Reports

Becky Chidester reviewed the Information Management Task Group report that was included in the meeting book. There was consensus approval by the Committee that the recommendations and direction of the task group were appropriate. One of the recommendations highlighted that received approval was the installation of an 800 line that would be used to phone in comments. Chidester also indicated that the task group will focus on improving participation in SCAN. A presentation will be made at the State Organizations meeting in New York.

Jack Brewer thanked Rita Hartmann of Monsanto for her dedicated efforts in leading the task group in the past. Mr. Brewer indicated that he and Ms. Chidester were in the process of contacting a potential new chairman and the name would be announced at the next SAC meeting.

Mary Heaton reviewed the directives of the Liability Reform Work Group to the Tort Reform and Insurance Task Group. SAC members were encouraged to review the tab items included in the meeting book and contact her with any suggestions or comments. Ms. Heaton indicated that the one area that SAC members could be of immediate help would be in gathering economic data relating to changes in business plans based on liability concerns. An example of this was the recent decision by Monsanto to halt development of an asbestos substitute because of the uncertainty of future liability.

9. Miscellaneous Items

Future meetings-- Jack Brewer announced that CSG was going to review the 1988 regional meeting dates. Currently all four regional meetings are scheduled for the week of August 21, 1988. Mr. Brewer also announced:

Louisiana Chemical Association meeting October 28-30, 1987
Alabama Chemical Association meeting October 29-30, 1987
Assoc. Chemical Industries of Texas meeting October 15-17, 1987

ACTION ITEM: State reporting responsibilities to be reviewed to ensure that committee members are primary contacts for each state.

Agenda item for next meeting: Garth Fort will present the current advocacy efforts on the issue of household hazardous wastes so that the SAC can determine if action by the committee is appropriate.

10. THE NEXT MEETING WILL BE HELD IN NEW YORK CITY ON OCTOBER 15, 1987. A notice will be sent out indicating time and location.

The meeting was adjourned at 2:00 p.m.

Minutes subject to approval
Mary B. Heaton
September 25, 1987