

MINUTES OF MEETING  
CMA EXECUTIVE COMMITTEE  
CMA Headquarters  
Board Conference Room  
Washington, D. C.  
March 6, 1985

1. The meeting was called to order at 8:30 a.m. by Chairman Sella. There were present:

George J. Sella, Chairman  
Alan Belzer  
W. H. Clark, Jr.  
Robert C. Forney  
Vincent L. Gregory, Jr.  
Edwin C. Holmer

John W. Johnstone, Jr.  
Robert D. Kennedy  
Richard J. Mahoney  
Robert H. Malott  
Harold A. Sorgenti

Gary C. Herrman - Treasurer  
David F. Zoll - General Counsel  
Charles W. Van Vlack - Secretary

By invitation:

Peter R. Agnew  
\* Frederic E. Allen  
Richard G. Askew  
David L. Baird, Jr.  
\* Nela Brown  
\* Timothy F. Burns  
Robert D. Cadieux  
Geraldine V. Cox  
\* Wells Denyes  
\* Donald D. Evans  
\* Robert B. Hill  
Jon C. Holtzman  
E. Hamilton Hurst  
\* Geoffrey B. Hurwitz  
\* John A. Klacsmann  
\* Charles T. Marck  
\* Janet S. Matey  
\* Joe J. Mayhew  
Keith R. McKennon  
\* Leslie F. Nute  
Vernon R. Rice  
James H. Senger  
\* Thomas G. Singley  
William M. Stover  
\* Gordon D. Strickland  
Juliane H. Van Egmond

CMA  
E. I. du Pont de Nemours & Company  
Phillips Chemical Company  
Exxon Chemical Company  
Shell Oil Company  
CMA  
Amoco Chemicals Corporation  
CMA  
Eastman Kodak Company  
CMA  
CMA  
CMA  
Nalco Chemical Company  
Rohm and Haas Company  
Clean Sites Inc.  
Dow Chemical U.S.A.  
CMA  
CMA  
The Dow Chemical Company  
Dow Chemical U.S.A.  
E. I. du Pont de Nemours & Company  
Monsanto Company  
Shell Chemical Company  
CMA  
CMA  
American Cyanamid Company

\* Part time

CMA 044340

- \$176 million from general revenue.
- \$210 million from interest, cost recoveries, etc.
- Borrowing authority.
- Continue to work with API on the development of a broad-based tax on manufacturing. The NEET proposal is expected to be ready for review by the end of March.
- Meet with API representatives as soon as possible to discuss options on funding and the Bradley proposal.

On motion by Mr. Holmer, it was also agreed that Association representatives could surface, as part of CMA's lobbying efforts, the concept of a broad-based tax on manufacturing as a contingency in the event that funds from general revenues and recoveries from liable parties appear insufficient to reach the Administration's \$1 billion per year funding level. Dr. Forney was recorded as reserving DuPont's position on this motion pending review of whatever broad-based tax ultimately is brought forward for approval.

Mr. Stover briefed the Executive Committee on Senator Bradley's funding amendments which had just been released.

d. Joint and Several Liability

In response to the request made at the January meeting, Mr. Stover, on behalf of the Government Relations Committee, presented the following position concerning legislative changes to joint and several liability:

The Government Relations Committee recognizes the need to encourage the prompt and effective cleanup of hazardous waste sites and that the application of joint and several liability may impede this goal, leading to excessive transaction costs. It is, therefore, the recommendation of the Government Relations Committee that CMA continue to seek opportunities to support amendments, such as those offered in 1984 by Senator Alan Simpson, which would reduce the harsh effects of Superfund's joint and several liability provision. The committee will continue to carefully monitor prospects for improvements in this important area of the law.

This was agreed to.

8. BHOPAL INITIATIVES

Mr. Hurst reported on the further development of the Community Awareness and Emergency Response (CAER) program and the establishment of the National Chemical Response and Information Center (NCRIC) which were approved at the January Board meeting. The detailed proposals to implement CAER and NCRIC, contained in Exhibits E and F, were agreed to. Mr. Hurst reported that a

press conference to announce the initiatives had been scheduled for March 26 in Washington. A schedule of briefings are being established to inform key legislative, agency, and association contacts.

Chairman Sella urged that pending federal legislation be reviewed carefully to determine if it supplements and supports the objectives of CAER. Mr. Johnstone reported on related activities being considered by American Institute of Chemical Engineers (AIChE). It was agreed that these and other initiatives should be coordinated with the CMA programs. Chairman Sella urged that a maximum effort be made to get member company commitment to these initiatives by the Annual Meeting in June. It was agreed that plant managers' involvement would be critical to the success of CAER.

9. COMMUNITY RIGHT-TO-KNOW

Mr. Hurwitz, on behalf of the Joint Right-to-Know Task Group, presented a proposed policy statement on community right-to-know. This policy, as set forth in Exhibit G, was approved. Mr. Hurwitz also reported on pending federal and state right-to-know legislation.

10. BHOPAL RELATED LEGISLATIVE DEVELOPMENTS

Mr. Stover reported on the various pieces of legislation which had been introduced in response to the Bhopal incident. Mr. Zoll distributed an analysis of the Florio proposals, attached as Exhibit H, which had been prepared by the Legal Department. Serious consideration of the bills was reported to be some time away; however, Association policy is being reviewed to determine whether new positions or adjustments in existing policy are required.

11. FIRST RESPONDER TRAINING

Mr. Allen's report is attached as Exhibit I. His report included the fact that no comprehensive federal programs exist to provide training and equipment to respond to hazardous materials incidents. The first stage of the training program, which included the development of a lending library of training materials and a video training course and manuals, was approved. Mr. Allen indicated that the Distribution Committee would bring forward the remainder of the program for approval at a later time.

12. REPORT OF THE PRESIDENT

a. Special Program

The proposed special program on cumene was approved as described in Exhibit J.

b. Departmental Reports

Oral reports of the Vice Presidents were deferred due to a lack of time. The full Report of the President on Association activities is attached as Exhibit K.

13. NEW BUSINESS

In response to the issue raised by Mr. Malott relative to the Stafford amendment to the Kasten product liability reform bill, it was agreed that staff would review the legal memo received that day and make a recommendation to the officers concerning the desirability of CMA testifying at Senate hearings later in March.

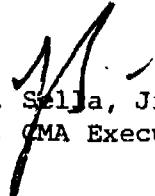
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On motion, made and seconded, the meeting adjourned at 3:50 p.m.



Charles W. Van Vlack  
Corporate Secretary

Certified correct:



George J. Sella, Jr.  
Chairman, CMA Executive Committee

National Chemical Response and Information Center (NCRIC)  
Charter, Operations and Plan for Implementation

I. Objectives

The National Chemical Response and Information Center is established to provide to the public and emergency response organizations information about chemicals and advice or assistance when an emergency occurs in their use, distribution, or manufacture. CMA will accomplish these objectives through four programs:

- CHEMTREC - Will continue to provide information to emergency response personnel and contact the shipper to obtain additional assistance in incidents involving chemicals. This service would be officially expanded to include non-transportation events.
- CHEMNET will provide actual on-site assistance in the event of serious transportation incidents through a mutual aid network of industry and for-hire emergency response teams. This program will operate through CHEMTREC. Membership in the network is at the discretion of individual CMA members.
- Emergency Response Training - Encompasses training materials to assist industry and rank and file firefighter and policeman in dealing with hazardous materials incidents. Currently CMA provides 2-3 workshops per year to train industry personnel. This would be expanded to include the development of "first responder" training materials. The objective of the first responder training would be to reduce injury, environmental damage, and identify sources of assistance for these personnel.
- Chemical Referral Center (CRC) - Would create a referral center that the general public could call to identify the correct information contact within the appropriate chemical company for information about chemicals. The center would maintain an index that relates chemical products to the producing company and a number for the general public to call for information.

II. Background

There are several issues and events that lead to the development of this program. In the past, concerns of private citizens, firefighters, policemen, local, state and federal authorities about the safe use, manufacture and distribution of chemicals

Companies would be asked to have a designated office to respond to referral inquiries, provide CRC an index to their products and provide the disposition of referrals on the quarterly log.

#### IV. Liability Concerns

Liability issues associated with the NCRIC program include:

- Current liability of the CHEMTREC program.
- Expansion of the CHEMTREC program to formally provide precautionary and first aid advice to emergency service personnel involved in non-transportation emergencies, to provide a referral service to non-emergency response personnel who need emergency information, and to provide a referral service to all callers that need non-emergency information.
- The quality of MSDSs that the producers will use to provide hazards information.
- The consistency of MSDSs for the same product amongst the manufacturers.
- Greater CMA involvement with the public is likely to result in more suits and defense costs, regardless of whether CMA was negligent.
- Lack of state Good Samaritan legislation in 18 states and lack of adequate coverage in some of the states that have adopted such legislation.

In connection with these concerns the legal department has recommended that CMA consider one or more of the following steps:

- Increase insurance coverage
- Promote state Good Samaritan legislation
- Attempt to correct inadequacies in coverage of Good Samaritan legislation in target states
- Consider federal Good Samaritan legislation
- Establish a contingency fund for CMA liability and defense costs

- Set-up NCRIC as a separate non-profit corporation

#### V. Costs

Of the programs described in this document CRC and the first responder training programs would entail incremental costs. The CRC program would cost, as outlined above, approximately \$95,000 year. This amount is included as a priority 2 item in the FY 85/86 budget request. The first responder training effort, as outlined in this document, would cost approximately \$100,000 in the first year and \$75,000 for each additional year that training materials are produced and distributed.

Costs of any increased liability insurance are not included in this description will be factored into final costs estimates.

#### VI. Implementation

The NCRIC program would be implemented as follows:

- Announce the expansion of the CHEMTREC program and the establishment of the CHEMNET program.
- Begin operations of the CHEMNET program as soon as sufficient members have signed the agreement and the for-hire contractors have been selected (August, 1985). This is subject to the availability of liability insurance.
- Complete the formulation of the first responder training program and request Board approval (April, 1985).
- Produce and distribute the first responder training materials (October, 1985). Budget approval would be necessary.
- Complete planning, begin training personnel and purchasing equipment for the center (June, 1985). Budget approval would be necessary. (Currently a Priority 2 item.

Announce start-up of the CRC in Fall 1985.