



CHEMICAL MANUFACTURERS ASSOCIATION

RECEIVED

FEDERAL LEGISLATIVE BULLETIN

AUG 07 1979

J. E. STEVENS

BULLETIN NUMBER 5
July 20, 1979

H. Christopher Nolde
Legislative Editor

TABLE OF CONTENTS

	<u>Page</u>
CMA Testifies on Superfund	
Before Senate Environment Subcommittee	1
RCRA Reauthorization Nears House Action	2
Clean Air Act Amendments	
Receive Congressional Attention	2
Chairman Beard Completes First	
Phase of Occupational Disease Hearings	3
OSHA's Proposed Regulations on Carcinogens and	
Employee Medical Record Access Continue Under Review	3
Windfall Profit Tax Moving in Congress	4
CMA Seeking Energy Tax Credit Amendment	4
The Trade Agreements Act of 1979	5
Proposed Government Reorganization for	
International Trade Announced by White House	5
Export Administration Act Extension	
Legislation Set for Floor Action	6
Synthetic Fuel Developments in the Congress	6
Mandatory Energy Conservation	
Measures Moving in Congress	7
TSCA Reauthorization Remains	
on House Calendar	8
CMA's Study of TSCA's Economic	
Impacts Under Field Test	8
Senate Science Subcommittee	
Holds Hearings on Technology Innovation	9
Administration Trucking	
Deregulation Bill Introduced in Congress	9
House Continues Hearings on	
Deregulation of Railroads	10
Illinois Brick Legislation	
Nears Senate Action	10
Lobbying Reform Moving in the House	11
Regulatory Reform Legislation	
Continues to Draw Congressional Attention	11
***** Congress is planning to recess August 3 *****	
***** through September 4. The next Federal *****	
***** Legislative Bulletin will be published *****	
***** in mid-September. *****	

1825 Connecticut Avenue, NW • Washington, DC 20009 • Telephone 202/328-4200 • Telex 89617 (CMA WSH)

AP00025392

CMA TESTIFIES ON SUPERFUND
BEFORE SENATE ENVIRONMENT SUBCOMMITTEE

Jackson B. Browning, Director of Health, Safety and Environmental Affairs for Union Carbide Corporation spoke for his company and CMA on July 19 at joint hearings by the Subcommittee on Environmental Pollution and the Subcommittee on Resource Protection of the Senate Committee on Environment and Public Works. Also appearing on the panel with Mr. Browning were: Honorable Michael O'Laughlin, Mayor of Niagara Falls; Leslie Dach, Environmental Defense Fund; Dr. John Romani, President, American Public Health Association; and Dr. Claude Brinegar, Senior Vice President, Union Oil Company of California on behalf of the American Petroleum Institute.

CMA indicated that the Carter Administration's "Ultrafund" concept of legislation, S. 1341, is inappropriate because it combines oil spills, hazardous substances spills and abandoned and inactive hazardous waste disposal sites into one liability and compensation fund. The three subjects are "different in nature, are addressed in differing degrees by societal and legal mechanisms already in place, and must receive separate and distinct consideration." CMA stressed that the program should focus on "orphan sites" which are dangerous and where no action is being taken to eliminate the danger.

An orphan site is defined as one that does not achieve interim Resource Conservation and Recovery Act standards, fails, and, because of that failure, causes health dangers. Also no action is being taken at such sites because of the inability of the responsible party to pay, inability to locate the liable party or where a legal dispute would lead to a delay. It is essential that sites which present an imminent hazard be dealt with in a prompt and effective manner and inaction or needless delay is not acceptable.

Funding for the program should come from regular Federal appropriations, from matching funds contributed by the states and from wrongful dumpers.

In addition to calling for a new law to take care of old dumpsites, CMA listed six recommendations:

- A state-by-state inventory of disposal sites to identify the location, number and potential dangers;
- "Prioritization" of failing sites in each state with regard to potentials for health dangers;
- A step-up of investigative and enforcement capacities of Federal and state governments on disposal site practices;
- New and higher emphasis on solving the scientific and technological problems arising from neutralizing dangers caused by old dumpsites;
- Prompt addressing of the problems of current and future siting of hazardous waste storage facilities; and
- Full enforcement of disposal laws now and in the future.

Expanding on the last recommendation, Mr. Browning said wrongdoers must be punished and those legally responsible for dumpsite problems must bear the cost of cleanup. "Midnight dumping and the practice of racketeering in illegal waste disposal cannot be tolerated," he stressed.

AP00025393

CMA explained that enactment of a Superfund that covers chemical spills is unnecessary because it would overlap existing law, arbitrarily supplant existing legal remedies and is based on an acute shortage of reliable data. It is likely that the data used to justify a Superfund for chemical spills are imprecise and exaggerated, both with regard to frequency and potential impact.

Commenting on including oil spill mitigation and cleanup in a Superfund, CMA said that while there is presently no Federal law, the Congress has been considering the question of an oil spill liability Superfund for some years. CMA has no objection to continuing Congressional consideration providing it is addressed as a separate and distinct issue and is not incorporated into a "Superfund" encompassing chemical spills and/or disposal site problems, he said. In conclusion, CMA noted that the Administration bill violated a number of Constitutional principles which must be addressed.

Congressional interest in the Superfund issue will continue at upcoming hearings. Chairman Biaggi's Subcommittee on Coast Guard and Navigation, House Committee on Merchant Marine and Fisheries, will hold a hearing, July 31, to explore the issue of a Superfund for hazardous substances spills. CMA plans to testify. Chairman Florio's Subcommittee on Transportation, House Committee on Interstate and Foreign Commerce, has tentatively scheduled a hearing July 31 on the Administration's Superfund proposal, H.R. 4571. CMA will testify at future hearings.

RCRA REAUTHORIZATION NEARS HOUSE ACTION

On May 15, the House Commerce Committee reported H.R. 3994 (Florio, D-NJ) to reauthorize the Resource Conservation and Recovery Act (RCRA) for fiscal year 1980 with Congressman Swift's amendment. This amendment would amend the definition of "solid waste" to broadly exempt industrial discharge treatment ponds and lagoons from the hazardous waste requirements of RCRA.

Since that time, the Committee has delayed calling up the bill on the floor of the House in order to work out compromise language on the Swift amendment. The compromise language has been worked out between EPA, Chairman Florio's staff, Congressman Swift's staff, the forest products industry and other interest industries. The compromise amendment would exclude existing water treatment facilities which handle hazardous wastes from the location, design, and construction requirements under Section 3004 of RCRA--providing that the facility owner can demonstrate to EPA (or the state, if it is the permitting authority) that his facility is not leaking in a manner that threatens the quality of a usable underground water supply. The legislation could be called up on the House floor before the August recess.

CLEAN AIR ACT AMENDMENTS RECEIVE CONGRESSIONAL ATTENTION

A number of Congressmen began making statements July 10 on the House floor in an effort to force hearings on the Clean Air Act. Of particular interest is H.R. 1150 (Watkins, D-OK), with 125 co-sponsors, to

AP00025394

extend for one year the deadline for State Implementation Plan submissions. H.R. 1150 has been referred to the Subcommittee on Health and Environment of the House Commerce Committee.

In the Senate a similar bill, S. 1158 (Garn, R-UT), is receiving mounting interest. The basic extension provided for in this bill could be offered as an amendment to any Senate bill at anytime. In the meantime, S. 1158 has been referred to the Senate Environment and Public Works Committee.

CHAIRMAN BEARD COMPLETES FIRST PHASE OF OCCUPATIONAL DISEASE HEARINGS

Congressman Edward Beard (D-RI), Chairman of the Labor Standards Subcommittee of the House Education and Labor Subcommittee, has completed the first phase of hearings on the adequacy of compensation for occupational disease. Hearings earlier this year covered asbestos, cotton dust and radiation; and on June 6, 7, and 21 covered chemical hazards in the workplace. On June 6, Olin's Dr. Richard O'Connell testified on behalf of CMA, and details of his testimony have been previously reported in our June 19 Federal Legislative Bulletin (No. 4, pp. 3-4).

On June 7, Melvin Glasser of the United Auto Workers Union testified on occupational disease related to lead exposure; Francis Burkhardt of the International Brotherhood of Painters on neurotoxins and allied problems; and Dr. Anthony Robbins of NIOSH on occupationally-related cancers with particular emphasis on the petrochemical industry among others. On June 21, Dr. Richard Ginnold of the University of Wisconsin testified on noise and hearing loss; Joseph Odorchich of the United Steelworkers Union detailed various occupational diseases, cancer and chemicals in the workplace; Dr. John Morgan of City College of New York discussed neurotoxicity, TOCP, lephthophos and the Velsicol experience; and Dr. Charles McDonald, of Providence's Roger Williams General Hospital testified about skin diseases prevalent in the jewelry and machine tool industries located in Providence, R.I., and southeastern Massachusetts.

Chairman Beard's Subcommittee will resume hearings in the Fall, after Congress returns from its August recess, and in the meantime the Subcommittee will be continuing its work toward introduction of legislation to upgrade state workers' compensation legislation.

OSHA'S PROPOSED REGULATIONS ON CARCINOGENS AND EMPLOYEE MEDICAL RECORD ACCESS CONTINUE UNDER REVIEW

OSHA continues to work on its proposed generic carcinogen standard. The Agency's proposal on the identification and regulation of potential carcinogens in the workplace was first published in the Federal Register on October 4, 1977, hearings were held the following Spring and Summer, and the record was closed in the Fall of 1978. Promulgation of a final regulation has been anticipated ever since, and the current speculation is that OSHA will issue its generic carcinogen standard later this summer. Another factor may be the U. S. Court of Appeals ruling in the benzene case (API v. OSHA, 581 F. 2nd 493 (5th Cir. 1978)), which requires

AP00025395

the Agency to find that the costs of a proposed regulation are reasonably justified by its benefits. This ruling will be reviewed by the U. S. Supreme Court in October, and a decision in the case is expected in the early months of 1980.

In similar limbo is OSHA's proposed standard on access to employee medical records, first published in the Federal Register July 21, 1978. This proposal would require employers to release employee medical/exposure records to the employee, his designated representative, and OSHA and NIOSH. Final regulations are expected later in August.

WINDFALL PROFIT TAX MOVING IN CONGRESS

H.R. 3919, the Crude Oil Windfall Profit Tax Act of 1979 passed the House on June 28. This bill would impose a 60 percent windfall profit tax on increases in domestic crude oil prices resulting from the deregulation of crude oil prices or from excessive increases in world oil prices.

The Senate Finance Committee began hearings on H.R. 3919 and on two other aspects of the President's energy tax program--proposed changes in the foreign tax credit for certain oil-related income and proposed uses of windfall profit tax revenues--on July 11. CMA is submitting a statement to the Finance Committee opposing the proposed changes in the foreign tax credit.

The House Ways and Means Committee will begin hearings July 20 on Phase III of the tax-related legislative proposals of the President's energy program. These hearings will cover energy tax credits, tax proposals relating to gasohol, allocations of trust fund moneys and special tax provisions designed to discourage non-energy acquisitions by energy companies.

CMA SEEKING ENERGY TAX CREDIT AMENDMENT

The Energy Tax Act of 1978 provides an energy credit of 10% for qualified "energy property" investments that is in addition to the regular investment tax credit of 10%. This additional credit is available for costs incurred for energy property only during the period between September 30, 1978 and December 31, 1982.

The purpose of this provision is to encourage the installation of energy-saving equipment. However, many such installations require a long lead time and cannot be planned and completed by the termination date--December 31, 1982.

CMA, in cooperation with the Business Roundtable, is seeking to obtain an amendment to the Internal Revenue Code to authorize the full energy tax credit for any energy-saving installation for which an affirmative commitment has been made prior to January 1, 1983, even if its acquisition or construction cannot be completed until sometime in the future.

AP00025396

THE TRADE AGREEMENTS ACT OF 1979

The Tokyo Round of Multilateral Trade Negotiations is now essentially concluded; discussions are continuing only on minor details. The action has now moved to the U. S. Congress, which is considering implementing legislation to put the negotiated codes into law. Congressman Jim Wright (D-TX) introduced on behalf of the Administration H.R. 4537, the Trade Agreements Act of 1979. It is a unique piece of legislation in that it was drawn up jointly by the House Ways and Means Committee, the Senate Finance Committee, and the Administration. As a result, this consensus bill had the support of these Committees and most of Congress upon introduction. Neither the committees nor the Congress as a whole could amend or change this legislation, in any way. The vote must be simply for approval or disapproval of the Trade Act.

Under this legislation, the U. S. chemical industry will experience an average tariff cut of 30 to 35% to be phased in over eight years. This was an improvement over the 60% authorized in the Trade Act and the 55% cut proposed to the other negotiating countries by the U. S. Special Trade Representative. The American Selling Price system of customs valuation will be eliminated, reducing some of the buffer against imports of benzenoid chemicals. On the plus side, chemical tariffs in the U. S. export markets will be reduced. Also, the codes of behavior as practiced in U. S. export markets should be of value to this industry.

On July 11, the Trade Act received approval on the House floor by a vote of 395 to 7. The Senate Finance Committee has tentatively approved the legislation, but it will postpone reporting the bill to the floor until the Administration submits its proposed reorganization plan for the international trade functions in government to the Senate Government Affairs Committee. It is expected that the Senate will approve the Trade Agreements Act prior to the planned August recess.

PROPOSED GOVERNMENT REORGANIZATION
FOR INTERNATIONAL TRADE ANNOUNCED BY WHITE HOUSE

Everyone in the U. S. involved with international trade matters agrees that the various parts of government dealing with such matters must be reorganized for better effectiveness. International bargaining, import relief administration, policy responsibility and the Ex-Im Bank are important elements eligible for rearrangement. The Trade Agreements Act of 1979 contains a provision requiring the President to submit a reorganization plan by July 10. The appropriate Congressional committees must act on the plan by November 10.

On July 19, the President's office announced his reorganization plan. It includes provisions for the following:

1. A renamed and strengthened Department of Trade and Commerce. Assumption of import relief administration and strengthening of MTN implementation support.
2. Trade policy coordination and conduct of trade negotiations by a renamed U. S. Trade Representative's Office.

AP00025397

3. Broadening of the interagency Trade Policy Committee mandate and establishing a new Trade Negotiations Committee within it.

This plan is very close to that supported by important sectors of the business community and by CMA. Congress will likely make some changes in the plan and approve it thereafter.

EXPORT ADMINISTRATION ACT EXTENSION LEGISLATION SET FOR FLOOR ACTION

S. 737 and H.R. 4034, bills to extend the Export Administration Act, have been reported by the Senate Banking, Housing and Urban Affairs Committee and the House Foreign Affairs Committee, respectively. Both are scheduled for floor action this week.

These bills contain somewhat differing confidentiality provisions, but both are aimed at maintaining the confidentiality of information contained in Shipper's Export Declarations (SED's) that must be filed with the Department of Commerce by every U. S. exporter.

H.R. 4034 would exempt from disclosure information concerning:

- Parties to a transaction
- Type of good or technology being exported
- Destination
- End use
- Quantity
- Value or price.

However, a savings clause in H.R. 4034 provides that amendments made by this bill shall not affect any investigation, suit, action or other judicial proceeding commenced under the Export Administration Act of 1969 or under Section 552 of Title 5 United States Code (the Freedom of Information Act), which is pending when this Act takes effect.

If the bill passes with this savings clause, it would not provide protection against the Twin Coasts case, which is now pending before the U. S. District Court for the District of Columbia. In that case, the Journal of Commerce is suing the Department of Commerce under the Freedom of Information Act to see, obtain and publish all past and future SED's filed by U. S. exporters.

The confidentiality provision in S. 737 would exempt from disclosure information obtained under the Act "which is deemed confidential or with reference to which a request for confidential treatment is made by the person furnishing such information." S. 737 contains no savings clause comparable to the one in the House bill.

SYNTHETIC FUEL DEVELOPMENTS IN THE CONGRESS

A proliferation of bills are now in the mill for the development of synthetic fuels. A massive synthetic fuels bill, H. R. 3930, was introduced by William S. Moorhead (D-PA) to require the Federal government to

AP00025398

buy synthetically produced fuels capacity. As an amendment to the Defense Production Act (DPA) the Banking Subcommittee adopted and the House approved on June 26 the measure which authorizes \$2 billion in price subsidies to produce 500,000 barrels a day within 5 years or the equivalent of 2 million barrels of oil a day by 1990. The Representatives quickly took the Senate approved bill, S. 932, substituted House language to include the mammoth synfuels program and a one-year DPA time extension and requested an immediate conference on the measure. The originally approved Senate version would have extended the DPA for only two years.

Chairman Carl Perkins (D-KY) of the House Education and Labor Committee is also sponsoring the Synthetic Fuel Reserve Corporation Act (H.R. 4514) that could, it is said, create a synthetic fuels industry capable of producing as much as 5 million barrels a day. The bill marked up on June 27 by the Ed and Labor Committee would permit government loans, loan guarantees, and price supports amounting to approximately \$200 billion over the years.

An omnibus energy supply bill, the Energy Supply Act (S. 1308) is being backed by Senator Jackson (D-WA), Chairman of the Senate Energy Committee. Throughout most of July, hearings are being held by subject matter not only on synfuels, but also gasohol, energy conservation and fuelswitching for industry. Basically, S. 1308 provides, inter alia, for an expedited decision-making process by establishing a strategy for identifying and advancing non-nuclear energy projects, emergency authority to manage short-term energy shortages and incentives needed to develop and exploit synthetic fuels.

Congressman Dingell (D-MI), Chairman of the House Commerce Subcommittee on Energy and Power, has introduced his own bill (H.R. 4474) to stimulate synfuel production, which is in many ways comparable to the Jackson bill. Chairman Dingell's Subcommittee held hearings on H.R. 4474 June 22 and 25.

bills is Senator Domenici's (R-NM)

The most ambitious of the several/Synthetic Fuels Product Act (S. 1377). This proposal would set up a 5-member board of directors, heading a Treasury-backed corporation, to oversee production of the equivalent of 1.5 million barrels of crude oil per day from oil shale coal gas and coal liquids with a goal by 1990 of producing 5 million barrels of crude per day. Senate Abraham Ribicoff's (D-CT) Governmental Affairs Committee held hearings on July 17 and 18.

MANDATORY ENERGY CONSERVATION MEASURES MOVING IN CONGRESS

Led by Senator Howard M. Metzenbaum (D-OH), seven Senators introduced a package of four mandatory conservation measures designed to eliminate waste in the transportation, housing and industrial sectors of the economy. Of interest to the chemical industry and allied products of the industrial equipment efficiency standards portion of S. 1338, the National Energy Conservation Policy Act. That act requires the DOE to set efficiency standards on certain classes of electric motors and pumps and mandates the Energy Secretary to report to Congress before May 1980

AP00025399

on the practicability of requiring selected categories of electric motors and pumps to meet minimum standards of energy efficiency. On June 27, the Senate Energy Subcommittee began hearings on the legislation.

The Emergency Energy Conservation Act (S. 1030), introduced by Senator J. Bennett Johnston (D-LA), passed the Senate on June 5. It was reported by the House Commerce Subcommittee on Energy and Power on July 12, and the full Commerce Committee began markup July 17. In addition, the Industrial Energy Conservation Act (H.R. 4396), introduced by Robert F. Drinan (D-MA), was referred to the House Banking Subcommittee on Economic Stabilization.

TSCA REAUTHORIZATION REMAINS ON HOUSE CALENDAR

H.R. 2606, which would reauthorize implementation of the Toxic Substances Control Act for Fiscal Year 1980, has been reported out of the House Interstate and Foreign Commerce Committee. On June 21, the Rules Committee granted an open rule providing for one hour of debate when the bill is brought to the House Floor. H.R. 2606 could be called up on the Floor at anytime. Expectations are that this will occur after the House completes action on the various Appropriations bills and before the August recess.

The Senate has already approved S. 1147, a three-year TSCA reauthorization (FY 1980, 1981 and 1982), without any provision comparable to the victim compensation study called for in the House bill. Any differences between it and the version finally adopted by the House will be ironed out in a Conference Committee appointed by the two bodies.

CMA'S STUDY OF TSCA'S ECONOMIC IMPACTS UNDER FIELD TEST

With an eye to the early 1980's when oversight hearings are anticipated for the Toxic Substances Control Act (TSCA), CMA has proposed that a study be conducted to measure the economic impact of the Act. It is CMA's intent to conduct not merely a cost/accounting study, but to also measure TSCA's impact on research and development (R & D) in the chemical industry. National Economics Research Associates (N/E/R/A), of New York has been hired as the study's contractor.

Because implementation of TSCA is just beginning, and because it frequently takes many years for trends to develop, it will not be possible to directly measure TSCA's impact on R & D. Consequently N/E/R/A is planning to develop a model which will forecast the Act's effect on R & D funding and activity.

The questionnaire which N/E/R/A has developed to gather data for the study is currently undergoing a field test with five CMA member companies. It is anticipated that N/E/R/A will have evaluated the field test by September 15, 1979. At that time, a decision will be made by CMA whether to proceed with a full pilot test of the study which would

AP00025400

involve 50 member companies. The pilot test should be concluded by April 1, 1980. At that time CMA will again examine the results. Assuming the data provides an adequate measure of TSCA's impact on the chemical industry, the data collection process will continue for the next three to four years until the Congress reviews the Act.

SENATE SCIENCE SUBCOMMITTEE
HOLDS HEARINGS ON TECHNOLOGY INNOVATION

The Science, Technology and Space Subcommittee of the Senate Commerce held hearings June 21 and 27 on S. 1250, the National Technology Innovation Act of 1979. The legislation, proposed by Subcommittee Chairman Adlai Stevenson (D-IL), is designed to promote development of techniques to analyze and stimulate technological and industrial innovation.

The hearings sought ways to improve the federal government's capability to first understand technological and industrial innovation, and then to promote (among other things) the types of cooperative arrangements between industry and academia which flourished before and during World War II. The proposed legislation would provide federal funding to create Centers of Industrial Technology for university and industry scientists to conduct joint research.

Monte Throdahl, Senior Vice President of the Monsanto Company, testified the first day of hearings that the public would benefit more from government-sponsored research projects if greater incentive were provided for industry to commercialize the results of that research. Without promise of exclusivity, few companies are willing to invest the time, talent and money required to carry a basic discovery on to applied research and commercialization.

Other witnesses at these hearings included Dr. Herbert Holloman, Director of the Center for Policy Alternatives, M.I.T.; Dr. Jack Goldman, Vice President and Chief Scientist, Xerox Corporation; Dr. Louis Branscomb, Vice President and Chief Scientist, IBM; Dr. Richard Atkinson, Director of the National Science Foundation; and Dr. Jordon Baruche, Assistant Secretary of Commerce for Science and Technology.

ADMINISTRATION TRUCKING
DEREGULATION BILL INTRODUCED IN CONGRESS

On June 21, 1979, President Carter transmitted to the Congress legislation to substantially reduce Federal economic regulation over the trucking industry. On that same day, CMA's President, Robert A. Roland, issued a statement applauding the Administration's initiative in proposing the "Trucking Competition and Safety Act of 1979" to reduce the amount of economic regulation of the motor carrier industry and to increase competition in this area. The bill, S. 1400, sponsored on behalf of the Administration by Senator Edward Kennedy (D-MA) will be commented on in detail by CMA after our Distribution Committee has had an opportunity to carefully analyze the bill and attendant issues. Mr. Roland's press statement essentially stated that maximum reliance on competition,

AP00025401

and minimum reliance on regulation, consistent with fostering a strong transportation system, is the best way to assume fair prices and fair treatment of all concerned.

The Senate Commerce Committee chaired by Howard Cannon (D-NV), held hearings on July 17 and 18 on the status of truck safety (S. 1390) and also examined Title II of S. 1400. The Surface Transportation Subcommittee of the House Public Works and Transportation Committee is planning to hold hearings on competition in the motor carrier industry in late July.

HOUSE CONTINUES HEARINGS ON DEREGULATION OF RAILROADS

The Transportation Subcommittee of the House Commerce Committee will continue hearings on deregulation of railroads before Chairman Florio in late July. On the Senate side, hearings were completed on S. 796 June 21 before Chairman Russell Long's Surface Transportation Subcommittee of the Senate Commerce Committee. CMA had testified before this Subcommittee June 7 on S. 796, the Railroad Deregulation Act of 1979. A CMA Government Relations Committee task group on railroad deregulation is now being formed to continue to put forward CMA regulatory reform proposals.

ILLINOIS BRICK LEGISLATION NEARS SENATE ACTION

On July 10, the Senate Judiciary Committee filed its report on the Illinois Brick Antitrust Bill, S. 300, which permits indirect purchasers to recover damages in antitrust price fixing cases. The report is designed to insure that the so-called "pass-on defense" is not used by defendants to avoid antitrust liability altogether.

When approving the final version of S. 300, the Committee rejected a provision that the pass-on defense should be used only "in the discretion of the court." The bill permits the pass-on defense to be used whenever a plaintiff passed along overcharges to others who are themselves "entitled to recover." The Committee report refines this provision by arguing that the pass-on defense should not be permitted when those technically entitled to recover overcharges for some reason cannot recover.

The filing of the report, discussing pass-on and other issues, sets the stage for Senate floor action on the legislation, but Senate aides do not believe that floor debate will occur before the August recess. Majority Leader Robert Byrd (D-WV) has asked for assurances that a threatened filibuster against the bill can be defeated, and the bill's backers have yet to round up commitments from 60 Senators to invoke cloture.

On the House side, Judiciary Committee Chairman Peter W. Rodino (D-NJ) has yet to arrange a compromise with ranking minority member

AP00025402

Robert McClory (R-IL) who, close observers say, is the key to passage in the House. In early June, Rodino said a markup session would be held in several weeks, but none has been scheduled.

LOBBYING REFORM MOVING IN THE HOUSE

The full House Judiciary Committee began markup of the lobbying reform bill, H.R. 4395, on July 10. Further markup sessions have been tentatively planned for July 25-26. The bill, as reported by the Subcommittee on Administrative Law, would require organizations that lobby to disclose the names of each organizational member and the dues each member contributes, if the figure is over \$3,000.

There has been no lobbying reform activity in the Senate in this Congress, and none has been scheduled to date.

REGULATORY REFORM LEGISLATION CONTINUES TO DRAW CONGRESSIONAL ATTENTION

The Senate Governmental Affairs Committee has completed hearings on numerous regulatory reform bills (S. 262, S. 445, S. 755, et al) and is expected to begin markup of this legislation in the near future.

The House Judiciary Subcommittee on Administrative Law and Governmental Relations is expected to begin hearings on H.R. 3263, the Administration's Regulation Reform Act of 1979, sometime in September.

The U. S. Chamber of Commerce and NAM are spearheading an integrated regulatory reform effort with the objective of obtaining the passage of the right kind of regulatory reform bill in the 96th Congress. To meet this objective, task forces have been set up for each of the regulatory reform legislative areas. The task forces and their chairmen are listed below. Volunteers to work on these task forces are needed. Persons desiring to participate in this important effort should contact the chairman of the task force in which they are principally interested.

<u>Task Force</u>	<u>Chairman</u>
(1) Regulatory Cost Analysis	Ed Behrens, Procter & Gamble
(2) Congressional Veto	Al Bourland, General Motors
(3) Paid Intervention	Mary Jo Jacobi, 3M
(4) Sunset	Roscoe Egger, Price Waterhouse
(5) Administrative Procedures	Dick Leighton, Leighton & Conklin

AP00025403