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CHEMICAL MANUFACTURERS ASSOCIATION

September 17, 1991

TO: Health and Safety Contacts

RE: 1990/91 Health and Safety Committee Annual Report

I am pleased to distribute the 1990/91 Annual Report of the Health and Safety Committee. I think you will agree that this past year has provided exciting challenges and opportunities in key health, risk and safety areas affecting our industry. The Committee, and the task and work groups it supports, has achieved considerable success in advocating appropriate regulation, promoting health and safety in our industry, and communicating and educating our members and customers. The efforts of the Committee represent a significant commitment to improve the performance and perception of our industry.

Please take the time to review the key accomplishments of the last year and our goals for the future. Please call me at 202/887-1282 if you have any questions.

Sincerely,

A handwritten signature in dark ink, appearing to read "Kathryn A. Rosica", is written over the typed name.

Kathryn A. Rosica
Director
Health and Safety

Enclosure

cc: C. W. Van Vlack (w/out enclosure)

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ANNUAL REPORT
OF THE
HEALTH AND SAFETY COMMITTEE
1990/91

PROGRAM DESCRIPTION

The Health and Safety Committee is responsible for health effects, risk assessment, safety, and product regulations in virtually all arenas that relate to our industry's operations, emissions or products.

Key Statutes:

The Health and Safety Committee has lead responsibility for legislative and regulatory advocacy for the following statutes:

- o Toxic Substances Control Act (TSCA); and
- o Occupational Safety and Health Act (OSHA).

In addition, the committee deals with chemical health effects and health risk related issues under other federal acts such as: CERCLA, RCRA, SDWA, CWA, CAA, SARA, FDA, FIFRA and the CPSA, as well as state laws and international agreements and conventions.

Key Issue Areas:

The Health and Safety Committee is responsible for advocacy for health, safety and risk issues in the following areas:

- o Product Stewardship;
- o Pollution Prevention (Chemical Control Regulations);
- o Risk Assessment and Risk Management; and
- o Hazard and Risk Communications.

Key Programs:

The Health and Safety Committee manages or is the parent committee for:

- o Responsible Care® code drafting and implementing groups:
 - Community Awareness and Emergency Response (CAER);
 - Product Stewardship and;
 - Employee Health and Safety.
- o Epidemiological Resource and Information Center (ERIC); and
- o U.S. industry participation in the OECD Existing Chemical Testing Program.

The committee closely coordinates activities on the above key statutes, issues and programs with other CMA committees and programs, most notably with the International Affairs Committee, the Environmental Management Committee, CHEMSTAR, CHEMTREC, and Responsible Care®.

Attachment 1 includes the committee's statement of purpose and a list of current members. To assure consistency in CMA's application of CMA policies and positions across the many laws and regulations and to address the broad scope of regulations, the committee is organized as a functional matrix of expert task groups (see organization chart, attachment 2).

ISSUES AND KEY CHALLENGES BEING ADDRESSED

The number of laws, regulations, standards and voluntary initiatives that the committee is responding to, developing or monitoring have increased significantly. This expanding array of issues will require an increasing need for committee resources and a commitment to long-term planning and strategies in the following areas:

Toxic Substances Control Act (TSCA)

TSCA is perceived by Congress and environmental groups as inadequate to control chemical risks. This perceived failure of the statute has resulted in: efforts by EPA to revitalize the TSCA program; proposed amendments to other environmental statutes to control chemicals; and reauthorization consideration by Congress.

Operational and economic challenges for the chemical industry include:

- o Consistency and coordination among domestic and international testing programs;
- o Detailed, time consuming and expensive requirements for introducing new chemicals into commerce;
- o Retrospective guidance interpretation and enforcement of TSCA reporting requirements; and
- o Product barriers to the marketplace from extensive regulatory controls.

Occupational Safety and Health Act (OSHA)

Comprehensive OSHA reform legislation has been introduced into both Houses of Congress. Combined with public concerns about the safety of chemical processes and operations, including an emphasis on contractor management, there is renewed interest in occupational health and safety issues.

Operational and economic challenges for the chemical industry include:

- o Issues raised by the introduction of the Comprehensive Occupational Safety and Health Reform Act of 1991, including:
 - Increased employee involvement in workplace health and safety activities;
 - Expedited health and safety standards setting process;
 - Increasing employee participation in OSHA enforcement proceedings and increasing criminal penalties for violations;
 - Provisions for high risk disease notification; and
 - Provisions for addressing victims' rights.
- o Changes of the illness and injury reporting requirements that may affect compensation costs and regulations;
- o Increasing regulatory attention to the chemical industry through OSHA's Special Compliance Program (PETROSEP);
- o New OSHA civil penalty policy that increases fines seven-fold;
- o Legislation and regulation on multiple chemical hypersensitivity disorders that impact toxic tort litigation, mandated health benefits and workers compensation claims; and
- o Continued efforts to replace industry management of plant facilities with employee and community member control.

Product Stewardship

Product stewardship will present many future challenges, including consideration of all stages of a product's life, from design through disposal, and closer interaction with suppliers, distributors, contract manufacturers and customers.

Operational and economic challenges for the chemical industry include:

- o Life-cycle assessment of products;
- o Environmental hazard communication and labeling;
- o Outreach to third-parties, including distributors, customers and suppliers;
- o Facilitating the flow of health, safety and environmental information; and
- o Implementing the Product Stewardship Code.

Pollution Prevention (Chemical Control Regulations)

Source reduction, first in the hierarchy of pollution prevention practices, is increasingly being equated with the elimination of chemicals, use reduction and product bans in legislative and regulatory arenas and is being incorporated into other environmental statutes.

Operational and economic challenges for the chemical industry include:

- o Implementation of pollution prevention within current TSCA regulatory programs;
- o Strengthening TSCA, especially Section 6, as the appropriate vehicle for the regulation and management of chemical use risks; and
- o Amendments to existing environmental statutes that focus on the reduction of toxics used in the manufacture of products or product bans.

Risk Assessment and Risk Management

New legislative and regulatory programs, such as the Clean Air Act, have increased the focus on, and the opportunity to affect, how risk assessment is used to regulate operations and products.

Operational and economic challenges for the chemical industry include:

- o Continued misrepresentation by public interest groups and the mass media of the chemical industry as a public threat;
- o Industry, government, environmental group and media accountability for characterizing risks accurately;
- o Inappropriate use of risk assessment in legislation and regulations that seek to reduce risk to ever lower levels and pose serious economic consequences for both industry and the general population;
- o Developing appropriate criteria to focus risk management decisions on priority risks;
- o Emerging scientific issues that will direct regulatory actions to control chemical processes; and
- o Increasing focus on ecological risks.

Hazard and Risk Communications

Responsible Care® and domestic and international regulations and legislation have placed an increased emphasis on communications to the public about our industry's operations, practices and products.

Operational and economic challenges for the chemical industry include:

- o Product environmental labeling;
- o International harmonization of MSDSs and hazard classification categories;
- o Developing an American National Standards Institute (ANSI) standard for MSDSs;
- o Reviewing the ANSI standard for warning labels (Z129.1);
- o Potential national repository for general access to MSDSs;
- o Expansion of hazard communication requirements within other agencies and statutes, including Consumer Product Safety Commission (CPSC) and Mine Safety and Health Administration (MSHA); and
- o Inconsistent and burdensome state product labeling requirements.

Responsible Care®

Significant effort is required to develop Responsible Care® codes and related implementation manuals, guidelines and other tools.

Operational and economic challenges for the chemical industry include:

- o Developing and providing adequate resources to assist member companies in implementing codes of management practice; and
- o Developing objective measures of industry performance within each code.

Epidemiology Resource and Information Center

The regulatory risk assessment process is frequently driven by toxicological data from animal studies that may not be relevant to or consistent with human health effects experience. ERIC provides a framework for continuous improvement in the quality of company-based industry epidemiology practices and programs to help enhance the database on human health effects and chemical exposures.

Operational and economic challenges for the chemical industry include:

- o Encourage and facilitate member company epidemiology programs;
- o Develop human health effects data to make regulatory risk assessments more relevant; and
- o Scientifically-based decisions regarding causation in toxic tort and workers' compensation claims.

1990-1991 RESULTS

Toxic Substances Control Act (TSCA)

New Chemicals and Reporting

- o Worked closely with SPI and EPA to draft proposed revisions to expand the current scope of the PMN polymer exemption rule and submitted comments to EPA on proposed revisions to expand TSCA's low volume and site-limited intermediates PMN exemptions;

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- o Met with EPA consultants to ensure adequate trade secret and confidentiality protection for reporting requirements under TSCA;
- o Voluntarily participated in EPA survey to assess the economic impact on industry of the proposed revisions to the PMN rule;
- o Participated in discussions with EPA on upgrades to the present TSCATS database system to facilitate better utilization of information submitted under TSCA;
- o Commented on and defeated an EPA proposal to eliminate the R&D exemption from the Inventory Update Reporting Rule;
- o Commented on EPA's proposed clarification of the 40 CFR 720.30 (h)(7) "Salts" exemption asking for a formal notice and comment period and suggesting alternative language; and
- o Developed a discussion paper on options for testing of PMN chemicals that will be used to discuss improvements with EPA and as a support document for possible TSCA legislation.

Testing

- o Established active, productive dialog with EPA Chemical Testing Branch, Existing Chemicals Assessment Division, and others in the Office of Toxic Substances to exchange views on various aspects of domestic and international chemical testing and risk management programs;
- o Worked cooperatively with EPA to advance the OECD HPV Existing Chemicals Testing Program; participated in Conservation Foundation sponsored reviews of dossiers and development of exposure-based testing exemption criteria; successfully solicited industry volunteers for Phase II and III of the OECD program;
- o Commented on general issues raised by EPA's Proposed Rules for Multi-Substance Testing for Reproductive and Developmental Toxicity, and Neurotoxicity and participated in follow-up EPA open meeting; and
- o Participated in ATSDR meeting regarding emphasis and design of its proposed testing program.

Enforcement

- o Participated in numerous meetings and discussions with EPA's program offices and Offices' of Compliance and Enforcement to seek relief and improvement to the process of interpretive guidance and retroactive enforcement of TSCA; and
- o Worked with and successfully negotiated changes to EPA's Compliance Audit Program under TSCA Section 8(e) including changes to deadlines and the consent agreement and developed case studies for EPA's review to resolve questions on reporting criteria of health effects information.

Outreach and Education

- o Continued sharing of TSCA information and international reporting requirements among members to allow EPA and industry exchange of views on testing, chemical reporting requirements and risk management efforts within OTS;
- o Established an active dialog with EPA and SOCHA, including participating in a pilot study, on proposed environmental hazard communication regulation;

- o Formed a TSCA Legislative Work Group to begin efforts to favorably position CMA for TSCA Reauthorization;
- o Conducted a workshop for 75 EPA staff members on the new chemical development process and initiated a program to further educate EPA OTS Staff on chemical industry practices by sponsoring plant tours at member company facilities; and
- o Developed and distributed, on computer disk, a TSCA Awareness Manual to facilitate understanding of TSCA requirements throughout industry.

Occupational Health and Safety Act (OSHA)

- o Submitted written comments to OSHA on proposed rule for Motor Vehicle Safety and testified at OSHA Hearings on Accreditation of Training Programs for Hazardous Waste Operations, Walking & Working Surfaces, and Motor Vehicle Safety proposed rules;
- o Participated in meetings with OSHA officials to discuss CMA's Responsible Care® initiative and other industry programs as well as OSHA's Voluntary Protection Program (VPP) and Petrochemical Industry Special Emphasis Program (PETROSEP);
- o Directed industry-wide educational efforts on environmental illness and participated in the National Academy of Sciences workshop addressing research needs;
- o Monitored and provided input to OSHA medical surveillance activities, occupational injury and illness recordkeeping, and OSHA's new medical office;
- o Submitted comments on the Marine Occupational Safety and Health Recommendations for a Marine Industrial Hygiene Program;
- o Submitted comments to EPA and ASTM on guidance documents and sampling methods for indoor air quality;
- o Submitted comments to the California Occupational Safety and Health Standards Board on revisions to Title 8, California Code of Regulations, concerning Occupational Exposures to Hazardous Chemicals in Laboratories;
- o Submitted written testimony on the proposed "Workers' Family Protection Act" (S.353) to the Subcommittee on Labor and Human Resources; and
- o Continued efforts to develop U.S. industry positions on ILO's Code of Practice for the Prevention of Major Industrial Accidents and OECD's Guiding Principles on Accident Prevention, Preparedness and Response.

Product Stewardship

- o Formed a broad-based product life-cycle assessment work group (including representatives from packaging and consumer-product groups) to develop industry positions and advocacy;
- o Conducted research on public need and requests for a non-emergency access national MSDS repository, coordinating with the CMA National Chemical Response and Information Center (NCRIC) and developing dialogue with OSHA and other outside groups considering MSDS repositories (Organization Resource Counselors, Chemical Abstracts Service);

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- o Developed chemical industry position on environmental labeling and formed environmental labeling coalition with other trade associations;
- o Commented on environmental labeling to the States Attorneys General during hearings to develop the Green Report, which included recommendations for voluntary action by industry; and
- o Joined the American National Standards Institute (ANSI) U.S. subgroup to participate in developing the International Standards Institute (ISO) guidelines for the use of environmental terms in labeling.

Pollution Prevention

- o Developing positions that call for strengthening of existing chemical control mechanisms under the Toxic Substances Control Act (TSCA) as an alternative to proposed legislation amending RCRA, Community Right-to-Know (SARA 313), and the Clean Water Act that focus on reducing or banning chemicals used in product manufacturing.

Risk Assessment and Risk Management

- o Initiated the Risk Assessment/Management Dialogue Group (RDG) to improve and recommend constructive changes in the area of risk assessment, including 1) improving the application of science to the risk assessment paradigm; 2) improving exposure assessment; 3) clarifying the appropriate uses of risk assessment; and 4) improving risk communication;
- o Strengthened industry advocacy efforts through third party dialogue on environmental accountability among industry, environmentalists, and government leaders for discussing environmental risk issues and undertaking voluntary environmental actions;
- o Developed model legislative language for risk assessment/management and a risk outreach program aimed at the Administration, Congress, Federal agencies, and other groups;
- o Supported implementation of the recent Clean Air Act (CAA) amendments, including the National Academy of Science's study on risk assessment methodology, the Risk Management and Assessment Commission, and the credit for early reductions program;
- o Worked with EPA to modify new inhalation reference concentration guideline and upcoming revisions to other non-cancer risk assessment guidelines;
- o Commented against the use of worst-case exposure assumptions to develop action levels and other regulatory limits in rulemakings under RCRA, CPSC, and Superfund; and
- o Improved CMA's risk assessment advocacy effort by conducting a statistical analysis evaluating the uncertainty in worst-case exposure assumptions used by regulators in risk assessment.

Hazard and Risk Communication

- o Initiated the ANSI Standards process to develop an American National Standard for the Preparation of MSDSs;
- o Completed a joint research study with OSHA on the effectiveness of CMA's MSDS Guideline and developed a videotape promoting its use;

- o Initiated a study to test the effectiveness of commonly used phrases to communicate hazard; results will be incorporated into the proposed ANSI standard;
- o Continued dialogue to gain an international consensus on MSDSs, hazard classification systems, and consistent U.S., Canadian and European hazard communication requirements;
- o Submitted comments to the Mine Safety Health Administration (MSHA) on proposed hazard communication rule and to the Consumer Product Safety Commission (CPSC) on proposed rule for labeling consumer products for chronic health hazards; and
- o Advanced the MEDTREC Initiative to improve emergency medical treatment information on industrial chemicals through establishing relationships between CHEMTREC and regional poison centers and developing emergency medical management protocol.

Responsible Care®

Community Awareness and Emergency Response (CAER)

- o Continued to assist member companies in implementing the CAER Code by developing a CAER Progress Report, Q & A document, Crisis Management Planning Guide and Video and Resource Computer Disk; and
- o Conducted regional plant visits with Responsible Care® program to assess the needs of smaller member companies in implementing the CAER Code and worked with EPA on small business concerns through the Networking Roundtable.

Product Stewardship

- o Completed draft Product Stewardship Code, incorporating broad membership input through a series of quarterly open meetings; and developed draft Product Stewardship Code resources.

Employee Health and Safety

- o Developed draft Employee Health and Safety Code of Management Practices and reviewed code with health and safety professionals and member company employees; and
- o Developed draft resource guide to facilitate code implementation.

Epidemiology Resource and Information Center (ERIC)

- o Published "Guidelines for Good Epidemiology Practices for Occupational and Environmental Epidemiologic Research" and "Occupational Epidemiology Resource Manual;"
- o "Guidelines for Good Epidemiology Practices" endorsed by the CEFIC (European Chemical Industry Council);
- o Promoted ERIC materials through workshop on quality management of occupational epidemiology programs;
- o Developed additional ERIC resource materials on ecological analysis as an epidemiologic research method, identifying and responding to disease clusters and quality management for occupational epidemiology programs; and
- o Developed guidelines for the collection of industrial hygiene exposure assessment data for epidemiologic use.

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1991-1992 PRIORITIES

- o Enhance the committee's advocacy process, long-term planning and effectiveness;

Toxic Substances Control Act (TSCA)

- o Actively promote educational efforts for both member companies and EPA;
- o Promote uniform, consistent regulatory guidance while discouraging retroactive interpretations on all TSCA-related issues;
- o Advocate and achieve sensible revisions to EPA's PMN rule and present chemical nomenclature system;
- o Increase advocacy efforts on EPA's information management efforts under TSCA Section 4, 5, 6, 8, 12, and 13; and
- o Advocate integrating domestic and international testing program requirements, regulations and product assessment criteria.

Occupational Health and Safety Act (OSHA)

- o Preserve the integrity of OSHA authority in the workplace in efforts to reform the OSH Act;
- o Advocate performance-oriented health and safety standards, including generic medical surveillance and exposure assessment;
- o Advocate reasonable revisions to OSHA's Occupational Injury and Illness recordkeeping and reporting guidelines and develop an effective, credible working relationship with the newly established OSHA Office of Statistics; and
- o Promote the development of a streamlined, performance based Ergonomics Standard and address OSHA's increased emphasis on substance abuse and reproductive and developmental hazards.

Risk Assessment and Risk Management

- o Increase advocacy on exposure assumptions in waste, water and air regulations; and
- o Advocate appropriate risk assessment and management framework to properly focus national priorities.

Responsible Care®

Community Awareness Emergency Response (CAER)

- o Assist the CMA membership in coordinating site emergency response plans with the community; and
- o Assist the CMA membership in reaching out to the community to meet their obligations under Responsible Care® and the CAER Code, as well as comply with SARA Title III "Right to Know" requirements.

Product Stewardship

- o Implement the Product Stewardship Code of Management Practices through resource guides and workshops; and
- o Develop outreach initiatives to customers, distributors and other downstream users.

Employee Health and Safety

- o Implement the Employee Health and Safety Code of Management Practices through resource guides and workshops

Epidemiology Resource and Information Center (ERIC)

- o Advocate the greater use of epidemiologic studies and human evidence in making public policy decisions and in risk assessments; and
- o Develop framework for facilitating collaborative community research studies.

RESOURCES EMPLOYED (1990/91)

- 1) **Member Company Personnel:** 375 representatives from 69 companies participated in 243 task and work group meetings. This number does not include pre and post meetings activities, telephone conferences, internal company coordination, travel time or informal meetings with CMA staff. Speaking engagements on behalf of CMA are also not included. (for details see attachment 3A & B)
- 2) **Direct Staff Support:** Full time services of 9 technical staff executives and 6 support staff were employed in the management of the committee's business.
- 3) **Indirect Staff Support:** Additionally, 3 legal counsels, 2 government relations staff and 2 communications department staff provided at least 50 % of their time to health and safety issues. Technical administration contributed an additional 1 1/2 person years.
- 4) **Outside Purchased Services:** Expected expenditures for outside purchased services during FY 91/92 is \$666,900 divided as follows: \$114,800 for product programs & TSCA issues; \$89,800 for occupational safety and health issues; \$351,800 for risk assessment/risk management issues; \$59,500 for the community awareness and emergency response (CAER) program; and \$51,000 for ERIC issues.

MEMBER COMMUNICATION, SUPPORT AND OUTREACH ACTIVITIES

The Committee developed materials for monthly newsletters, special alerts and reports to CMA members and allied groups. It hosted 26 seminars, workshops and open meetings, and published 5 major documents or videotapes. External contacts included regulatory groups and allied and non-allied associations and coalitions. (A more detailed listing of outreach activities is included as attachment 4.)

PROJECTED NEEDS

- o Increased resources for drafting and developing CMA comments;
- o better identification of association priorities;
- o electronic mail for preparing documents and comments;
- o member company human resource expertise to assist in developing policies and advocacy on health and safety issues that impact company personnel policies;
- o member company participation in product stewardship outreach; and
- o editorial and production assistance for CMA publications.

CMA
August 1991

HEALTH AND SAFETY COMMITTEE

PURPOSES: The Committee oversees Association programs concerning human health and safety. The Committee will: identify key health and safety issues and focus on matters of greatest significance to the chemical industry; establish specific objectives and mobilize resources to produce timely results; develop and recommend to the Executive Committee policies and positions on legislative, regulatory, and technical

questions; provide cost-effective support for authorized Association programs that enhance chemical industry productivity and competitiveness through health and safety programs; seek relief from unreasonable health and safety legislation and regulation by appropriate means; sponsor research and development on human health and safety issues of widespread interest to the chemical industry.

CHAIRMAN*
GARY L. TER HAAR

STAFF EXECUTIVE
KATHRYN A. ROSICA

VICE CHAIRMAN*
LADD W. SMITH

TERM ENDING MAY 31, 1992

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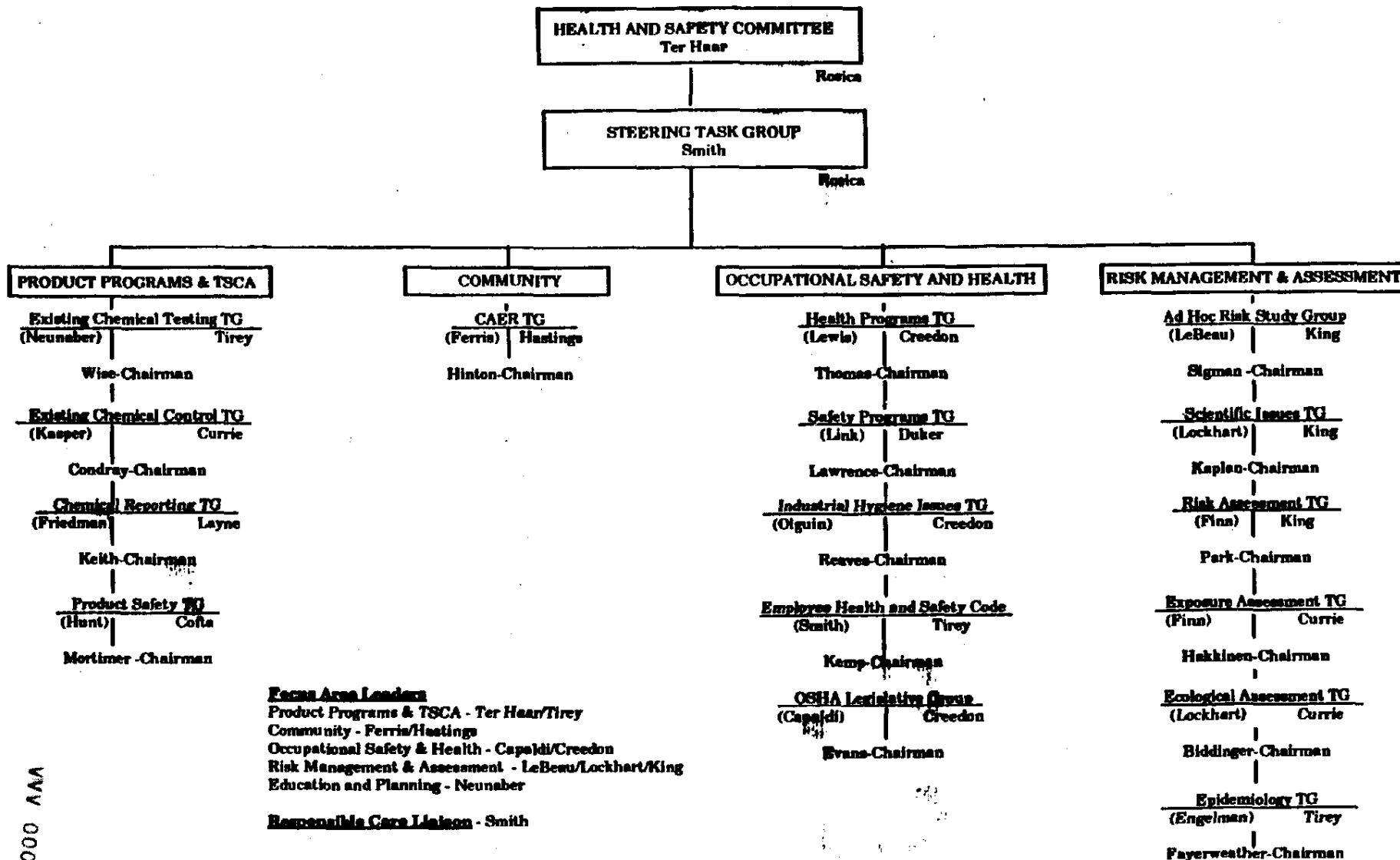
ATTACHMENT 2

To assure consistency in CMA's application of CMA policies and positions across the many laws and regulations and to address the broad scope of regulations, the Committee is organized as a functional matrix of expert task groups. The Committee activities are organized under:

1. Product Programs & TSCA - advocating strategies to foster product stewardship processes and regulations that meet needs both domestically and internationally
2. Risk Management & Assessment Methods - promoting a technical, social, and political framework that will allow risks to be reduced, while improving U.S. economic health and regaining the credibility of the chemical industry
3. Occupational Safety & Health - promoting effective management strategies to assure the health and safety of all people involved with the research, development, manufacturing, processing, distribution, use, and disposal of chemicals
4. Community - ensuring the safety of our facilities, strengthening our emergency response capabilities, and broadening community awareness of our operations

HEALTH AND SAFETY COMMITTEE ORGANIZATION

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ATTACHMENT 3A

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Page 1

<u>Member Company</u>	<u>Representatives</u>
Air Products	4
Albright & Wilson	1
Allied-Signal	6
American Cyanamid	9
Amoco	10
ARCO	10
Ashland	3
ATOCHEM	3
BASF Corporation	8
Bayer USA	1
BFGoodrich	2
BP America	5
Cabot	1
Chevron	13
CIBA GEIGY	9
DeGussa	1
Dow Chemical	25
DuPont	20
Eastman	6
Eastman Kodak	10
Eli Lilly	1
Ethyl Corporation	5
Exxon	18
FMC	1
General Electric	2
GE Silicones, GE Plastics	4
Georgia Pacific	1
Grace Specialty	10
Harwick	1
Hoechst Celanese	21
Hoffman LaRoche	1
Huls America	1
ICI Americas, Inc.	9
INCO Ltd.	1
Interchem, Inc.	1
Johnson Wax	1
Kerr-McGee	3
Kronos	1
Lubrizol	4
Mallinckrodt	3
Mobay	1
Mobil	10
Monsanto	20
Morton International	1
Nalco	5
NOVA Corp. of Alberta	1

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ATTACHMENT 3A

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Page 2

<u>Member Company</u>	<u>Representatives</u>
Occidental Chemical	7
Olin Corporation	4
Owens-Corning Fiberglas	2
Phillips Petroleum	2
Procter and Gamble	3
Quantum Chemical	5
Reichold	1
Rhone-Poulenc	39
Rohm and Haas	32
Sandoz Crop Protection	1
SCM	2
Shell	3
SmithKline Beecham	1
Texaco Inc.	3
Tremco	1
Unical	1
Union Camp	1
Union Carbide	29
Univar	2
Velsicol Chemical	2
Vista	1
Vulcan	2
3M	9
TOTAL: 69	TOTAL: 375

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ATTACHMENT 3B

Task/Work Group Meetings Held in FY 1990/91

<u>Group</u>	<u>Number of Meetings</u>
Risk Assessment Task Group	14
Scientific Issues Task Group	6
Risk Assessment & Management Methods Focus Area	6
Ad Hoc Study Group on Risk	4
Product Safety Task Group	9
Product Stewardship Code Drafting Work Group	12
Hazard Classification Harmonization Work Group	3
Life Cycle Analysis Work Group	2
Environmental Labeling Coalition	5
Safety Programs Task Group	8
CAER Task Group	12
Existing Chemical Testing Task Group	11
Employee Health & Safety Code Drafting Group	12
Epidemiology Task Group	9
Product Programs & TSCA Focus Area	5
OSHA Focus Area Group	4
Health Programs Task Group	9
MEDTREC Work Group	8
Health Surveillance Work Group	3
OSHA Legislation Group	3
Industrial Hygiene Issues Task Group	8
Respiratory Protection Programs Work Group	3
Exposure Assessment Workshop Planning Group	4
Biomarkers Work Group	3
Ad Hoc Worker Participation Work Group	3
Existing Chemical Control Task Group	19
Exposure Assessment Task Group	16
Environmental Hazard Communication Work Group	5
Ecological Risk Assessment Task Group	10
Chemical Reporting Task Group	11
Polymer Exemption Group	5
MSDS Work Group	<u>11</u>
TOTAL:	243

MEMBER COMMUNICATION, SUPPORT AND OUTREACH ACTIVITIES:

Newsletters:

- o Health and Safety Committee Newsletter distributed bimonthly;
- o Health and Safety Alerts (average 1 per month); and
- o CAER Newsletter distributed 11 times a year.

Workshops and Open Meetings:

- o sponsored an educational forum for industry representatives on Environmental Illness entitled "Perspective on Environmental Illness: An Industry Forum";
- o API, CMA, NAM, ORC, and SOCHA will jointly sponsor a workshop entitled "Workplace Exposure Assessment: An Integrated Approach for the 90's -- Is Your Company Ready?" (scheduled for November 12, 1991);
- o "Quality Management of Occupational Epidemiology Programs" (ERIC Workshop - March 12-14, 1991);
- o "Multimedia Models and Human Exposures through Multiple Pathways from Air, Water, and Soil" workshop;
- o four Responsible Care® Product Stewardship Code open meetings;
- o Responsible Care® Employee Health and Safety Code open meeting;
- o five bimonthly TSCA Information Forums;
- o three regional MSDS Guideline training workshops attended by 350 representatives from industry and the private sector;
- o cosponsored with SOCHA a three day TSCA Compliance Workshop;
- o three regional MSDS Guideline training workshops; and
- o five CAER workshops on Community Outreach.

Publications:

- o "Guidelines for Good Epidemiology Practices (GEPs)";
- o "Occupational Epidemiology Resource Manual";
- o "Decision Analysis and Quantitative Risk Characterization: Information-Analysis Based Risk Characterization"; and
- o "TSCA Awareness Manual."

EXTERNAL OUTREACH

- o Established and maintained environmental illness issue contacts within the medical community, industry, other associations, professional organizations, and other interested parties to exchange information;
- o worked regularly with the International City Manager's Association on issues related to the coordination of community emergency response plans;
- o coordinated and worked closely with Canadian industry to gain consistency with U.S. TSCA polymer reporting requirements;
- o discussed with Japanese industry delegations current and possible changes to TSCA provisions; and
- o completed a joint project with the National Library of Medicine to study the feasibility of Data Documentation Completeness Indicators to improve quality of health and safety studies included in computerized databases.

Chemical

Manufacturers

Association

Membership

Benefits

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CMAA

Membership

Benefits

participation in the Chemical Manufacturers Association

(CMA) is a sound business decision for your company.

company and the industry as a whole. The collective efforts of all chemical manufacturers

are able to achieve more than any one company could achieve on its own.

what any individual company could achieve on its own.

Other companies in the industry are also working to improve the industry's image.

there is no company that can do it alone. The chemical industry's operations are worldwide and

it is essential for companies to look for opportunities to pool their resources in order to be most effective. CMA offers

chemical manufacturers just such an opportunity.

Major voluntary industry efforts such as CMA's Responsible Care® initiative underscore the leadership role CMA's

members have assumed. Through this performance improvement initiative, CMA members have publicly committed themselves to addressing the health, safety, and environmental

challenges facing the industry. The result will help CMA members gain a higher level of respect from the public and

others involved in the policy development arena.

Legislative
and Regulatory
Advocacy

Other examples of
the achievements
CMA has been able
to attain on behalf
of the chemical
manufacturing
community include:

Through its advocacy efforts,
CMA:

- Virtually froze the chemical feedstock tax during Superfund reauthorization even though total funding increased from \$1.6 to \$9 billion. As a result, the chemical industry's share of total funding dropped from 80% to 20%. In 1990, CMA successfully worked to get a four-year extension of the existing rates for Superfund taxes. Annual value to the industry — at least \$1 billion.

- Obtained major revisions to the Pollution Prevention Act resulting in its transformation from a punitive statute requiring specific reductions in chemical usage and emissions/releases to a more flexible law requiring only additional data reporting tied to SARA §313 chemicals. Annual value to the industry — at least \$1 billion.

- Provided leadership and funding to help defeat Proposition 128 (Hayden Initiative) in California. According to the state's legislative analyst, this measure would have had a cost impact on industry of \$10-12 billion.

- Achieved greater federal uniformity for laws and regulations governing the transportation of chemicals. CMA took a leading role in seeking the adoption of the Hazardous Materials Transportation Uniform Safety Act of 1990. This law provides that state laws and regulations have to be substantially the same as those promulgated by the federal government, thus significantly reducing compliance costs and avoiding regulatory conflicts.

- Led the effort to ensure that industrial boilers were kept out of the acid rain provisions of the new Clean Air Act. At present, neither SO₂ nor the NO_x emissions apply to industrial boilers, a substantial cost savings for the chemical industry.

- Was successful in its efforts to ensure that process patent protection was part of the 1988 Trade Act. Annual value to the industry — at least \$200 million.

- Obtained a five-year, 200% declining balance treatment for chemical manufacturing equipment under ACRS in 1986, an annual value to the industry of \$775 million. The chemical industry was the only heavy manufacturing sector to receive improved depreciation in the Tax Reform Act of 1986. In 1990, CMA successfully persuaded the Treasury Department to postpone its scheduled study of depreciation in the industry for one year because of the impact of the clean air legislation on industry equipment and processes.

- Successfully opposed several new energy and environmental tax proposals that would have undermined the international competitiveness of U.S.-based manufacturing, especially the chemical industry. Throughout 1990, Congress and the Administration considered and rejected several proposals that would have increased industry tax costs by as much as \$3 billion annually. The rejected proposals included broad-based (ad valorem or BTU equivalency) energy taxes, carbon taxes, emissions taxes, and virgin materials taxes.

- Secured a 15-month extension of both automatic allocation of 64% of U.S. research expenses to U.S. income and of the research and experimentation tax credit. Value to the chemical industry — \$600 million.

- Obtained favorable tax provisions for treatment of research and development expenses, foreign tax credits, and replacement of the Domestic International Sales Corporation (DISC) by the Foreign Sales Corporation. Together, these measures have saved the chemical industry approximately \$1.65 billion annually in addition to a one-time gain of \$3 billion on tax-free repatriation of tax-deferred earnings under DISC.

- Secured changes to a TSCA §8(e) Compliance Audit Program removing a requirement for companies participating in a voluntary audit program to be held in violation when reporting "substantial risk information" to EPA. Also, convinced EPA to work with CMA when developing additional regulatory guidance in this area.

- Convinced Congress that absolute risk limits were not necessary or desirable in setting permit limits in the Clean Air Act reauthorization process.

- Convinced the Environmental Protection Agency to continue to allow exemptions of many wastewater operations from the "Land-ban" rules. Annual value to the industry — \$500 million.

- Provided information to the Maryland Chemical Industry Council that was instrumental in the defeat of a bill that would have repealed the sales tax exemption for equipment used in manufacturing and research/development. This would have cost the manufacturing industry in Maryland approximately \$47 million.

- Provided economic information to the chemical industry councils in New York, Illinois, and Texas that assisted in the defeat of bills that would have taxed SARA Title III emissions. In New York alone this tax would have cost the industry \$9.75 million.

Working as a leader in a coalition of other interested groups, CMA was instrumental in:

- Defeating a legislative amendment calling for the electronic tracking of all transport shipments of hazardous materials. Annual value to the industry — \$2 billion.

- Promoting open-access, non-discriminatory transportation of natural gas on interstate pipelines. Items addressed include rate design, open access to outer continental shelf gas, pipeline capacity assignment, liberalization of construction and transportation rules under §311 of the Natural Gas Policy Act, and bypass of local distribution companies. Annual value to the industry — \$1 billion.

- Seeking federal uniform product liability reform.

Removing from the Budget Reconciliation Act provision that would have expanded the scope of criminal sanctions under the Occupational Safety and Health Act.

- Developing and communicating basic themes that proved to be the foundation for industry positions on legislative and regulatory issues, with emphasis placed on avoiding burdensome regulations and taxes. CMA consistently focused attention on the effects of governmental action on international competitiveness of the chemical industry and U.S.-based manufacturing.

- Developing effective liaisons with representatives from the transportation industry to focus on improvements that can be made to further safeguard against unintentional releases of chemicals.

Information

Programs

CMA provides a forum for the dissemination of information that will assist the membership in its compliance efforts on international, federal, and state legislative and regulatory activities. Over the past year, CMA has made available comprehensive workshops and seminars for its members in the areas of environmental management, process safety, risk management, emergency response, chemical distribution, community awareness, communications, and legal responsibilities, among others. Members are provided discounts for attendance at these CMA functions.

CMA has also produced many publications that help its members in their efforts to operate more efficiently. For instance, in the economic area, CMA publishes a yearly review and monthly industry profiles. Another CMA publication provides an economic forecast for the chemical and service industries. These valuable services are made available to CMA members to assist in their strategic planning processes. Hundreds of other publications and videos are also available to enhance CMA members' operations.

Voluntary

Programs

CMA's members have taken a leading role in:

- Developing the Responsible Care® initiative. This effort is designed to respond to growing public concerns about the safety of the chemical industry. Through the development of Codes of Management Practices and adherence to the Guiding Principles of Responsible Care®, CMA members are taking a leading role in controlling their destiny. CMA members are implementing codes dealing with Community Awareness and Emergency Response, Chemical Transportation, Pollution Prevention, and Process Safety. Through the Product Stewardship Code, downstream users of chemicals will become involved in the Responsible Care® initiative. Performance improvement and communications are essential components of the overall initiative.

- Enhancing hazard communication through the development of an industry standard for labeling, a proposed American National Standard for material safety data sheets (MSDSs), and an international consensus on MSDS requirements. These efforts are leading towards further international harmonization in the hazard communication area, removing practical barriers to trade and burdensome inconsistent requirements.

- Developing the National Chemical Response and Information Center, a multifaceted operation designed to assist responders at hazardous materials emergencies. One part of this operation includes CHEMTREC, which maintains a data base of emergency information on over a million chemical products. This system is recognized by the Department of Transportation as the top source for providing assistance to emergency responders.

- Establishing the Community Awareness and Emergency Response (CAER) initiative, now incorporated as part of Responsible Care®. Through this initiative, communities located in proximity to over a thousand chemical plants have benefitted from the industry's outreach efforts. Local emergency response and industry and community relations have improved significantly through CAER.
- Developing an international voluntary testing program to screen high production volume chemicals for health and environmental effect. By working through the Organization for Economic Cooperation and Development (OECD), more chemicals will be tested, while at the same time, a more cost-effective and equitably distributed approach to testing can be taken.

Special

Activities

In addition to its technical, legal, international, federal and state government relations, and communications activities, CMA operates the Chemical Self-funded Technical Advocacy and Research (CHEMSTAR) Division. CHEMSTAR's activities include 53 chemical specific panels and five business councils. In 1989-90, CMA managed \$11 million under the CHEMSTAR Division for research, consultants, legal counsel, and panel management. Examples of the benefits CHEMSTAR provides includes:

■ The Butadiene, Ethylene Oxide, and Phosgene panels worked together to address fugitive emissions measurement issues raised by EPA. The panels conducted actual measurements of emissions and compared the data with amounts reported under SARA §313. The panels were able to show that emission amounts estimated by EPA were greatly overstated. This effort saved the industry \$2-3 million in new emissions control technology development.

■ The Chlorine Dioxide Panel conducted educational workshops on the safe handling and use of chlorine dioxide. The workshops were geared toward educating users and regulators. This effort convinced both users and regulators that chlorine dioxide can be used safely, which not only kept chlorine dioxide on the market, but increased the customer base.

By avoiding a regulation banning some uses of the chemical, the panel saved the industry \$3 million.

■ The Carrier Assessment Council is developing a third-party carrier safety evaluation process that can reduce the costs individual chemical shippers incur for screening the safety programs of suppliers of transportation services.

CMA

Membership

Market Share

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