



March 31, 2017

The Honorable Scott Pruitt
Administrator
U.S. Environmental Protection Agency
William Jefferson Clinton Building
1200 Pennsylvania Avenue, NW
Mail Code: 1101A
Washington, DC 20460

Dear Administrator Pruitt:

We appreciate and thank the Environmental Protection Agency for taking a close look at recently promulgated regulations. While we are pleased in particular that EPA is taking time to review and has therefore delayed the effective date of the Formaldehyde Emissions Standards for Composite Wood Products Final Rule, 81. Fed. Reg. 889674 (Dec. 12, 2017) and 82 Fed. Reg. 14324 (Mar. 20, 2016), we are deeply concerned that if the final rule goes into effect in its current form this delay in the effective date - without also amending all the internal implementation dates - will have an adverse effect on regulated industries.

If the Formaldehyde Composite Wood rule goes into effect as currently slated on May 22, 2017, EPA will have reduced the time available for Third-Party Certifiers (TPCs), panel manufacturers, fabricators, importers, distributors and retailers to obtain compliance by the mandated date of December 12, 2017, creating a substantially increased regulatory burden. Importantly, EPA in its March 20, 2017 final rule further delaying the effective date, has changed the effective date of the rule, but has *not* revised any of the implementation dates for all other provisions of the rule.

Under this rule, EPA must first recognize Product and Laboratory Accreditation Bodies, only then can a Third-Party Certifier apply for and be recognized by EPA. Panel manufacturers must have an EPA-recognized Third-Party Certifier certify its production processes and only when that task is complete can it be approved to manufacture EPA / TSCA compliant wood composite panels. Covered products must be compliant and labeled by December 12, 2017 to be sold in the U.S. In turn, fabricators, importers, distributors and retailers must wait until these steps are complete to be able to supply compliant products to the marketplace. All of this action cannot begin until the rule is in effect.

We strongly urge EPA to amend the internal implementation dates so that all of the rule's mandatory dates for compliance reflect *at a minimum* the lead times in the original final rule.

For example, under the regulation as finalized on December 12, 2016, Third-Party Certifiers (TPCs) were first going to be able to apply to EPA for recognition on February 10, 2017 -- the effective date of the regulation. As you know, this effective date was delayed by 60 days in accordance with White House Chief of Staff Reince Priebus' January 20th Memorandum for the Heads of Executive Departments and Agencies concerning Regulatory Freeze Pending Review. EPA's March 20th Further Delay of Effective Dates for Five Final Regulations Published by the Environmental Protection Agency Between December 12, 2016 and January 17, 2017 will now delay that effective date until May 22, 2017. This shortens the timeline for TPC's recognition substantially and puts tremendous pressure on EPA to process these applications quickly.

Also under the regulation, beginning December 12, 2017, one year after the regulation's original effective date, all covered wood products must be labeled as TSCA compliant. While we initially communicated our concerns about this tight one-year timeframe to EPA staff, the two delays have eliminated four months before the process can begin. We are concerned that the shrinking timeframe combined with limited staffing at EPA to process applications, finite TPC capacity, and the large number of composite wood product producers that must be visited will make it nearly impossible for U.S. businesses to bring their supply chains into compliance.

While at a minimum EPA should restore the lead times included in the original final rule, we believe a further 12 month extension is warranted.

The most recent delay prohibiting Accrediting Bodies (ABs) and TPCs from submitting applications to the agency for review and approval limits fabricators, importers, and distributors from sourcing compliant platforms used to produce laminated products. These laminated products are used as component parts of finished goods, i.e. furniture, wood flooring, cabinetry, and countless other consumer goods. The most recent delay in the effective date, combined with the 3-months anticipated for the agency to issue a direct final rule, severely limits the ability of the supply chain to source compliant composite wood products and truncates the compliance by possibly 6-months. The most workable solution would be for EPA to tie the rule's compliance timeline to the final effective date published in the Federal Register following EPA's latest review of the regulation and grant a 12-month extension to allow the various compliance milestones to be met and ensure the adequate supply of certified composite wood products throughout the supply chain.

For your review, we have also attached a document we have prepared outlining additional concerns about this regulation and its impact on U.S. businesses. We are hopeful that these additional concerns will also be taken into account as your staff reviews this rule.

Thank you for your attention to this important matter. We look forward to working closely with you and your staff to address this important issue that will make compliance nearly impossible for U.S. businesses. We welcome a meeting to discuss further these issues.

Sincerely,

American Home Furnishings Alliance
Kitchen Cabinet Manufacturers Association
International Wood Products Association
Recreational Vehicle Industry Association
National Retail Federation
Retail Industry Leaders Association