Written Statement of
Michael P. Walls
Vice President, Regulatory and Technical Affairs
American Chemistry Council

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U.S. House of Representatives
Committee on Energy and Commerce
Subcommittee on Environment and the Economy
Regarding a Hearing on
"H.R.___, the TSCA Modernization Act of 2015."

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American Chemistry Council
700 2nd Street, N.E.
Washington, D.C. 20002

TESTIMONY OF MICHAEL P. WALLS
ON BEHALF OF THE
AMERICAN CHEMISTRY COUNCIL

Chairman Shimkus, Ranking Member Tonko, and members of the Subcommittee: I am Mike Walls, the Vice President for Regulatory and Technical Affairs at the American Chemistry Council. I am very happy to testify today in support of the bipartisan discussion draft of the TSCA Modernization Act of 2015. We particularly welcome the significant effort of Mr. Pallone and Mr. Shimkus to produce this discussion draft.

The discussion draft, like S. 697 under consideration in the Senate, represents significant progress toward the objective of TSCA reform this year. We are 6 ½ years into a debate on changes to a major federal environmental statute that has not been significantly amended since it was enacted nearly 40 years ago. It is well past time that TSCA reform moves forward; the discussion draft is a major milestone toward that goal.

The discussion draft addresses the key issues and questions that have been raised by stakeholders in long debate on TSCA reform. In ACC's view, the discussion draft:

- Ensures that the Environmental Protection Agency (EPA) evaluates the risks of priority chemical substances under their conditions of use.
- Accelerates the evaluation of chemical substances in commerce by providing manufacturers an opportunity to submit the hazard, use and exposure and other information necessary for EPA to efficiently evaluate risks, while ensuring a source of funds to review that information.
- Establishes aggressive deadlines for EPA decisions on risk evaluations and to adopt any necessary regulatory measures.
- Mandates that risk evaluations be made only on the basis of health and environmental considerations.

- Clarifies that cost and benefit considerations are relevant only in deciding what risk management measure should be imposed to ensure the use of a substance does not pose unreasonable risks.
- Ensures that potentially exposed subpopulations are fully considered in evaluating the risks of priority chemicals under their conditions of use and in any necessary risk management measures.
- Strengthens EPA's ability to require the generation of new information on chemicals.
- Requires EPA to make decisions on the basis of the best available scientific information, on the basis of the weight of the evidence.
- Provides appropriate protection to confidential business information.
- Appropriately balances the interests of the state and federal governments by establishing a robust national chemical regulatory program and maintaining the ability of state governments to act when EPA has not.

The notice for today's hearing requested comment on elements of the discussion draft that need additional consideration. ACC believes that the following elements of the discussion draft would benefit from additional discussion and clarification:

- The elements of the manufacturer-initiated risk evaluation process are not entirely clear, and additional detail may be helpful in order to provide clear direction to EPA on Congress' expectations for the program, as well as clear guidance to the manufacturing community. That detail would help clarify how the relatively short review deadline is consistent with a robust review of the hazards, exposures and risks of a chemical substance.

- The draft prohibits an EPA finding that a substance does not pose an unreasonable risk any time there is an exposure to one or more subpopulations. It is not clear how this provision fits with other provisions that require that a finding of unreasonable risk be based on the integration of hazard and exposure information, or the imposition of a risk management rule intended to ensure no unreasonable risks are present.
- Under the draft, TSCA fee revenue is deposited in the general treasury. All TSCA funds should be returned to EPA to support implementation of the program.
- EPA's authority to "reset" the TSCA inventory to better reflect chemical substances actually in commerce should be clarified. Under the draft as published, EPA would remove the substances from the inventory – which would force manufacturers to submit new pre-manufacturing notices if they wanted to begin manufacturing again.
- The degree to which State governments may adopt regulations identical to EPA actions under sections 5 and 6, and any limitations applicable to enforcement of those regulations, should be clarified.

Mr. Chairman, as I noted before, the bipartisan discussion draft represents a significant milestone toward the objective of TSCA reform this year. ACC and its member companies look forward to working with you and other Subcommittee members to ensure that Congress adopts, and the President signs into law, TSCA reforms that build confidence in the U.S. chemical regulatory system, protect health and the environment from significant risks, and meets the commercial and competitive interests of the U.S. chemical industry and the national economy.

Thank you again for the opportunity to testify in support of the discussion draft. I would be happy to respond to any questions.