



## SOCMA's Influence on Capitol Hill Grows Thanks to Strong Grassroots Efforts

By Johanna Morsberger

2011 has been a strong year for SOCMA's grassroots program, SOCMA CONNECT. SOCMA members have been connecting to Congress by meeting with elected officials and their staff in Washington, writing their Congress members, and inviting members of Congress to tour their chemical manufacturing facilities.

gress understand how legislative changes affect their business.

SOCMA members have also increased their advocacy efforts by emailing and calling their elected officials. In 2011, SOCMA members have already emailed over 200 letters to Congress using SOCMA CONNECT's online legislative action tools. SOCMA's government relations staff regularly updates draft letters to Congress on legislative issues affecting our members. Emailing your

*(Continued on page 7)*



*Congresswoman Rosa DeLauro visits  
Hampford Research, Inc.*

In April, SOCMA members strengthened their influence on Capitol Hill at SOCMA CONNECT's Fourth Annual Washington Fly-In. This year's event attracted nearly 40 SOCMA members (almost 25% more than last year's event) who collectively met with some 80 Congressional offices (50% more than last year's event). The Washington Fly-In provided an excellent opportunity for SOCMA members to educate members of Congress and their staff about how legislative issues are affecting the chemical manufacturing industry. SOCMA members discussed Chemical Facility Anti-Terrorism Standards (CFATS), the Toxic Substances Control Act (TSCA), regulatory review, the R&D tax credit, the pending free trade agreements with Panama, Columbia, and Korea, duty suspensions, drug safety, and climate change. For many SOCMA members, this was a chance to start a dialogue with their elected officials, ensuring that their members of Con-

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# SOCMA Tackles Issues That Matter Most to Chemical Industry

By Bill Allmond

SOCMA continues to aggressively push the manufacturing agenda of the specialty, batch, and custom chemical industry. When the industry is worried about the state of the economy, the see-sawing stock market, stagnant job growth, and rising prices, it is comforting to know that SOCMA's advocacy priorities line up nicely with those issues that address how our membership can stay competitive. Our members repeatedly tell us that tax and regulatory relief, international trade, and meaningful environmental, health, safety, and security policy, among others, are important priorities, so we ensure we devote time and resources to influencing them.

## Reducing or Eliminating Burdensome Regulation

In May, SOCMA urged a Congressional subcommittee on small business to turn greater attention to regulatory burdens on small- and mid-sized chemical manufacturers. In testimony, we argued that with 71 percent of SOCMA's membership having fewer than 100 employees, we cited three examples of rules that have an adverse economic impact on SOCMA members who have small businesses. These include the EPA's Chemical Manufacturing Area Source Final Rule, the Definition of Solid Waste Rule, and re-registration of current,

EPA-registered pesticide products. Previously, SOCMA urged the administration and congressional leaders to "cease further consideration of legislation that could have a negative financial impact on small- and mid-sized chemical manufacturers by adding to the burden of regulatory compliance." In January 2011, SOCMA answered Representative Darrell Issa's call for stakeholder feedback on the cost impact of regulations more broadly. SOCMA also submitted comments on EPA's subsequent solicitation for feedback on the design of a Retrospective Review Plan of existing regulations, and urged the agency to consider the impact of its regulations on small businesses in those comments. SOCMA has met with EPA's Deputy Administrator and OSHA's Deputy Assistant Secretary this year and shared our concerns with regulatory over-reach in both agencies.

## Ensuring Responsible Chemical Safety & Security Standards

Another industry priority in which SOCMA has been leading is ensuring reasonable updates to EPA's Toxic Substances Control Act (TSCA) and DHS's Chemical Facility Anti-terrorism Standards (CFATS). In March, SOCMA testified to a Congressional subcommittee that the existing

*(Continued on page 3)*



*SOCMA's Government Relations Team on Capitol Hill*

security standards were comprehensive, measurable, and appropriately address security at chemical plants. Facing expiration that would leave SOCMA members with uncertainty over investments made to comply with the standards, we strongly urged Congress to provide long-term extension. SOCMA also warned that attempts to force process- or product-eliminating regulations like those supported by environmental groups would result in irreversible damage to industry jobs and overall well-being. With respect to chemical safety, SOCMA has been tirelessly working with Congressional members in both parties in both the House and Senate to protect members against REACH-like regulations in the U.S.

#### Expanding Markets, Eliminating Expensive Duties

Over the past nine months, SOCMA has weighed in on all of these priorities. For example, in July, SOCMA sent a letter to Congressional leadership explaining that the three free trade agreements pending in Congress would benefit chemical manufacturers by opening up new markets to products only made in America and by reducing or eliminating import duties for which, in most cases, chemical manufacturers pay the highest amount. Earlier this year, when SOCMA met with the Deputy US Trade Representative, we pressed her agency to do all it can to ensure passage of the agreements.

#### Protecting Intellectual Property

Within the realm of international trade, SOCMA will soon be meeting with the White House office responsible for enforcing intellectual property (IP) rights, a problem that has victimized particularly hard chemical manufacturers doing business abroad. In our discussions, we will remind her that estimated losses in the chemical manufacturing sector

from IP theft ranges from \$0.4 billion to \$3.6 billion. We will also ensure she knows that our industry was the sector with the largest share of firms that reported losses related to patent infringement and trade secret misappropriation. The threat of having IP stolen in market-rich places like China heavily discourages our industry from expanding their unique specialty chemical products to these countries, reducing our competitiveness and opportunity to grow.

#### Receiving Tax Credits for R&D

During SOCMA's Washington Fly-In in April, dozens of SOCMA members came to Washington and met with over 80 Congressional offices to, among other things, help advance a bill that would make the federal research and development tax credit permanent. The R&D tax credit is highly important to SOCMA members and chemical manufacturers in general. Because of the highly innovative nature of our members' businesses, much research and investment is devoted to developing a product before it is sold in the marketplace. On average, manufacturers claim approximately 70% of R&D credit amounts. The credit is needed to keep the U.S. competitive in the global race for R&D investment dollars. In 2009, the United States ranked number 24 among 38 industrialized countries offering R&D tax incentives. This needs to change.

Your staff in Washington appreciates each and every member's input that helps bolster our argument to lawmakers and regulators, especially members who serve on one of the four government relations committees. We also appreciate members who participate in our events like the Washington Fly-In and conferences like the Chemical Sector Security Summit. For more information about SOCMA's government relations, please contact me at (202) 721-4122 or visit our website at [www.socma.com/GovernmentRelations/](http://www.socma.com/GovernmentRelations/).

## **SOCMA Calls for Congressional Approval of Multi-year Extension as Clock Ticks Down on CFATS** By Alexis Rudakewych

For the first time since Congress approved authorizing language for CFATS in 2006, the long-term extension of the Department of Homeland Security's existing chemical security regulations appeared almost within reach. However, several reauthorizing bills which had seen momentum in the House and Senate earlier this summer will now likely be sidelined by a narrow timeline for approval and a fall congressional agenda focused on eliminating burdensome environmental and labor regulations.

There are currently three key chemical security bills pending in the House and Senate – H.R. 901, H.R. 908, and S. 473 – all of which cleared their respective committees by June with significant bipartisan support. Both House bills extend CFATS for seven years, while the Senate bill extends the program for three. The House bills also each contain language establishing a pilot personnel surety program for employees that work at regulated chemical sites, although the parameters and guidelines for the pilot widely differ from bill to bill. Additionally, S. 473 contains compromise language agreed to in the Senate last Congress that creates several new voluntary security programs.

However, committee passage is only the first of many legislative hurdles to come. Shortly after approving all three bills in committee, Congress became preoccupied with time-sensitive negotiations to raise the nation's debt ceiling and recessed for the summer without taking further action on chemical security. SOCMA CONNECT has encouraged SOCMA members to contact their representatives over the break and take advantage of the August district work period to meet with their elected representatives in their home towns to advocate for passage of the legislation.

As members return to Washington after the Labor Day weekend, they will then face a tight legislative calendar leading up to the expiration of an omnibus bill passed in March that

has sustained expiring programs such as CFATS and provided funding for federal agencies through the end of the Fiscal Year. Congress will again recess the last week of September for Rosh Hashanah, returning only a day before the authorization for CFATS expires on October 4. That leaves less than 25 legislative days during which both chambers must approve their respective legislation, form a conferencing committee to hammer out differences between the two bills, and then approve a compromise to be sent to the President's desk for signing.

While the chance of either chamber acting on a stand-alone CFATS bill before the October 4 deadline is slim, the House Appropriations Committee did include a one-year extension of the current standards in its Fiscal Year 2012 Homeland Security spending bill (H.R. 2017), which was approved by the full House on June 2<sup>nd</sup>. That bill was amended and then approved by the Senate Appropriations Subcommittee on Homeland Security on September 7<sup>th</sup>.

Should the Senate fail to approve this Homeland Security spending bill before the end of the Fiscal Year, Congress will likely pass yet another short-term continuing funding resolution which will include an extension of deadlines for expiring programs such as CFATS. Then, instead of approving one of the multi-year extension bills, Congress will likely continue to approve a series of such short-term extensions into the next year, as it has in the past. Legislators' attention would then predictably be further distracted from reauthorizing CFATS by other must-pass key bills as they head into an election cycle next fall.

As SOCMA sees it, the time to pass a CFATS extension is now or never. SOCMA continues to press Congress for action on these bills as it returns to Washington in September, and is calling for approval of a long-term extension of CFATS before the end of the Fiscal Year.

## What Are They Waiting For?

### SOCMA Pushes for Passage of the FTAs By Justine Freisleben

SOCMA has long supported the three pending trade agreements with Korea, Colombia and Panama that await passage by the Korean Parliament and the US Congress after submission by the president. Initially negotiated in 2007, the three agreements have made tremendous progress this year after seen as a key job creator by both parties. After a series of difficult negotiations, including a tax information exchange agreement with Panama, a labor rights action plan with Colombia, and renegotiation of provisions surrounding auto and beef with Korea, the agreements were more broadly supported by Congress. The Administration laid down a new marker- that trade adjustment assistance (TAA) was a mandatory prerequisite for the agreements to be sent to Congress by the President. The Administration tried to include TAA with the Korea FTA, but that idea was very unpopular. Republicans believed TAA should be in a standalone bill. Key members of the committees of jurisdiction, including Dave Camp, Chairman of the House Ways and Means Committee, and Max Baucus, Chairman of the Senate Finance Committee negotiated a compromise package on TAA that would meet the objectives of the White House as well as get enough votes in Congress, despite significant opposition to TAA by some members. The Senate then exercised leadership by having Rob Portman and other Senators step forward to commit that TAA would be brought to a vote.

The next step was to determine the series of votes. Speaker John Boehner committed to having four votes- one for each agreement and for TAA. In a complex series of votes, which underscores the mistrust of Congress by the Administration, the following series is what we expect to see- the Senate taking up TAA, sending it to the House to vote on TAA and each of the three FTAs separately, and then being sent back to the Senate to pass the three FTAs.

The business community has been pushing aggressively for these agreements through testifying at hearings, opinion pieces, sending letters to Congress, and actively lobbying. SOCMA sent a letter to House and Senate leadership on July 1, the date that the EU Korea FTA came into force to remind Congress that while we are debating, the rest of the world is moving forward. Our inaction puts our market share at risk as EU competitors come in and take it. Each member of Congress also received a document outlining the benefits of each of the three agreements to chemical manufacturing in particular. As we go into the fall, it will be important again to let Congress know how important the FTAs are to your companies. You can do so via SOCMA CONNECT. We eagerly await the submission of the three FTAs to Congress by the president and will keep a close eye on the issue as the Congress returns from recess.



## WELCOME

Johanna Morsberger is the newest member of the SOCMA Government Relations Staff. Originally from Georgia, Johanna graduated from Boston University with a Bachelors degree in Political Science and recently graduated from Northeastern University with a Master's degree in Global Studies and International Affairs. Johanna has experience working as a Legislative Assistant for former Representative Nathan Deal (now Governor of Georgia). Johanna advised Representative Deal on a variety of issues, including small business issues, taxes, government reform, and the environment. While in school, Johanna interned on a gubernatorial campaign in Georgia, at a lobbying firm in Boston, and for Senator Johnny Isakson on Capitol Hill. Johanna is very excited to be working with SOCMA CONNECT and is excited to strengthen and grow the program.

## Two Years Later EPA Discusses Moving Beyond Chemical Action Plans

By Dan Newton

Back in September of 2009 EPA Administrator Lisa Jackson outlined the agency's approach to enhancing its chemicals management program. The agency talked about identifying chemicals that pose a concern to the public, moving quickly to evaluate them and determining what actions need to be taken to address the risks they may pose.

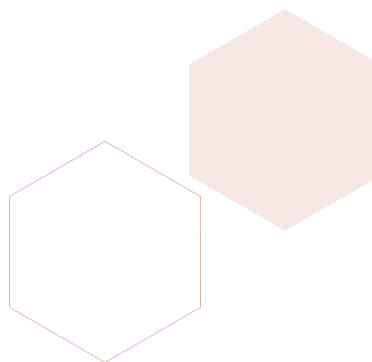
This approach was noted by some in the regulated community as a process that lacked transparency and did not make clear how selection criteria were being weighed. At the time SOCMA met with agency staff expressing these concerns. Many of the action plan chemicals selected were ones that have and continue to generate lots of headlines in the press. BPA for example, was targeted for action. To date EPA has issued ten action plans, with siloxanes still in development. As part of the action plan approach EPA pursued a Chemicals of Concern list using for the first time ever TSCA section 5(b)(4) authority, however, the chemicals identified, BPA, phthalates and PBDEs have been stuck at the White House Office of Management and Budget (OMB) for over a year now and are unlikely to move in the foreseeable future. Most of the action plans seem to be in a state of limbo.

Now EPA is making efforts to move beyond the action plan approach via a two step prioritization process. The agency recently invited key stakeholders to attend a roundtable discussion on September 7, 2011 to share perspectives on a process. SOCMA, other industry trades, NGOs, various EPA staff, and state and tribal representatives attended. SOCMA manager of Government

Relations, Dan Newton, and Beth Bosley, managing director of Boron Specialties represented SOCMA. EPA also hosted a webinar on September 7, 2011 and opened an online discussion forum for comment from August 18 through September 14, 2011 to get input on the prioritization factors and data sources the Agency plans to use to identify priority chemicals for review and possible risk management action under TSCA.

The EPA has made clear that it is not planning to tackle the entire TSCA inventory of chemicals in its prioritization effort. Rather, it will likely pursue a smaller universe of chemicals to create an initial list of priority chemicals and then take steps to refine the list. The list would not be regulatory in nature and would only serve as a means of identifying chemicals to review on a priority basis.

SOCMA is pleased that EPA is interested in hearing our perspectives on a process for prioritizing chemicals and moving beyond the status quo. Ultimately, for EPA to muster industry support in its prioritization efforts the process will have to use the best available science and clear science-based selection criteria, be risk-based, transparent and have reasonable deadlines.



## SOCMA Influences Capitol Hill with Strong Grassroots Efforts

(Continued from page 1)

members of Congress is an easy and quick way to make your voice heard on Capitol Hill.

SOCMA CONNECT also has an active Congressional site visit program. Earlier this summer, GFS Chemical welcomed Congressman Pat Tiberi (R-OH) to a tour of their inorganic manufacturing operations in Columbus, Ohio. In August, Hampford Research, Inc. had Congresswoman Rosa DeLauro (D-CT) tour their facility in Stratford, Connecticut. Both visits allowed the SOCMA members uninterrupted



*Congressman Pat Tiberi tours GFS Chemicals*

time with their elected official to discuss the legislative issues affecting their company.

If you are interested in taking advantage of any of these opportunities to get more involved in Congressional action affecting your business, SOCMA CONNECT can help. Please go to

[www.socmaconnect.com](http://www.socmaconnect.com). You can also contact Johanna Morsberger at 202-721-4186 or [morsbergerj@socma.com](mailto:morsbergerj@socma.com) for more information about SOCMA's grassroots efforts.

### ***Does your company require a pre-manufacture notice (PMN) or need help with one stuck in review?***

If so, try SOCMA's PMNPro® service! Managed by SOCMA, PMNPro® is a regulatory risk screening and technical service program, specializing in helping chemical companies navigate the new chemical review process at the Environmental Protection Agency (EPA). Designed with maximum flexibility to meet the varying needs of the chemical industry, PMNPro®, offers a wide array of customizable services at a great value.

For more information please visit PMNPro® at [www.PMNPro.com](http://www.PMNPro.com) or email [PMNPro@socma.com](mailto:PMNPro@socma.com). You can also contact Dan Newton (202-721-4158) or Suzanne Hartigan (202-721-4188).



# SOCMA CONNECT's 4th Annual Washington Fly-In



SOCMA members pose for a group shot during the opening session of the Fly-In.



Rep. Steve Stivers (R-OH), left, meets with Dennis Rankin of ISP Chemicals LLC.



Congressman John Shimkus (R-IL) speaks to SOCMA members at the Capitol Hill Club in Washington.



Rep. Steven LaTourette (R-OH), left, visits with Tyce Workman and Kenneth Allen of Gabriel Performance Products.



Andy Harris of SYRGIS, left, shakes hands with Rep. Mike Ross (D-AR).

Frank Marine of TM Deer Park Services, right, meets with Rep. Blake Farenthold (R-TX).



## SOCMA CONNECT's 4th Annual Washington Fly-In



From left, SOCMA President Larry Sloan, Rep. John Shimkus (R-IL), and SOCMA Vice President of Government Relations, Bill Allmond.



From left, Martha Murray, Wally Adams, Andy Harris and Congressman Pete Olson (R-TX) visit during the Fly-In.



From left, Cole Hutchinson, Rep. Pat Tiberi (R-OH) and Steel Hutchinson.



From left, Kurt Jones and Thomas Becker visit with Rep. Geoff Davis (R-KY).



Rainer Eischeid, right, visits with Rep. Tim Murphy (R-PA).



From left, Jackie Guscott, Rep. Bill Cassidy (R-LA), and Joel Carpenter.



David Hurder, right, visits with Rep. Thaddeus G. McCotter (R-MI).

## 2011 SOCMA CONNECT Washington Fly-In a Huge Success!

By Johanna Morsberger

SOCMA members demonstrated their passion for the batch, custom and specialty chemical industries they represent during meetings with members of Congress at SOCMA Connect's Fourth Annual Washington Fly-In.

Nearly 40 SOCMA members, including 13 new attendees, made their way around Capitol Hill to almost 80 meetings during the April 12-13 event, making it the largest Fly-In ever. Bill Allmond, SOCMA's Vice President of Government Relations is pleased the event continues to grow each year. "We want to thank all of our members who came to Washington to build relationships with Congressional leadership and share SOCMA's priority issues," Allmond said.

The face-to-face meetings allowed members, representing 29 companies, to advocate SOCMA's stance on issues such as the Toxic Substances Reform Act (TSCA), Chemical Facility Anti-Terrorism Standards (CFATS) and climate control, among others. The event also gave them a chance gain feedback and knowledge about where their representatives stand on legislation governing these matters.

Steel Hutchinson, president of GFS Chemicals, discussed legislation that had just been introduced by Senator Frank Lautenberg (D-NJ) during a visit with Congressman Steve



*Representative Steve Stivers (R-OH), left, and his Legislative Assistant, Jesse Walls, discuss issues with Steel Hutchinson of GFS Chemicals.*

Stivers (R-OH). The legislation would overhaul TSCA and make it much like Europe's REACH program, which SOCMA opposes. Stivers assured Hutchinson and several other SOCMA members that chances of bipartisan support of the bill in the House are very slim.

Andy Harris, president of SYRGIS, was one of many SOCMA members who used the Fly-In as an opportunity to discuss issues that specifically affect their companies.

Harris' company opposes labeling styrene, a chemical used in fiberglass, rubber, and other similar products, as a "reasonably anticipated carcinogen." He told Representatives Jean Schmidt (R-OH) and Mike Ross (D-AR) that studies have shown that exposure to styrene does not increase the risk of getting cancer. Putting such a label on styrene will be a detriment to use of the chemical in the U.S., Harris said. As a result of his visit, Harris learned that Representative Moss has already signed a letter opposing the label on styrene.

The event also included a reception at the Capitol Hill Club, dinner at the Old Ebbitt Grill and a Fly-In 101 class.

*See pictures from SOCMA CONNECT's 2011 Washington Fly-In on page 8-9.*



*Chuck Gavin, left, of MFG Chemical, Inc. with Rep. Tom Graves (R-GA).*

# 2011 Chemical Sector Security Summit and Expo

By Alexis Rudakewych

The Chemical Sector Security Summit, organized by the Department of Homeland Security (DHS) and the Chemical Sector Coordinating Council and co-funded by DHS and SOCMA, welcomed its largest crowd ever in Baltimore this past July with over 520 attendees. The Chemical Sector Security Summit is in its fifth year and is the largest and most industry-specific event in the country.

DHS Deputy Secretary Jane Holl Lute gave an impassioned keynote address in the opening session of the summit, stressing the importance of the industry-government partnership. "We couldn't do our job in homeland security without you," Lute said.

In its eight-year existence, Lute said DHS has made progress, defined its work and can say that the homeland is secure.

"Going into the 10th anniversary of 9/11, we're trying to create a place where our way of life can thrive," Lute said. Despite the death of Osama bin Laden, there are still determined terrorists out there, she said. "The U.S. remains a key target, and we have to remain vigilant."

Lute also said that everyone has a voice in homeland security. "It takes each of us to secure the homeland. It's important to share information for the value that it brings and the cues it gives us to develop trends. It improves our ability to do what we do."

During his opening remarks, SOCMA President Larry Sloan touted the importance of the

summit and the work the council does throughout the year. "The summit is the yearly culmination of a lot of our behind the scenes efforts and brings together individual stakeholders from the chemical sector, academia, federal government, security industry and others with a vested interest in chemical security."

Sloan also stressed the importance of continuing to collaborate with Congress, which had been paying significant attention to chemical security in the first half of the year with the approval of two separate seven-year CFATS extensions in

their respective committees in the House and a three-year extension in the Senate.

"We are now at the point in the legislative process in which our biggest threat is complacency," Sloan later told reporters at the summit. "We risk having these bills pass, only to allow them to fall victim to the legislative calendar and default to another one-year extension."

"This need for annual reauthorization of CFATS has created uncertainty for facilities regulated by CFATS," he said. "This is no way to run an important government program. Without the assurance of a long-term authorization of these regulations, companies run a risk of investing in costly activities today that might not satisfy regulatory standards tomorrow."

The two day summit included sessions on cyber and control systems security, supply chain

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*DHS Deputy Secretary Jane Holl Lute addresses Summit attendees as SOCMA VP of Government Relations, Bill Allmond, looks on.*

# 2011 Chemical Sector Security Summit and Expo



More than 700 attended this year's Chemical Sector Security Summit.



SOCMA member G4S at the expo hall.



SOCMA President Larry Sloan, left, with Dr. Sam Mannan of Texas A&M University.



Congressional staff, representing both Democratic and Republican members of Congress, discussed current and future legislation affecting the chemical industry.



SOCMA's Bill Allmond, Master of Ceremonies, addresses the crowd.

# 2011 Chemical Sector Security Summit and Expo



SOCMA President Larry Sloan opens the fifth annual Security Summit.



DHS' Fernando Keller provides insight into threat developments.



Bonnie Bonniver of Baker Hughes and Steve King, Shawn Graff and Macy Hunsicker, all with DHS.



SOCMA member ADT's Alex Price, Michelle Goebel and Carl Williams.



Dr. Kirk Yeager of the FBI discusses the chemical precursor threat - explosives and beyond.



DHS' Tom Keil addresses the Chemical Sector Security Summit crowd. SOCMA's Bill Allmond and Larry Sloan look on.

# SOCMA Weighs in on Proposed Changes to Union Elections

By Alexis Rudakewych

As part of a larger package of sweeping changes to longstanding union election procedures, the National Labor Relations Board (NLRB) published a notice of proposed rulemaking in the Federal Register in June that would drastically reduce the time between the filing of a union election petition and the actual election date. Unions could secretly begin organizing a workforce and then surprise an employer once enough signatures are collected. In doing so, the proposed rule would restrict the ability of employers to sufficiently express their views during an election campaign and to inform employees of the consequences of unionization.

In accordance with the 60 day public comment period afforded in the notice, SOCMA submitted written comments to the docket on August 22, 2011 outlying our objections to the proposed changes.

Currently, the median is 38 days between filing and elections. The proposed rules (also known as “quick snap”, “quickie”, or “ambush” elections) would lessen this period to as little as 10 to 14 days. This would effectively deprive employers of being able to communicate to their workforce any concerns about the impact of unionization on their company’s business activities, competitiveness, and work environment. Additionally, employers would be required to file a challenge petition detailing the grounds on which they intended to contest unionization at a preliminary hearing before the election. If they failed to do so in advance, employers would be prevented from raising any concerns at a later time. Furthermore, the rule would direct employers, upon request, to supply unions with the names and contact information for all workers that are eligible to vote – a clear encroachment on employee privacy and employer property rights.

SOCMA’s comments largely echoed the message of the National Association of Manufacturers (NAM), which called for a united voice from industry in opposition to the

changes. They also highlighted the disproportionate financial and compliance burden that the proposed rulemaking would have on small and mid-sized employers that make up the batch and specialty chemical manufacturing industry.

The NLRB also issued a final rule in August that would require employers to issue notices reminding their employees of their right to unionize. Private-sector employers whose workplaces fall under the National Labor Relations Act will be required to post employee rights notices where other workplace notices, such as OSHA safety posters, are typically displayed. Employers who customarily post notices to employees regarding personnel rules or policies on a website or intranet site will be also required to publish the posters on those sites as well.

These notices will state that employees have the right to act together to improve wages and working conditions; to form, join and assist a union; to bargain collectively with their employer; and to also refrain from any of these activities.

The final rule does reflect some changes from NLRB’s original proposal that stemmed from industry concerns. Chiefly, employers will not be required to distribute the notice via email, voice mail, text messaging or related electronic communications even if they customarily communicate with their employees in that manner.

Next up on the regulatory agenda for union-related actions is the Department of Labor’s “persuader rule”, on which comments are due September 21, 2011. This proposal would place a heavy burden on companies in obtaining the outside legal advice they need to exercise their statutory rights to express their views during union organizing campaigns, particularly smaller businesses that do not have the benefit of skilled in-house lawyers or labor consultants. SOCMA plans to join NAM in submitting comments on this rule as well.

# Senate Staff Invites SOCMA to Round Three of TSCA Reform Discussions

By Dan Newton

Staff for Senators James Inhofe (R-OK), Ranking Member of the Senate Environment and Public Works Committee and Frank Lautenberg (D-NJ) Chair of the Environment and Public Works Subcommittee on Superfund, Toxics, and Environmental Health invited SOCMA and other key industry trades to participate in the third round of meetings on Toxic Substances Control Act (TSCA) reform. This round of meetings involved sharing perspectives on the issue of information requirements, without focusing on confidential business information (CBI). The staff wanted to discuss CBI separately. The objective of the meeting was to discuss in detail various views on data requirements—specifically potential changes to TSCA sections 8, 4, and 5 of TSCA.

To date the same group of industry trades have met twice to share perspectives on the issues of chemical safety standards and priori-

tization approaches. The industry meetings have typically been followed by meetings among NGOs. This past April Lautenberg introduced the Safe Chemicals Act of 2011 (S. 847) and these meetings have served as a next step to see where common ground might be reached among stakeholders.

Future meetings, should they take place, will likely address new chemicals and confidential business information. It is possible there could be a mark-up hearing this Fall, however, the window of opportunity to move a TSCA reform bill continues to diminish for a number of reasons. Thus far Lautenberg has not been able to muster any bipartisan support on the bill he introduced.

The meeting took place on Monday, September 12 at 1:00pm. SOCMA manager of Government Relations, Dan Newton and Jamie Conrad of Conrad Law and Policy Counsel represented SOCMA.

## Improving EPA Regulations

By Dan Moss

SOCMA has been actively engaged in the effort to improve EPA regulations, with a particular focus on impact on small businesses. In addition to the testimony we submitted to a House Small Business Subcommittee on the economic impact of EPA regulations on small businesses, SOCMA submitted comments to EPA in April in response to the agency's call for feedback on the design of its plan to retrospectively review regulations. This solicitation, in turn, was EPA's response to President Obama's January 18 Executive Order which directed agencies to submit such plans to the Office of Management and Budget.

SOCMA's comments highlighted a few existing rules which needed to be reviewed -- the Definition of Solid Waste rule, the Chemical Manufacturing Area Sources Rule, the Boiler MACT rule, the Spill Prevention, Control, and Countermeasures (SPCC) Rule, and the TSCA Inventory Update Proposed Rule -- and suggested several considerations that any new review should address. In its final plan (released in August), EPA listed 35 rules which it is planning to review in its initial review phase, several of which are of interest to SOCMA members.

## ChemAlliance Webinar Series Expands

By Dan Moss

ChemAlliance, SOCMA's compliance assistance website, has held three webinars in 2011, with the possibility of a fourth for the remainder of the year. The webinars, which are free for SOCMA members, have addressed a variety of different topics:



- **Asia Regulatory Updates: GHS and Reach Development (May 25)**  
Sookie Hong, a Senior Regulatory Analyst - Asia Pacific with 3E Company, discussed updates on chemical control laws in Japan, Malaysia, Taiwan and Korea, as well as GHS updates in China
- **TSCA Inventory Update Reporting (IUR) Modifications/Chemical Data Reporting (CDR) Rule (September 8)**  
Will Pettit of Technology Sciences Group (TSG) Inc. provided a historical background on the IUR, walked through the many changes to the reporting requirements, and helped companies prepare for their new CDR obligations in order to meet the June 30, 2012 reporting deadline.
- **Keeping Up with CFATS (September 9)**  
Michael Saad, Senior Director of Consulting Services with Huffmaster Crisis Response, LLC, provided insight into the latest developments in CFATS compliance enforcement, and provided a basis for determining what changes companies may need to make to their SSPs.

These webinars are supplemented by a variety of other tools on the [www.Chemalliance.org](http://www.Chemalliance.org) site, including a free, emailed regulatory deadlines alert service, and regular updates about regulatory compliance news affecting the chemical industry. Please contact Dan Moss at (202) 721-4143 or [mossd@socma.com](mailto:mossd@socma.com) if you have any questions.



# WELCOME

Alexis Rudakewych joined SOCMA's Government Relations team in December as manager of safety and security issues after more than 4 years on Capitol Hill. Alexis

has previously worked for the House Judiciary Committee's Subcommittee on Terrorism, as an aide to Homeland Security Appropriations Subcommittee Chairman Robert Aderholt (R-LA), and most recently as a legislative assistant to Congressman Patrick McHenry (R-NC). In that position, Alexis managed Congressman McHenry's leadership assignment on a key Oversight and Government Reform Committee subcommittee and advised him on homeland security, science and technology, and small business issues. Alexis graduated from Boston University with a Bachelor's degree in Anthropology and has been working towards her

Master's degree at the US Naval War College. Alexis has enjoyed her first 9 months working with and learning from the knowledgeable members of SOCMA's Safety and Security Committee, and is working to further increase SOCMA's voice on labor policy as well as safety and security issues in the legislative and regulatory arenas.

## 2011 Chemical Sector Security Summit and Expo

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security, suspicious activity reporting, insider threats, theft and diversion, and a session with congressional committees overseeing security legislation. SOCMA members Bonnie Bonnavier of Baker Hughes and Ryan Loughin of ADT both served as moderators on event panels, and Rick Kane of Rhodia and Clyde Miller of BASF opened and closed the last day with comments as current chair and vice chair

of the Chemical Sector Coordinating Council.

About a half dozen SOCMA members also shared information about their businesses with attendees as part of the Chemical Sector Security Expo, held annually by SOCMA in conjunction with the summit. SOCMA members participating in the expo included ADT, SIEMENS, Securitas, Huffmaster, G4S and Senstar.

*See pictures on page 12-13.*

### Join SOCMA CONNECT!

Join SOCMA CONNECT to help shape the laws that affect our industry through SOCMA's grassroots network! Submitting this form allows us to contact you concerning legislation affecting the chemical industry and to let you know when action is needed. You choose your level of involvement.

Name \_\_\_\_\_

Company \_\_\_\_\_

Title \_\_\_\_\_

Address \_\_\_\_\_

Phone Number \_\_\_\_\_

Email \_\_\_\_\_

#### I'm willing to:

- Participate in a SOCMA government relations committee to help set SOCMA's legislative agenda
- Write/call or meet with my lawmakers in DC or my district
- Testify before Congress or regulatory agency
- Host a lawmaker at my site
- Speak to newspaper, radio or TV reporters on certain issues
- Write a Letter-to-the-Editor of my local paper

#### Please mail this form to:

The Society of Chemical Manufacturers and Affiliates  
1850 M Street, NW  
Suite 700  
Washington, DC 20036



You can also join online at [www.socmaconnect.com](http://www.socmaconnect.com)!

## Environmental Update

With the Environmental Protection Agency (EPA) issuing a steady stream of regulations, and Congress considering various pieces of legislation of interest to SOCMA members, the Environment Committee has been extremely active this year and will remain so.

But the legislative and regulatory activity has just begun. Over the next few months, SOCMA will be weighing in on the new proposed area source (CMAS) and Definition of Solid Waste (DSW) rules, as well as forthcoming reconsidered boiler rules. SOCMA will continue to monitor greenhouse gas regulatory activity, and will likely increasingly weigh in on the policy debate surrounding hydraulic fracturing (and the implications that that debate may have for natural gas development and SOCMA members.) We also will be reviewing new standards expected to be released that are targeted at the chemical sector as a whole. Additionally, SOCMA will soon be offering an updated Spill Prevention, Control and Countermeasures (SPCC) Plan Template which will reflect all the amendments which have been made over the last few years.

### **Opportunities for Engagement**

Given all of this activity, there is no better time for SOCMA members to get involved and engaged with the Committee. Member feedback is invaluable in the formulation of powerful, persuasive advocacy efforts. There are several upcoming opportunities for interested members to help shape SOCMA advocacy on a variety of environmental regulations:

- October 12 – Committee Conference Call
- November 3 – Committee meeting
- December 14 – Committee Conference Call

These sessions will be supplemented by additional calls on an as needed basis, as well as by opportunities to contribute to several sets of SOCMA comments. If you have any ques-

tions about the Committee, please contact Dan Moss at (202) 721-4143 or at [mossd@socma.com](mailto:mossd@socma.com)

### **Issues**

The following paragraphs summarize recent Committee activity on some of SOCMA's top environmental priorities:

#### **Definition of Solid Waste**

SOCMA continues its advocacy on the Definition of Solid Waste (DSW) rule, advocacy it began in the 1990's. The latest proposed Definition of Solid Waste rule was published in the Federal Register at the end of July.

The new proposal seeks to narrow some of the regulatory exemptions that were originally granted when the rule was finalized in October 2008. On some of the provisions of most interest to SOCMA members, the agency is proposing to retain the 'under the control of the generator' exclusion for hazardous materials reclaimed on-site, within the same company, and within certain tolling agreements. SOCMA supports a new remanufacturing exclusion for 18 solvents which should be very beneficial to some SOCMA members. On the other hand, SOCMA opposes the new proposed requirement which would make all four legitimacy criteria mandatory. (Previously, two of the criteria were not mandatory.)

SOCMA plans on giving a statement at a public meeting on the rule in Philadelphia on September 12, and will also submit written comments by October 20.

#### **Chemical Manufacturing Area Sources Rule**

On August 22, SOCMA met with the Office of Management and Budget to regarding the forthcoming, re-proposed Chemical Manufacturing Area Sources (CMAS) rule. (The new

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## Environmental Update

proposal derives from SOCMA's challenge of the previous CMAS rule, which was finalized in October 2009.)

In the August meeting, SOCMA was joined by OMB staff, as well as by staff from the Council of Environmental Quality, EPA (by phone) and ACC. Overall, the meeting seemed to go well, although it was hard to gauge the reactions of agency staff since they didn't ask any questions. SOCMA reviewed our remaining top four priorities from our Petition for Consideration, and explained why they were important to us.

In particular, it is important to note that despite this new rulemaking, and some changes which will likely accompany it, the rule finalized in October 2009 remains in effect. Thus, if EPA does not grant an extension of the compliance date, SOCMA members would need to comply with the area sources rule by October 2012, possibly only a month or two after the new rule is finalized!

### Boiler Rules

In February, EPA finally released its long-awaited Boiler MACT (Maximum Achievable Control Technology) and GACT (Generally

Achievable Control Technology) rules. The rules seek to limit emissions of certain hazardous air pollutants from boilers at both major and area source facilities.)

In the wake of extensive feedback -- and criticism -- from industry and other stakeholders, EPA announced in May that it was issuing a stay postponing the effective date of the Boiler MACT rule (through the end of the reconsideration process). Subsequently, the agency stated that it would propose standards to be reconsidered by the end of October 2011 and issue final standards by the end of April 2012.

SOCMA has been actively involved on this issue, submitting comments on both boiler rules in 2010 and participating in an industry coalition which had launched aggressive advocacy efforts on Capitol Hill to pressure EPA to change the proposed rules. These efforts have led to the introduction of bills in both the House of Representatives (HR 2250) and the Senate (S. 1392) which specifically address this issue. Significantly, the legislation goes further than EPA's stay by also staying the Boiler area source rule. SOCMA submitted a letter of support of the legislation to the House Energy and Commerce Committee.

## Calendar of Upcoming SOCMA Events and Regulatory Deadlines

**Sept 21:** SOCMA EHS&S Webinar. Email [morsbergerj@socma.com](mailto:morsbergerj@socma.com) to register.

**Sept 21:** Comments due on Notice of Proposed Rulemaking: Labor-Management Reporting and Disclosure Act; Interpretation of the "Advice" Exemption – Department of Labor

**Sept 22:** Comments due on Request for Information: Announcement of Carcinogen and Recommended Exposure Limit (REL) Policy Assessment – National Institute for Occupational Safety

and Health (NIOSH) of the CDC

**Sept 22:** Comments due on Proposed Rule: Occupational Injury and Illness Recording and Reporting Requirements – NAICS Update and Reporting Revisions

**Oct 20:** Comments due on Definition of Solid Waste Proposed Rule

**Nov 1-3:** Committee Week, Washington, DC

**Nov 10:** New Compliance Deadline for most facilities for the preparation and implementation

of SPCC Plans

**Dec 1:** Comments due on Proposed Rule: Ammonium Nitrate Security Program

**Dec 5:** SOCMA's 90th Annual Dinner and Annual Membership Meeting, New York, NY

For questions, please contact SOCMA at (202) 721-4100. You can view all SOCMA events at [www.socma.com/events/](http://www.socma.com/events/).

A full list of regulatory deadlines can also be found at [ChemAlliance.org](http://ChemAlliance.org).

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