

CHEMICAL MANUFACTURERS ASSOCIATION

State Affairs Committee
Board Conference Rooms A&B, CMA
February 19, 1987

SAC-25-1

MEMBERS ATTENDING

Jack Brewer - Chairman
Bob Ball
Bill Buckley
(for Charlie Fitzgibbon)
Ron Roberts
John Harris
(for Ben Woodhouse)
Debbie Neale
Chuck Hebner
Rob Christie
Jerry Chambers
Ralph Loomis
Jim Lynn
(for Art Mszanski)
Judith Smeltzer
(for Jerry Prout)

William Westendorf
Staff Executive

Olin Corporation
Exxon Chemical Corporation
Eastman Kodak Company

Borg-Warner Chemicals
Dow Chemical USA

BF Goodrich Company
ICI Americas
ARCO Chemicals
American Cyanamid
CIBA-GEIGY Corporation
E. I. du Pont de Nemours & Co

FMC Corporation

CMA

PRESENT BY INVITATION

Brian Munroe
Bill Lafield
Dick Arnold
Lee Kamp

Larry Gallo
Becky Chidester
John Slavick

Occidental Chemical Corporation
Shell Chemical Company
Allied/Signal Corporation
Mobil Chemical Company

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MEMBERS ABSENT

Keith Pretty
Tim Holt
Geoff Hurwitz

AMOCO Corporation
Air Products & Chemicals Inc.
Rohm and Haas Company

CMA 084399

The meeting was called to order at 10:05 a.m. by Chairman Jack Brewer.

1. Approval of Minutes

The minutes of the January 15, 1987 meeting were approved as submitted. Dick Arnold's correction in address was noted.

2. Review of January 15th Meeting Action Items

Outstanding and continuing items include the following:

- a. Since Art Mszanski was unable to attend the February meeting, we will make Texas the state of the month for the March meeting.
- b. ECRA Legislation - A national realtors association has not been contacted. Mary Heaton will pursue this item during Joan Riley's absence.
- c. A summary of funding mechanisms for state Superfunds as requested by Geoff Hurwitz is still needed for the state of Pennsylvania.
- d. A letter from Charlie Van Vlack or Robert Roland to CMA members in Pennsylvania soliciting more active participation in the CIC is still needed.
- e. The discussion of the Federal Superfund Matrix Team has been rescheduled for the March Meeting.
- f. Five or six companies are still needed to participate in the Chemical Industry Exhibit at the NCSL Annual Meeting in Indianapolis, July 26-31, 1987.

3. Organizational Items

- o Jack Brewer and Bill Westendorf described their presentation to the Finance Committee and reported that the Committee will recommend to the Board a 11% dues increase, which could result in a net supplemental increase to State Affairs of approximately 6%. This will be used for Proposition 65 around the states, as well as coalitioning in support of CICs, NCSL, CSG et al.
- o Larry Gallo reported that the NCSL video tape on hazardous materials transportation, which was supported by CMA and some member companies, has been used by over 30 state legislatures and 50 corporations.
- o A revised schedule of State Affairs Committee meetings for the remainder of 1987 was included in the meeting book.
- o There was a reminder that the next CSG Subcommittee on Scope and Agenda for Suggested State Legislation will be meeting on

March 27-28, 1987 in Salt Lake City, Utah. No specific agenda is available at this time.

Action: Mary Heaton will contact CSG to determine details of the SSL meeting.

- o John Harris reported on the NCSL household cleanup film. He mentioned that other organizations such as CSMA and the Soap and Detergent Association were helping to fund this project, which is still in need of approximately \$10,000.

Action: CMA will consider contributing \$1,000 to this project. Member companies should consider likewise.

4. Speaker

David D. Schmidt, Executive Director of the Initiative Resource Center, addressed the group about his organization and current trends in initiatives around the country. Anyone interested in more information on this organization or initiatives in general should contact Larry Gallo.

5. Key Issues

Tort Reform

Jim Lynn reported on the recent meeting of the State Tort Reform Task Group. They have decided to limit their agenda to four major items including: (1) Joint and Several Liability; (2) Collateral Payments; (3) Limit Punitive Damage Awards and (4) Caps on Noneconomic Damages. Mr. Lynn summarized activity in some of the major states including the fact that the Texas Senate could be a problem. He also pointed out that the secret to success with tort reform, as with any issue, is a strong coalition in specific states and in this regard, Louisiana is having trouble forming a coalition on tort reform.

Proposition 65

Bill Westendorf summarized the recent activities in California including the work of the Environmental Work Group (EWG). The committee members asked that the minutes of the EWG be forwarded to them on a regular basis. It was pointed out that the latest information on Proposition 65 in California or anywhere in the U.S. can be obtained on a daily basis in the SCAN system.

Waste Minimization

David Carroll, Director of CMA's Environmental Programs, addressed the committee on the CMA Waste Minimization Program. A two-page outline of this program is attached.

Mr. Carroll also pointed out that his task group is losing members and is in need of additional members. Jerry Chambers mentioned that New Jersey's Waste Minimization Program is a major issue in that state.

6. State Of The Month

Texas was scheduled to be the state of the month but Art Mszanski was unable to attend this meeting, so it will be covered in more detail in March. However, members of the committee did report that the budget/taxes is the major issue in Texas with the comptroller pushing for the removal of exemptions for utilities which leads to "broadening of the base for taxes". Tort reform is expected to come to the forefront during the first week in May.

7. State Reports

The Chairman, Jack Brewer, pointed out that the committee was doing a better job of submitting their state reports in advance so that they can be included in the book. However, there are still a few exceptions, namely Texas and Delaware. He pointed out again that the SCAN system can be used to file these reports.

Delaware

The major issues include tort reform, ECRA type laws, as well as a Toxic Catastrophe Prevention Act.

Connecticut

Chlorofluorocarbons limits are being considered. The CBIA-CAG Legislative Reception is March 11, 1987.

Florida

There is a pollutant tax which starts at around 20¢ per barrel but could go as high as 10¢ to 15¢ per barrel. A large handout was distributed to the group concerning this Florida tax proposal.

Action: Selective portions of this handout will be sent to all members of the committee.

The Florida CIC will hold its annual meeting on April 29, 1987.

Maryland

There was some questions about a pesticide bill but no one seemed to know much about this bill.

New Jersey

Things are imminent on the New Jersey ECRA bill. Any comments should be forwarded to Hal Bozarth as soon as possible. Also, there is now a very onerous set of regulations for the Toxic Catastrophe Prevention Act. Many say this could be "worse than Proposition 65". The original list of 11 chemicals has been expanded to 140 chemicals.

Ohio

The House and Senate passed a bill to prevent corporate takeovers.

Pennsylvania

The annual CIC meeting will be held on April 7, 1987, coupled with a legislative reception that evening.

New York

There are two ECRA type bills, one very similar to New Jersey and another with some changes.

Action: Mary Heaton will see that CMA State Affairs ECRA Work Group is involved in these New York Bills.

Dick Arnold questioned some new regulations on hazardous waste. Details are not available at this time, however. Mary Heaton will check on these regulations.

West Virginia

Ron Roberts reported that the three major issues in that state are taxes, taxes and more taxes. The session ends the 2nd week of March.

8. Task Group ReportsInformation Management Task Group

The SCAN system is now fully on-line, although there continues to be some problems with the Commerce Clearinghouse input. We have 15 companies, 5 CICs including Illinois, New Jersey, California, Tennessee and Maryland or 50 total users.

Groundwater Task Group

There will be a workshop on April 9, 1987 at which the State Groundwater Papers will be officially released. A comprehensive groundwater protection bill has been filed in the Iowa House and Senate.

Chemical Safety Task Group

This group had a very good meeting recently with 18 attendees. The group is developing a one-pager on why states do not need to go beyond Title III Right-To-Know Provisions.

Action: Copies of this one-pager will be sent to the State Affairs Committee.

Air Toxics Task Group

The Air Toxics Task Group had to cancel their last meeting for lack of interest. Only three members were able to attend.

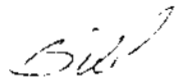
Action: A letter will be sent to all State Affairs Committee Members and Attendees soliciting new members for this important task group.

Hazardous Waste Disposal Task Group

The task group is working on a paper to be sent to all CICs reviewing the importance of sound management of state Superfund expenditures. The paper emphasizes cost accountability and recommends that state programs be required to report this information to the legislature and the public.

Action: When finalized, copies of this two-pager will be sent to the State Affairs Committee.

The meeting was adjourned at 2:05 p.m.


William H. Westendorf
Director, State Affairs

3/3/87

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