REPORT OF
ENGINEERING ADVISORY COMMITTEE
TO THE CMA BOARD OF DIRECTORS
September 17, 1984
EXECUTIVE SUMMARY

Main Thrust of Committee Activities

The committee concentrates mostly on engineering codes and standards which safeguard our employees and the public. Without standards, added engineering costs to specify every detail of purchased equipment would increase plant investment by 15-20%.

A company may rely on thousands of codes and standards in construction and operation of our facilities. A typical company member has 40 employees spending 4% of their time participating in ten different standards developing organizations. Larger companies may have 100 to 300 employees participating in standards developing organizations such as ASME, ASTM, IEEE, ISA, and NFPA.

One of the most important functions of the Engineering Advisory Committee is to coordinate industry participation in developing and reviewing new and existing standards for maximum effectiveness. Another is to prepare CMA positions on related legislation and regulations.

Major Accomplishments

During 1983-1984, the committee:

- Initiated savings of above $55 million a year through proposals for revision of the 1984 National Electrical Code. More than 100 proposals for the 1987 edition were developed.

- Prepared recommendations on outside proposals to amend 30 engineering codes and standards. Safety and cost considerations were foremost. This effort consisted largely of actions taken by CMA representatives, with benefit of general guidance from the committee and its task groups.

- Prepared CMA positions on FTC's revised proposed rule on Standards and Certification, and on OSHA's proposed Electrical Safety Standards for Construction. Both would have resulted in large and unnecessary costs.

- Held another highly successful CMA Process Computer Users Forum. This fourth forum lasted 2½ days and drew 150 member company people.

Company People Working on Committee Programs

- Number - 91 (including the committee, its task groups, and CMA representatives under its purview not already included)

- Work-Year Equivalency - 5 (reflecting estimated average time spent by member company people)
Cost Savings to Industry

- **Estimate** - Over $200 million a year
- **Substantiation** - See Appendix A

**What's Ahead for Fiscal 1984-1985**

Beside continued active and extensive participation in engineering codes and standards development, the committee will address proposed OSHA electrical regulations and state activity involving boilers and pressure vessels.

The committee will also start work on the Fifth CMA Process Computer Users Forum. These forums have generated much interest among member companies. They provide a unique opportunity to assess the continued rapid growth in digital technology, which has a major favorable impact on the cost of operating chemical plants.
REMARKS TO CMA BOARD OF DIRECTORS

James S. Bardin
Chairman, Engineering Advisory Committee
September 17, 1984

As in the past, my brief report this morning is meant to supplement the detailed and comprehensive report submitted to you by the CMA Staff. The written report contains a copy of the Engineering Advisory Committee Charter, even so, I decided to repeat it here since it helps to emphasize what we do and how we do it. The charter reads:

"With respect to engineering design, construction, operation, and maintenance of facilities for manufacture, storage, and handling of industrial chemicals as significant to the chemical manufacturing industry, the Committee will: serve as a forum for discussion of chemical manufacturing industry concerns; develop and recommend to the Executive Committee policies and positions on legislative, regulatory, and technical questions; and provide support for authorized association programs."

As we have said before this means we want to build and operate chemical plants more economically, reliability and safely. Generally, the Engineering Advisory Committee fulfills its charter (1) by assuring that the chemical industry's interests are adequately protected in national standards activities, (2) by monitoring developments in legislative/regulatory activity and (3) by sponsoring educational forums in selected areas of rapid technological development where no other forum exists."
These functions are generally more economic than social; they aren’t glamorous and never will be; they have very little media impact, but they are essential if plants are to be built in an economical, reliable and safe manner. As is noted in the Executive Summary of the Committee report to you, we believe that the programs of the Engineering Advisory Committee continue to save the chemical industry more than $200 million a year.

In order to carry out these programs the CMA Engineering Advisory Committee presently has the following Task Groups:

Steering Task Group
Process Control Task Group
Boiler and Pressure Vessel Task Group
Electrical Codes and Standards Task Group

Since engineering codes and standards are considered the most important work we do I would like to discuss them after I have touched on some of the other Task Groups.

The Steering Task Group which was originally established as the Long Range Planning Task Group, has evolved to be more of an executive committee concerned with the overall direction of the committee as well as to develop recommended CMA positions concerning various regulations. As the committee report states, “CMA comments on the Federal Trade Commissions’s revised proposed rule on Standards and Certification were instrumental in killing it. We stated that current law provides adequate incentive for standards organizations to implement procedures for preventing development of anticompetitive standards. Large unnecessary costs were avoided.” In addition, CMA comments on OSHA’s Proposed Electrical Safety Standards for Construction is expected to prevent costly, irrational, and unnecessarily detailed requirements.
We will continue to assure that legislation and regulations are acceptable to the chemical industry. The committee will be prepared to take further action on OSHA's Proposed Electrical Safety Standards for Construction and to take action on OSHA's Electrical Safety-Related Work Practices when proposed.

The Boiler and Pressure Vessel Task Group continued to monitor state activity to assure that state laws and regulations involving boilers and pressure vessels are acceptable. Although there was no significant action during fiscal 1983-1984, these things aren't constant from year-to-year. You will recall that activity in this area has been extensive - so much so that proposals by state officials could have added $1.7 billion in capital investment due to equipment being out of service for inspection and tens of millions for additional inspections. In order to maintain a safe, sensible and balanced approach to our boiler and pressure vessel codes and standards we will continue to monitor state legislative and regulatory activity.

Our third task group is the Process Control Task Group which has as its charter "To plan and conduct technology transfer forums on computers for process control, to critique the forums, and propose future action. The EAC has sponsored four conferences on computerized control systems. Each has been extremely well received. At the most recent forum which was held in May, twenty-nine companies sent a total of 150 people to the conference. These sessions provide an opportunity for member company people to share nonproprietary technical information for the mutual benefit of all participants. Safer and more cost effective operations result. This topic involves the interests of many trade and professional organizations, but the Process
CONTROL TASK GROUP OF THE EAC IS UNIQUELY EQUIPPED TO CONCENTRATE SUCH SYMPOSIA ON BENEFITS TO THE CHEMICAL INDUSTRY. IT IS ESTIMATED THAT SAVINGS FROM THE FORUMS TO DATE ARE $14 MILLION A YEAR AS DETAILED IN APPENDIX A OF THE WRITTEN COMMITTEE REPORT DISTRIBUTED TO YOU. THE NEXT FORUM IS SCHEDULED FOR 1986 WITH PROGRAM ACTIVITY BEGINNING IMMEDIATELY TO ASSURE THE CONTINUED HIGHLY SUCCESSFUL RESULTS OF THE PAST.

ALTHOUGH ALL OF THE ABOVE ACTIVITIES ARE IMPORTANT, AS PREVIOUSLY STATED, OUR MOST CRITICAL ACTIVITY IS TO ASSURE THAT THE CHEMICAL INDUSTRY INTERESTS ARE ADEQUATELY PROTECTED IN NATIONAL STANDARDS ACTIVITIES. THE DESIGN, CONSTRUCTION, OPERATION AND MAINTENANCE OF OUR PLANTS IS MADE UP OF MILLIONS OF DETAILS AND A COMPANY MAY RELY ON THOUSANDS OF CODES AND STANDARDS IN CONNECTION WITH BUILDING AND OPERATING THEIR PLANTS. IT WOULD BE IMPOSSIBLE TO BUILD AND OPERATE A COMPLEX CHEMICAL PLANT IF EACH COMPANY HAD TO DEVELOP ITS OWN CODES AND STANDARDS. WITHOUT STANDARDS, ADDITIONAL ENGINEERING COSTS TO SPECIFY EVERY DETAIL OF PLANT EQUIPMENT WOULD INCREASE COSTS AT LEAST 15 TO 20% AND OBTAINING SPARE PARTS AND MAINTENANCE SUPPLIES WOULD BE A NIGHTMARE. SO IT'S EASY TO SEE WHY THE NATIONAL CODES AND STANDARDS COMMITTEES HAVE EVOLVED, AND WHY THE KEY TO PRODUCING BENEFITS FOR THE CHEMICAL INDUSTRY IS CAREFULLY CONTROLLED PARTICIPATION BY CHEMICAL INDUSTRY SPECIALISTS AND EXPERTS IN THE STANDARDS DEVELOPING COMMITTEES. THE ENGINEERING ADVISORY COMMITTEE DOES NOT GENERATE STANDARDS. RATHER THE EAC IDENTIFIES THOSE STANDARD DEVELOPMENT COMMITTEES OF KEY IMPORTANCE TO CHEMICAL COMPANIES AND STRIVES TO ASSURE THAT A REPRESENTATIVE OF SOME CMA MEMBER COMPANY IS A COMMITTEE MEMBER. THESE PARTICULAR INDIVIDUALS REPRESENT THE CHEMICAL INDUSTRY AS CMA REPRESENTATIVES RATHER THAN HAVING EACH COMPANY COVER EACH COMMITTEE. ANY STANDARDS FROM THESE GROUPS THAT MIGHT
IMPACT THE CHEMICAL INDUSTRY ARE CIRCULATED, REVIEWED AND EVALUATED BY THE EAC AND ITS TASK GROUPS TO ASSURE THAT THEY REPRESENT AN INDUSTRY POSITION. OUR FOURTH TASK GROUP - ELECTRICAL CODES AND STANDARDS IS VERY ACTIVE AND WELL REPRESENTED ON THE CODE MAKING PANELS OF THE NATIONAL ELECTRICAL CODE.

SINCE MANY OF THE STANDARDS-SETTING ORGANIZATIONS REPRESENT INTERESTS THAT DIFFER FROM THE CHEMICAL INDUSTRY -- SUCH AS EQUIPMENT MANUFACTURERS WHO SEEK SPECIFICATIONS THAT FAVOR USE OF THEIR EQUIPMENT -- THE CHEMICAL INDUSTRY NEEDS A CENTRAL COORDINATING BODY SUCH AS THE EAC THAT WILL REVIEW STANDARDS PROPOSALS TO PREVENT UNWARRANTED SPECIFICATIONS OR REDUNDANT USE OF EQUIPMENT. SUCH EXAMPLES, AS REDUNDANT SWITCHES PROPOSED BY ONE STANDARDS SPECIFICATION, COULD HAVE COST THE INDUSTRY MILLIONS OF DOLLARS IN RETROFITS THAT WERE TOTALLY UNNECESSARY. SINCE THE STANDARDS ORGANIZATIONS INTERESTS ARE DIRECTED TO STANDARDS DEVELOPMENT -- NOT COST-EFFECTIVE OPERATIONS, THE INDUSTRY HAS FOCUSED ITS EFFORT THROUGH THE CMA/EAC SYSTEM WHICH PROVIDES EARLY WARNING WHEN A PROPOSED STANDARD WOULD RESULT IN UNREASONABLE COSTS OR SAFETY HAZARDS.

AT THE PRESENT TIME, 91 MEMBER COMPANY PERSONNEL REPRESENTING AN ESTIMATED 5 WORK-YEARS, ARE ASSIGNED TO THESE PROGRAMS --- INCLUDING THE EAC COMMITTEE, ITS TASK GROUPS AND 43 CMA REPRESENTATIVES TO STANDARDS COMMITTEES. THINK WHAT NUMBERS OF PEOPLE WOULD BE INVOLVED AND THE EFFORT REQUIRED IF EACH CHEMICAL COMPANY HAD TO PROVIDE ITS OWN INDIVIDUAL REPRESENTATION WITHOUT THE REVIEW AND COORDINATION OF THE CMA PROGRAMS.

NOW I KNOW THESE ITEMS DON'T SOUND TOO GLAMOROUS TO YOU --- FRANKLY, THEY DON'T SOUND VERY GLAMOROUS TO ME EITHER, BUT THEY ARE IMPORTANT MONEY SAVING AND LIFE SAVING ACTIVITIES AND I FOR ONE AM GRATEFUL FOR TWO THINGS IN THIS REGARD. FIRST, THAT EACH OF YOU HAVE ENGINEERS THAT ARE REALLY DEDICATED TO WORK AT THESE ACTIVITIES AND SECOND, THAT THROUGH THE YEARS CMA MEMBER COMPANIES SUCH AS YOURS HAVE MADE PERSONNEL AVAILABLE FOR THIS WORK ON A CONSISTENT BASIS. STANDARDS DEVELOPMENT IS A LONG TERM COMMITMENT. IN THIS REGARD, ONCE AGAIN I WOULD LIKE TO QUOTE WALT CANHAM OF MONSANTO WHO STATED WHEN HE WAS CHAIRMAN OF THIS COMMITTEE -"GOOD STANDARDS DEVELOPMENT ENTAILS A NUMBER OF FACTORS: SELECTION OF COMPETENT PEOPLE; SUPERIOR PERFORMANCE OF COMMITTEE WORK BY THOSE PEOPLE SO THAT THEY EARN THE TRUST AND RESPECT OF THEIR PEERS; CONTINUITY OF SUPPORT BY EMPLOYERS SO THAT THEY CAN GAIN STATUS AND INFLUENCE PROPORTIONAL TO THEIR CONTRIBUTIONS; A COMMUNICATION NETWORK OR FORUM BY WHICH THEY AND THEIR INDUSTRY COLLEAGUES CAN KEEP EACH OTHER POSTED AS TO KEY DEVELOPMENTS; AND PLANNING FOR THE FUTURE SO THAT WELL-QUALIFIED SUCCESSORS WILL BE READY TO CARRY ON THE WORK WHEN IT IS TIMELY."
YOU WILL RECALL THAT LAST YEAR AT THIS TIME WE HAD JUST LEARNED THAT D.W. CRAMER OF MONSANTO HAD BECOME CHAIRMAN OF PANEL 9 OF THE NATIONAL ELECTRICAL CODE. THIS IS AN EXAMPLE OF SELECTING GOOD PEOPLE WHO TURN IN SUPERIOR PERFORMANCE, DEVELOP THE RESPECT OF THEIR PEERS AND OBTAIN A POSITION OF LEADERSHIP AND INFLUENCE IN STANDARDS DEVELOPMENT AND CAN BE A STRONG VOICE FOR THE CHEMICAL INDUSTRY.

MORE AND MORE FEDERAL AND STATE REGULATIONS ARE BASED ON STANDARDS DEVELOPED BY THE PRIVATE SECTOR --- OSHA PARTICULARLY, IS BASING MANY REGULATIONS ON PRIVATE SECTOR STANDARDS. WE MUST BE SURE THAT THE CHEMICAL INDUSTRY INTERESTS ARE CONSIDERED AND THAT THE STANDARDS SAY WHAT WE WANT THEM TO SAY OR THE REGULATORS, EQUIPMENT MANUFACTURES AND UNIONS WILL LEAVE US WITH STANDARDS THAT RESULT IN INCREASED COSTS, SAFETY HAZARDS AND EQUIPMENT PROBLEMS.

THE ENGINEERING ADVISORY COMMITTEE IS A SAVE MONEY --- PROTECT LIVES FUNCTION. WE CONTROL OUR ACTIVITIES CAREFULLY AND ONLY TAKE ON PERTINENT ISSUES. THE NEED FOR PARTICULAR TASK GROUPS ARE REVIEWED AT LEAST ANNUALLY AND ELIMINATED WHEN THEIR NEED HAS DIMINISHED. TO THIS END THE LARGE ELECTRIC MOTORS TASK GROUP WAS DISBANDED LATE LAST YEAR. WE NOW HAVE FOUR TASK GROUPS. EACH HAS SPECIFIC ASSIGNMENTS AND HOLDS COMPARATIVELY FEW MEETINGS.

IN SUMMARY, THIS WORK MUST BE DONE BY THE CHEMICAL INDUSTRY. SEPARATE COMPANY PROGRAMS TO DO WHAT CMA DOES WOULD BE CONSIDERABLY MORE COSTLY AND CERTAINLY WOULDN'T BE AS WELL COORDINATED. ON-GOING BENEFITS TO THE CHEMICAL INDUSTRY ARE OF THE ORDER OF $200 MILLION PER YEAR AND YET THE COSTS TO CMA AND THE DEMANDS ON CMA STAFF AND FACILITIES ARE QUITE SMALL. THE COSTS FOR THE ENGINEERING ADVISORY COMMITTEE REPRESENT LESS THAN 1% OF THE CMA BUDGET. TO USE MANAGEMENT TERMS, OUR COMMITTEE IS A MATURE BUSINESS WHICH WE OPERATE AS A CASH COW TO PROVIDE THESE SIGNIFICANT SAVINGS TO THE CHEMICAL INDUSTRY.
CMA GROUNDWATER STRATEGY

I. Project Definition and Background

The groundwater issue is technically, politically and legally complex. The political and economic stakes are high for the chemical industry. It is a valuable natural resource that has many uses (i.e., drinking water, crop irrigation, industrial water supply). To protect this resource, the public health, and the environment, groundwater management must be sound and rational. Groundwater contamination is a key issue in the minds of the public and legislators and is the primary driving force of Superfund and RCRA laws and regulations. The extent that industry can influence such laws and regulations is uncertain, but it deserves a major effort by CMA.

Although the nation's groundwater resources are vast, there is a growing public perception that groundwater contamination poses a significant threat to public health and the environment. Contaminated groundwater around various Superfund sites contributes to this perception. Because of the chemical industry's close ties to the Superfund issue, we must effectively manage our operations to prevent and/or remedy groundwater contamination attributable to our industry. Public interest pressures are pushing toward: (1) enacting an onerous public compensation system; (2) establishing unreasonable and unattainable Superfund clean up standards; (3) enacting a new Federal groundwater program mandating specific technology and a groundwater permitting system for new and existing chemical industry operations. The perception has already led to legislative and regulatory activity at the Federal and State levels.

In 1980, CMA's Environmental Management Committee (EMC) established a Groundwater Task Group to develop and advocate chemical industry positions on groundwater. The EMC believed that this issue had the potential to impact significantly on future chemical industry operations. In response to an EPA policy initiative the Groundwater Task Group developed a groundwater position paper, which stressed the following: (1) management of groundwater according to its use, (2) State management primacy, and (3) a strong Federal technical support role. Because of the potential impact of groundwater issues on the chemical industry, it is important that CMA retain a leadership role in this matter.

Key among the growing list of participants on the groundwater issue are as follows: (1) EPA's Office of Ground-Water Protection (Marian Mlay, Director); (2) environmental activists (Natural Resource Defense Council (NRDC), Environmental Defense Fund (EDF)); (3) Congress (Rep. Dennis Eckart, D-OR and Sen. David Durenberger, R-MN); (4) state government leaders and various state organizations (National Governors Association (NGA), and National Conference of State Legislatures (NCSL)); and (5) The Water Utilities (American Water Works Association and the National Association of Water
Companies). Several business groups including CMA and the National Agricultural Chemical Association are active and are speaking out on the groundwater issue.

Because of the significance of the groundwater issue to the chemical industry, an ad hoc CMA groundwater group was convened to develop a comprehensive groundwater issue work plan. Staff representatives of all CMA departments involved in the groundwater issue, and member company representatives from the Environmental Management Committee, State Affairs Committee, and Government Relations Committee comprises the ad hoc groundwater group. The group has determined that it is appropriate to evaluate existing CMA groundwater positions for validity in today's regulatory and legislative climate, to develop new positions on emerging issues and to identify additional strategies and tactics to manage the groundwater issue successfully.

II. CMA Groundwater Goals

The goals of CMA's groundwater work plan are:

(1) Assure protection of public health and the environment;

(2) Assure that CMA effectively manages this cross-cutting, emerging and important public policy issue;

(3) Assure public understanding and support for CMA's groundwater program.

III. Proposed Approach

The groundwater work plan is made up of four interdependent elements. The first element involves analysis of existing groundwater data and information. The second element directs CMA committee projects which will develop improved understanding of technologies to prevent and remedy groundwater contamination and coordinate CMA involvement in public policy issues related to groundwater management and drinking water protection. The third element establishes a comprehensive groundwater communications program which will enhance our advocacy efforts. The fourth element will be to develop and revise as necessary principles for legislative and regulatory advocacy.

Consistent with this approach, the ad hoc group has identified several tactical projects for CMA task groups to carry out under the following work plans.
IV. Groundwater Work Plan

1. Data/Information Analysis
   (a) Analyze existing data/information to determine the existence and the extent of groundwater contamination at chemical industry operations and on a national basis.
   (b) Develop data/information describing state-of-the-art groundwater clean up technology.
   (c) Develop data/information describing state-of-the-art groundwater contamination prevention technology.

2. Action Projects/Policy Development
   (a) Review existing groundwater position and develop an overall CMA policy on groundwater management
   (b) Develop positions on reauthorization of the Safe Drinking Water Act and Congressional consideration of new groundwater legislation
   (c) Develop groundwater principles for State and Federal legislative, regulatory and program planning activities
   (d) Participate in EPA’s development and implementation of a groundwater strategy
   (e) Develop positions on groundwater standards and drinking water standards
   (f) Develop affirmative CMA position statements on management objectives to protect groundwater and prevent groundwater contamination
   (g) Evaluate and develop positions on the potential impact of product handling and management on groundwater
   (h) Evaluate and develop positions on how state groundwater programs should be funded
   (i) Evaluate and report on underground injection control practices
   (j) Develop a comprehensive communications program on groundwater.
V. Groundwater Work Plan Resource Needs

To implement the proposed work plan, the ad hoc group has identified three types of resources necessary to effectively carry out the work plan -- (1) company resources; (2) research and consulting funds; and (3) CMA staffing needs. In order to conduct several new projects it is estimated that approximately 20-30 additional member company volunteers will be needed to supplement the existing member company resources. These resources would be used in work plan activities managed by the EMC, State Affairs Committee, Communications Committee, and Government Relations Committee. It is also estimated that in the first two to three years, approximately $250,000 will be needed to carry out the first two strategy elements, and substantial additional funds will be needed to develop and carry out a broader communications program. The third element of the resource issue is CMA staffing needs. The technical department will need one additional professional and one additional support staff. The legal department, will need 50% of the time of a new attorney to augment the services already provided (about 25% of one attorney's time). The communications department, will need 25% of the time of a new professional in addition to the time already provided (about 25% of one person's time).

VI. Work Plan Time Frame

CMA must begin rapidly implementing a groundwater work plan because several states will begin considering state groundwater legislation in 1985. In addition, the U.S. Congress could continue addressing reauthorization and amendment of the Safe Drinking Water Act in 1985. It is hard to project when new Federal groundwater legislation will be considered, but it could realistically be part of the 1986 Congressional election agenda. With the limited resources we have for groundwater matters, we will start addressing the most critical matters facing the industry. Nevertheless, to achieve our objectives, we must begin implementing the comprehensive groundwater work plan and commit the needed resources.

VII. Action Required

Approval of overall work plan concept; proposed positions and recommended policies and specific resource needs will be submitted for Executive Committee and Board of Directors approval as they are developed.

CMA
EC - 9/17/84
BD - 9/18/84
SUPERFUND STATUS REPORT
LEGISLATIVE UPDATE

By Stacey Mobley, E.I. du Pont de Nemours & Company

CONGRESS

HOUSE:

The House committee consideration of Superfund became very political in early May when House Speaker Rep. "Tip" O'Neill (D-MA) set a strict time schedule for the consideration and passage of Superfund before the Republican Convention. The one issue that became more political than any other was Title V, the funding level and funding mechanism. What this meant to the chemical industry was that the three House Committees closed the funding title to amendment. Here is how the Democratic controlled House accomplished this:

- The Energy and Commerce Committee which has had the prime jurisdiction over all aspects of Superfund for the last five years said that amendments to Title V on funding were non germane and thus no funding amendments could be offered;

- The Public Works and Transportation Committee spent an entire day considering and amending H.R. 5640. Some funding amendments which Representative John Breaux (D-LA) offered were approved and CMA supported these amendments. Then for the purely political reason that many changes favorable to industry were approved, the House leadership and environmentalists forced the Committee to vote down and thus not report its own Superfund bill.

- The Ways and Means Committee held a long day of hearings on Superfund in which many members of the Committee expressed concern over the size of the fund and the funding mechanism. When the Committee began markup the House leadership told the Committee no change in the size of the fund and mechanism.

- Then the House Rules Committee approved a closed rule on Title V which meant no amendments could be offered to the funding section.

Just before leaving for their recess on August 10, the House completed floor action on H.R. 5640 by approving it by a 323-33 vote. This approval came after two days of floor debate in which victims' compensation issues proved to be particularly controversial.

Most notably, the House voted (208-200) to delete entirely the federal cause of action for victims' compensation from the Bill (Title II). The
House also rejected (159-200) an amendment to include a fund-financed administrative scheme. This leaves the House bill entirely without victims' compensation provisions, and the House squarely on record against such provisions and in support of Superfund as only a hazardous waste site cleanup law.

The funding levels provided in H.R. 5640 -- $10.2 billion over five years -- remain unacceptably high, however. On July 25, EPA's Assistant Administrator testified that EPA could only effectively use $5 billion over five years even with their increased resources.

H.R. 5640 increased the general revenue share of the funding from 12½ to 25%. The bill contains no "waste-end" tax. Instead, it directs Treasury to develop waste-end proposals for Congress; consideration by April, 1985, along with a "sense of the Congress" resolution in support of the waste-end concept.

SENATE:

Senator Robert Stafford's (R-VT) Committee on Environment and Public Works has scheduled more "markup" sessions on S. 2892 for early September, and Stafford has announced his commitment to reauthorization this year. The Committee markup sessions thus far have moved rather slowly, however, and many Senators have expressed concern over rushing to judgment on the issues surrounding reauthorization. Also, Senators have deep concerns over the size of the fund, the funding mechanism, federal cause of action and "victim's compensation".

S. 2892 does not include any funding provisions, but the Committee has proposed funding options which CMA is reviewing for comment back to the Committee. On victim's compensation, S. 2892 contains both a general federal cause of action and an experimental five-state insurance scheme for persons exposed to hazardous substances.

It appears that the Senate has a lot of markups to do before Superfund can pass this year, especially before the November elections.

MEDIA

Recently a few major newspapers, such as The Washington Post, The New York Times, The Wall Street Journal, The Detroit News and others have written favorable editorials against the federal cause of action, the so-called "victims" compensation and the funding issue. Also, a number of balanced articles have recently appeared in some newspapers. But, the media up until this point has not given the Superfund issue the intense attention it received in 1979 and 1980.
ASSOCIATIONS

CMA continues to work aggressively with the insurance industry against the federal cause of action and the "victims" compensation. CMA is working with other industry groups on improving the liability language and the cleanup standards. CMA continues to operate alone on the funding issue because all the other business groups are either working to get exempted from the feedstock tax or are opposing the waste-end tax.

CMA

CMA has made company Washington representative assignments for the Senators on the Environment and Public Works Committee, the Finance Committee and the Judiciary Committee. We have identified approximately 24 Senators from these Committees for priority attention. Also, a CEO contacts program has been initiated with the Senators on the Environment and Public Works Committee and other key Senators.

ENVIRONMENTALISTS

The environmentalists continue to lobby very aggressively in the Senate for a very large increase in the Superfund and for "victims compensation".

ADMINISTRATION

EPA Administrator Ruckelshaus continues to advocate that Superfund legislation should not be considered this year until the Agency completes its preliminary study of funding needs in September 1984.

CMA

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PROGRAM ACTION ELEMENTS

1. Advocacy Documents and Data Development
   A. Revision of materials to fit House-passed bill
   B. Substantive comments to Senate Environment and Public Works Committee
   C. Preparation of testimony
   D. Assist as appropriate in objective 301 (a) study by EPA
   E. Evaluate state/Federal Superfund relationship for future policy consideration
   F. Evaluate transportation tax concepts and Superfund

2. General Legislative
   A. Express appreciation to selected House Members
   B. Focus on key Senate members
   C. Suggest CEO/other special attention where appropriate

3. Communications/Media
   A. Focus effort in key states
   B. Continue editorial board efforts/CEO's
   C. Continue media tours

4. Grassroots
   A. Coordinate effort in key states
   B. Build involvement of Texas and Louisiana constituents
   C. Encourage letters to Senators

5. Economic Impact
   A. Refine package for Senate use
   B. Develop local impact advocacy
   C. Explore trade implications
   D. Educate ITC in preparation for House-mandated study

6. Political Campaign
   A. Seek ways to lessen polarization on chemical industry issues
   B. Monitor party conventions

7. Legal Issues
   A. Continue effort to energize other groups
   B. Organize work group
8. Administration
   A. White House
   B. Vice President
   C. EPA
   D. OMB
   E. Treasurer

9. Coalitions