Good morning and welcome to this year’s Global Chemical Regulations Conference. 
For more than 20 years, GlobalChem has provided an invaluable and unique educational 
opportunity for industry professionals to interact with experts and government officials, stay 
ahead of emerging issues and trends, and share best practices. ACC is proud to host this 
essential industry gathering with SOCMA, and I am very pleased to be with you.

I’d like to take this opportunity to thank our sponsors, whose generous support has made this 
conference possible: Bergeson & Campbell, Keller & Heckman, Beveridge & Diamond, China 
National Chemical Information Center, and Chemical Watch.

I would also like to thank all of our guests and panelists for joining us here. We look forward to 
spending the next few days discussing the important regulatory developments facing our 
industry, at home and abroad.

This is a big year for chemistry. The United Nations has declared 2011 the International Year of 
Chemistry. This designation recognizes that chemistry is the source of many of the new 
technologies that will help create jobs, drive economic growth and provide innovative solutions 
to the challenges ahead.

In fact, it is only through chemistry that we will be able to meet the demands of a rapidly 
growing world for clean energy sources, fresh water, plentiful food supplies and medical 
breakthroughs.
The business of chemistry is one of the largest sectors of the American economy, a $674 billion enterprise, which supports nearly 25 percent of U.S. GDP when combined with the industries that utilize chemicals to produce their goods and services. We account for more than 10 percent of the nation’s exports and generate 1 in 9 of all U.S. patents. And we proudly employ nearly 800,000 highly skilled, good-paying American jobs.

To ensure our continued strength and ability to meet the demands ahead, we must work together to shape a regulatory framework that fosters innovation and economic growth, while continuing to protect public health, safety and the environment.

These goals cannot be viewed as mutually exclusive. They are essential, complementary qualities: without growth and innovation, our industry cannot create and foster the breakthrough technologies and tools needed to meet burgeoning health and environmental challenges.

That is why, in testimony last month before the U.S. Senate Subcommittee on Superfund, Toxics & Environmental Health, I reiterated ACC’s strong commitment to constructively engage with Congress and stakeholders to update the Toxic Substances Control Act (TSCA).

We believe we can strike the right balance. And we believe there is a strong business case for modernizing TSCA.

The lack of confidence in our current chemicals management system has led to a panoply of state and local laws affecting chemicals management or products that rely on chemistry for critical components. As a result, the regulatory landscape is increasingly complex and unpredictable. The lack of certainty makes it difficult for companies that produce and use
chemicals to operate efficiently and diverts resources from investment and hiring to managing duplicative and inconsistent regulatory requirements.

Chemicals management is a job for the federal government. The products of chemistry move across state and national borders every day and change hands numerous times throughout the value chain. This is truly the kind of interstate commerce that the founders envisioned when they created the Interstate Commerce clause of the Constitution, giving the authority to regulate to the national government, not to the states.

It’s time to modernize TSCA to provide a stronger sense of trust in the federal government’s oversight of chemicals, but we must do it in a way that allows the chemical industry and our value chain partners to maintain their ability to innovate and grow here in the U.S.

A sound, effective TSCA is critical to promoting innovation and growth in nearly every sector of America’s economy. This is why ACC has been joined by over 80 trade associations that represent businesses both big and small, and a broad range of industries to call for TSCA modernization that is done right.

Sound science must be the foundation on which a modern TSCA is built. Both industry and consumers need to have confidence that EPA has a framework in place to ensure that the latest advances in science and technology, proven yet innovative testing methods, and the highest quality data are used in regulatory decision-making.

From there we must craft a program based on the priorities reflected in the 10 principles for a modernized TSCA, which ACC released over a year and a half ago: safety, efficiency, prioritization, scientific integrity and greater transparency.
We must build upon the parts of TSCA that are working well. For example, at last month’s hearing, the process to evaluate and approve new chemicals was acknowledged by nearly all the witnesses as being very effective.

And as we pursue a more modern federal regulatory program, EPA should continue to use existing authority to make well-balanced improvements that can be integrated with an updated program. For example, EPA is in the process of improving the inventory update rule, which will help the agency better identify information needs, prioritize them, and then assess risks based on what a chemical is actually used for.

Industry has made recommendations to EPA to phase in the proposed IUR requirements to ensure the final rule is achievable. And we appreciated the agency’s willingness to listen to our concerns. A well-balanced rule crafted from stakeholder input can be an important part of a modernized TSCA.

As outlined in recent ACC Congressional testimony, government agencies must be more transparent when developing new regulations and seek input from the industries that will be affected. This is something that needs to happen every step of the way to ensure regulations are set up to succeed and for industry to know what will be expected of them. Finally, we must learn from the strengths and weaknesses of recently implemented regulatory programs in other countries, like Canada and from the EU’s REACH program. Their experience is often cited in discussions among lawmakers and stakeholders in our country, and it behooves us to cast a discerning eye on their efforts.

For example, many point to REACH as a success, but in fact, REACH is in its infancy. Neither industry nor the NGO community has the evidence to tell us yet what the practical implications of REACH will be on chemicals in commerce, although there is ample evidence of its costs. So,
we should not be stampeded into the notion that we have fallen behind Europe on a regulatory construct.

We have the opportunity to create a scientifically-disciplined, efficient and focused federal chemicals management system. By doing so, we can ensure that America’s chemicals management system will protect families and the environment, promote innovation and competitiveness, and support jobs throughout the economy.

I wish to thank you all again for joining us this week and being a part of this important leadership effort.

Now, I would like to introduce our keynote speaker for this morning. Robert M. Sussman is senior policy counsel to EPA Administrator Lisa Jackson and assists the administrator with a broad range of policy issues across the agency.

During the Clinton Administration, Bob was appointed by the president and confirmed by the Senate as EPA Deputy Administrator and served in that position during 1993 and 1994. Bob also served as co-chair of the EPA Transition Team for President-elect Obama.

He was named one of the leading environmental lawyers in Washington, D.C. by Chambers USA: America’s Leading Business Lawyers and The International Who’s Who of Environmental Lawyers.

We are very pleased to welcome Bob, who will provide us with an update on EPA’s approach to TSCA reform legislation with the new 112th Congress.