



It's Time to Modernize TSCA to Protect U.S. Innovation, Jobs and Safety

Background

The American Chemistry Council supports modernization of our nation's chemical management system. The current chemical safety law, the Toxic Substances Control Act (TSCA), is 35 years old, and while science, industry, and the market have all evolved, TSCA has not. Over time, confidence in EPA's regulation of chemicals under TSCA has eroded.

Activists have exploited the diminished public confidence in TSCA to pressure retailers to pull products from the shelves and state legislatures to restrict the sale of certain products or create their own chemical management systems, despite a lack of scientific evidence or expertise. Other countries have recently created new regulatory programs, leading some to suggest that America is falling behind.

As a result, both the regulatory landscape and the marketplace have become fractured and in some cases, contradictory. It is increasingly difficult for any company that produces chemicals, uses chemicals ingredients or sells products that contain chemicals (nearly 96% of all manufactured goods) to operate seamlessly throughout the country. This trend is undermining consumer confidence and forcing some companies to consider looking overseas for a more predictable operating environment, putting American innovation, competitiveness, and jobs at risk.

American Businesses Need a Modernized TSCA that:

- Creates an efficient and predictable regulatory environment that builds consumer confidence while preserving America's role as the world's leading innovator, and enabling U.S. companies to compete globally and protect jobs;
- Reflects the best available science and technology in testing and assessing risks so well-informed policy and regulatory decisions can be made;
- Incorporates best practices of the modern American chemistry industry in providing for the safety of products; and
- Instills greater confidence in the public, state, and local lawmakers, and business customers that the federal regulatory system is working to protect families and the environment.

Sound TSCA Modernization is Critical for Nearly Every Sector of our Economy

Chemistry provides the building blocks for virtually every product that makes modern life possible. Because of this, ACC has been joined by more than 85 trade associations in **the American Alliance for Innovation** to advocate for TSCA modernization done right.



The Alliance represents businesses both big and small in industries that are affected by the regulatory and marketplace challenges caused by the lack of confidence in today's TSCA, including:

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| Aerospace | Building Materials | Equipment Manufacturers |
| Agriculture | Consumer Packaged Goods | Information Technology |
| Apparel | Electronics | Medial Technology |
| Automotive | Energy | Retail |

Lack of Confidence in Today's TSCA is Putting Innovation and Jobs at Risk

When retailers request that chemicals be removed from a product or application based on activist pressure, rather than scientific evidence, and ask their suppliers to do the same, there are costly impacts across the value chain and the American economy.

Resources must be devoted to identifying or developing an alternative, and if successful, substitutions must be made. This creates significant costs for any company that manufactures goods containing the chemical in question, which then must be redesigned, reformulated or even discontinued if a suitable substitute is not available.

A modernized TSCA would provide consumers, retailers, lawmakers and industry with greater confidence in federal chemical management and remove the pressure on retailers to make decisions without scientific justification that distort the market and divert resources from innovation and growth.

Businesses Need the Certainty of a Sound Federal Chemical Management System

Currently, there are more than 70 different chemical laws working their way through legislatures in two-thirds of the states. This ever-growing patchwork of state and local laws is creating a more complicated, inconsistent and confusing regulatory and commercial environment.

Stronger federal regulation is needed to discourage or prevent states from taking these actions. The chemical industry serves a national market that requires greater uniformity in regulation – the uniformity that the Constitution gives the federal government the authority to provide.

TSCA Modernization Done Right Will Keep an Essential American Industry Strong

Chemistry drives America's economy:

- Chemistry employs nearly **800,000** Americans directly and **qxgt'8 million** Americans indirectly.
- Chemistry jobs **pay 41% more** than the average manufacturing wage.
- Nearly **25% of the U.S. GDP** is generated from chemical dependent industries including agriculture, electronics, automotive and pharmaceuticals and energy efficiency.

Chemistry makes our lives safer, healthier, and more environmentally sustainable:

- Chemistry generates **17% of U.S. patents**, a key indicator of industry innovation.
- Chemistry innovations have helped increase life expectancy in the U.S. by over **30 years**.
- Chemistry enables a **2:1 emissions savings** through its products and technologies. By 2030, that ratio could grow to 4:1.

