

AGENDA  
MEETING OF THE CMA BOARD OF DIRECTORS  
Monday and Tuesday, January 5-6, 1981  
Morris Baker Room, Ocean Reef Club  
Key Largo, Florida

Monday, January 5, 1981, 8:00 a.m.

8:00-8:06 1. Opening Remarks and Introduction of Guests --  
Chairman Morley

COMMITTEE CHAIRMEN REPORTS:

8:06-8:36 2. Chemical Regulations Advisory Committee  
Chairman: Lee Starr, Celanese Corporation

8:36-9:06 3. Engineering Advisory Committee  
Chairman: Walter G. Canham, Monsanto Company

9:06-9:36 4. Communications Committee  
Chairman: B. J. (Tex) Burkett, Stauffer Chemical Company

9:36-10:06 5. Occupational Safety and Health Committee  
Chairman: Thomas F. Evans, Monsanto Company

10:06-10:36 6. Tax Policy Committee  
Chairman: Wallace J. Clarfield, Olin Corporation

SPECIAL REPORTS:

10:36-11:06 7. International Trade Group  
Chairman: F. M. Hunt, The Dow Chemical Company

12:00-1:00 LUNCH (Ocean Room)

This Board meeting will continue Tuesday,  
January 6, beginning at 9:00 a.m., in the  
Morris Baker Room.

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Next Meeting of the Board of Directors: 2:00 p.m., Tuesday, April 7, 1981,  
CMA Headquarters, Washington, D. C.

CMA 073012

(g) Report of General Counsel

Mr. Frost's report is attached as Exhibit M. In addition, he presented high lights of the previously distributed introduction to the legal department's report to the Board's review committee. He concluded with his following views of the future:

- There will be a continuing massive regulatory program growing out of statutes on the books. In the long-run real reform must come in statutory change.
- The regulatory game will be somewhat different. We should have more access to the agencies than in the past. To benefit from this, industry must do a better job of formulating its own proposals supported by facts.
- There will be more litigation. The environmentalists are out of power and will resort to the courts to challenge regulations favorable to industry.
- A lot of action will shift to the states. We have already seen this in the area of labeling.
- In the legislative area we will confront reform of all of the major acts. OSHA, Clean Air, Clean Water, RCRA, and TSCA will be high priority. Many of our difficulties will require changes in these statutes.
- The demand for legal services is increasing and priorities will have to be assigned to avoid being spread too thin.
- The most important rulemaking affecting the Association is expected to concern Superfund implementation. A Superfund Implementation Steering Group has been established under CMA's Environmental Management Committee which will have the management responsibility in this area.

5. METRICATION

Dr. Cox's report, Exhibit N, is attached. She explained that CMA was not endorsing metrication but was simply acting as a coordinator in obtaining the views of member companies who were requested to respond in order to forestall the imposition of something by default which the industry may not want.

She stressed that the Association is conscious of the need to reduce to a minimum the forms which member companies are asked to fill out.

GENERAL COUNSEL'S REPORT

1. Economic Impact of EPA's Premanufacture Notification Program. CMA has retained the Regulatory Research Service (RRS) to critique the economic and regulatory analysis of EPA's PMN program prepared for the Agency by ICF, Inc. RRS is also conducting an expedited data survey of firms which have submitted PMN's in order to demonstrate that relevant data could and should have been obtained, the cost and innovative impacts attributable to the PMN program and the advantages of CMA's alternative proposals to the Agency. Comments are due February 13, 1981.

2. CMA Involvement In PCB Litigation. The D. C. Circuit Court of Appeals has remanded EPA's proposed rule exempting from the ban on PCB's in materials at less than 50 ppm and certain equipment defined as totally enclosed (such as transformers and capacitors). EDF v. EPA, 79-1580 (decided October 30, 1980, D. C. Circuit). EDF and EPA are negotiating the schedule of a rulemaking schedule which they could take to the court in a joint effort to stay the court's mandate. Without that stay, industry's only relief from the statutory ban on PCB's would be the burdensome rulemaking exemptions on authorizations provided by statute.

In an effort to assure that the rulemaking schedule is an appropriate one and focuses on relevant issues of concern, CMA, and other interested organizations, are providing available industry data to EPA relevant to the two issues remanded.

CMA is considering intervening in separate but related and consolidated litigation (GE v. EPA and Alcoa v. EPA) in the same court challenging EPA's attempt to ban inadvertently manufactured PCB's.

3. Section 120 of the Clean Air Act. CMA's Petition for Review of EPA's regulations has been consolidated with a great many other petitions and a briefing and argument schedule is being established.

4. Semi-annual Environmental Update. The EMC held its semi-annual environmental update on December 8 and 9, 1980. Approximately 175 people attended the two-day session. In this regard, John Quarles, a partner with Morgan, Lewis & Bockins, ex-EPA Deputy Administrator, and presently assisting the Regan EPA transition team, was the Monday luncheon speaker. In addition, the second day's program consisted of a workshop on PSD/Nonattainment Permitting.

5. Transition Activities. At the request of Congressman Stockman, we prepared recommendations to the Reagan/Bush Transition Team as to administrative initiatives that could be implemented in the first 90-100 days of the new administration.