

AGENDA

MEETING OF THE CMA BOARD OF DIRECTORS  
4:30 p.m., Wednesday, June 4, 1986  
The Greenbrier, Eisenhower C Room  
White Sulphur Springs, West Virginia

Tab

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|-----------|---|--------|
| 4:30 p.m. | 1. Call to Order and Approval of Minutes of April 1, 1986 Meeting -- Chairman Sella   |        |
| 4:30-4:45 | 2. Board Committee Reports<br>a. Executive Committee -- W. H. Clark, Jr.<br>b. Membership Committee -- Carlyle G. Caldwell<br>c. Employee Benefits Committee -- Sidney H. Leahy | 1      |
| 4:45-4:55 | 3. Association Activities<br>a. Treasurers' Report -- Gary C. Herrman<br>b. Program and Issue Developments -- Robert A. Roland  | 2<br>3 |
| 4:55-5:15 | 4. International Trade Developments -- Dexter F. Baker, Chemical Industry Trade Advisor; and Myron T. Foveaux, CMA, Deputy Chemical Industry Trade Advisor                      | 4      |
| 5:15-5:35 | 5. Report of the Louisiana Chemical Association -- E. B. Polson, Chairman, LCA (Cabot Corporation); and Fred Loy, President, LCA  | 5      |
| 5:35-5:50 | 6. California Groundwater Initiative -- Norman R. Angell, Chevron Chemical Company; Chairman, Chemical Industry Council of California   |        |
| 5:50-6:10 | 7. OSHA Inspection Program and Related Developments -- Randal P. Schumacher, CMA  | 6      |
| 6:10-6:32 | 8. Superfund Reauthorization -- William M. Stover, CMA; and Wells Denyes, Eastman Kodak Company, Chairman, GRC Superfund Task Group   | 7      |
| 6:32-6:55 | 9. Tax Legislation Task Group Report -- St. Clair J. Tweedie, American Cyanamid Company; Chairman, GRC Tax Task Group   | 8      |
| 6:55-7:00 | 10. New Business  |        |
| 7:00      | 11. Adjourn   |        |

CMA 075766

The LCA representatives also presented the following two financial proposals for the Board's consideration:

- o CMA should consider the continuation and expansion of the successful state matching grant program, which has been in existence for several years. All CICs should continue to be eligible to submit proposals for special governmental and public relations projects.
- o CMA should consider development of a State Assistance Revenue Sharing (STARS) program to provide annual supplemental income to state CICs for local execution of national initiatives, such as CAER, Air Toxics Control Policy and Federal Legislative Grassroots Support. The revenue distribution formula for STARS could be based on value of shipments, employment, etc.

There was general consensus that the state matching grant program, operating under the criteria established by CMA, was a successful program and could be continued and expanded within the limits of available resources. With respect to the revenue sharing program, it was agreed to take this proposal under advisement in the context of next year's budget.

Chairman Sella expressed the Board's gratitude to Messrs. Polson and Loy for their presentation and for the excellent ongoing efforts of the LCA to represent the industry in that state.

#### CALIFORNIA TOXICS INITIATIVE

Mr. Richard Davis, Executive Director of the Chemical Industry Council of California, reported on the pending "Safe Drinking Water and Toxic Enforcement Act 1986", as well as on other current legislative activity in California. An outline of his report is attached as Exhibit E.

He then described two complementary responses under way to address this extremely serious initiative. The first of these responses is the "Hazardous Materials and Waste Assessment Project" being managed by the California Council for Environmental and Economic Balance (CCEEB). This project has three elements:

- o Regulatory Inventory A comprehensive inventory of all state and federal hazardous materials laws/regulations which affect any of the twelve industry segments within the purview of the project.
- o Review of Government and Academic Reports A comprehensive critique of the 35 published reports having had a significant impact on the legislative history of the hazardous materials issue.
- o Public Opinion Survey An indepth statewide measurement of public attitudes and understanding regarding hazardous materials and waste management.

Approximately \$150,000 of the \$200,000 needed to complete this project has been raised to date. He requested CMA member companies to contribute the remaining \$50,000. To date, six chemical companies out of a total of 20 contributors, had participated. Mr. Davis stressed the need to quickly fund and complete the project as its work products are needed to fight the initiative.

CMA 075772

With respect to the initiative, Mr. Davis reported that the opposition to it is being organized through a campaign organization called "Californians for a Balanced Future", chaired by the President of the California Chamber of Commerce. A campaign fund of \$5 million dollars has been targeted, with a broad coalition of industry and agricultural interests having been formed to finance and manage the campaign.

Mr. Davis requested that CMA alert and inform other national industry associations about the initiative and solicit their support, and engage CMA's access to the national press.

Mr. Davis further requested that individual members contribute to the anti-initiative campaign fund to meet the following goals:

- A total of \$150,000 is needed by June 25 for fund-raising, research and advertising.
- An additional \$650,000 payable during July, August or September.

He stressed that although this was a significant financial burden to the industry, it was essential to soundly defeat this initiative, not only because of its direct impact in California, but more importantly, because of its potential national impact.

#### 7. OSHA INSPECTION PROGRAM AND RELATED DEVELOPMENT

Mr. Schumacher presented a report (Exhibit F) on OSHA's recent program of chemical facility inspections. Highlights of his report included:

- o A description of the scope and direction of OSHA's Special Emphasis Program (SEP) inspections of the chemical industry;
- o Other ongoing OSHA inspection programs;
- o Insights into OSHA's focus in these inspections and areas for member companies to prepare;
- o CMA's advocacy program to address the issues raised by the new OSHA inspection programs and emphasis.

Following Mr. Schumacher's presentation, Mr. Kennedy reported on his discussions with Secretary Brock concerning the use of the Bureau of Labor Statistics (BLS) guidelines in interpreting the OSHA recordkeeping requirements. He also presented an overview of OSHA's recent inspection of Union Carbide's Institute facility as well as his perspective on the nature of the alleged violations and what can be inferred for future OSHA activity.

The importance of utilizing the BLS guidelines and ensuring that records were being kept in accordance with those guidelines was stressed in the ensuing discussion. Mr. Roland's letter to Executive Contacts sent in late May was referenced for additional details.