

State Issues Update

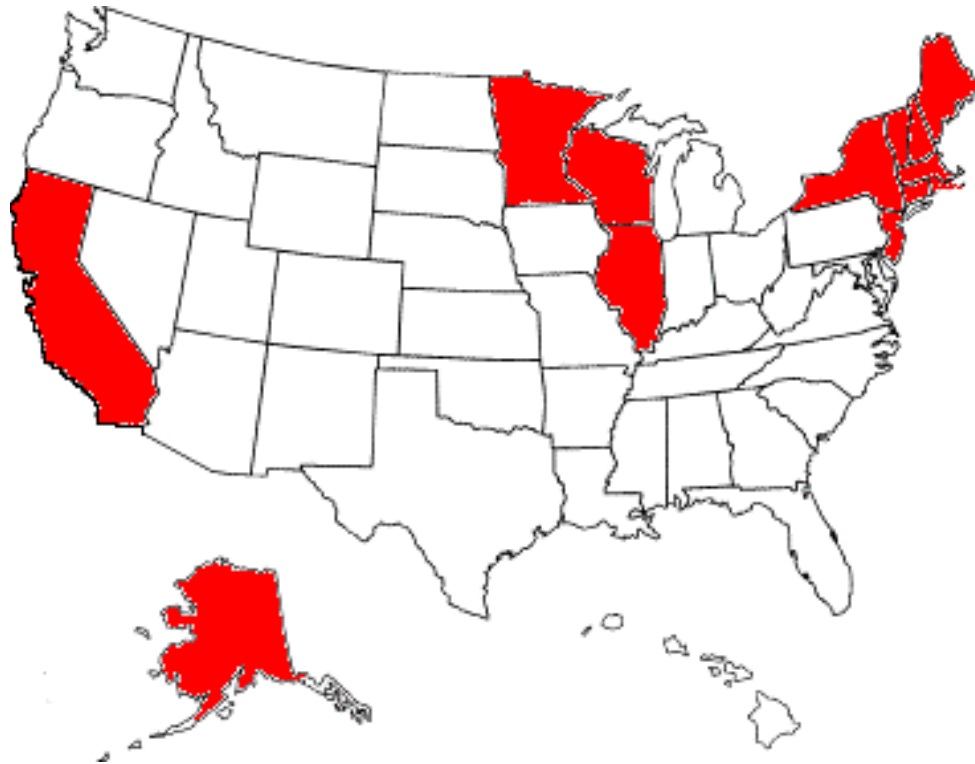
Automotive Specialty Products Alliance Summer Meeting

July 20, 2010
Chicago, Illinois

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2010 Legislative Hot Spots



Extended Producer Responsibility

Emerging Issue – 9 States

- California – AB 2139
- Maine – LD 1631
- Rhode Island – HB 7998
- Vermont – HB 696, SB 201

Ingredient Communication

CSPA / SDA / CCSPA Voluntary Model

- 4 Product Categories (includes automotive)
- All Intentionally Added Ingredients
- Protection for CBI, Fragrances, Dyes, Preservatives
- Descending Order of Predominance, >1%, <1% Scatter
- Nomenclature: Common Chemical, INCI, IUPAC, CAS
- Disclosure on Website or Label
- January 1, 2010

Ingredient Communication

California Senate Bill 928

- **“Consumer Right to Know Act”**
 - “Air Care Products”
 - “Cleaning Products”
 - “Polishes or Floor Maintenance Products”
 - “Automotive Products”

Ingredient Communication

California Senate Bill 928

“Automotive Product” – *means a chemically formulated consumer product designed or labeled to indicate that the purpose of the product is, to maintain the appearance of a motor vehicle, including products for washing, waxing, polishing, cleaning or treating the exterior or interior surfaces of motor vehicles.*

“Automotive Product” does not include automotive paint or paint repair products.

Ingredient Communication

Key Problems in SB 928

- No “de minimis” level
 - Weak protections for “incidental ingredients”
- Limited Trade Secret Protection
 - No protection for “Hazardous Substances”
 - No separate path for fragrances
 - Trade secrets sunset after six years
- Nomenclature
 - CAS numbers required for every ingredient

Ingredient Communication

Dynamics / Challenges

- CSPA, SDA, FMA
 - Originally Supportive of Concept / Negotiations
- Thursday Group / Broader Industry Coalition
 - Oppose on precedent
- NGO's and Advocates
 - Support, pressing for unworkable program
- Changing Dynamics
 - CSPA, SDA, FMA Opposed

Outlook?

Chemicals Management Policy

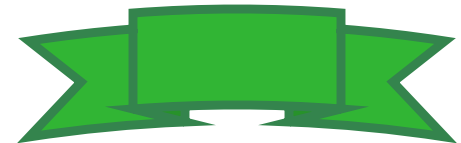
“There’s no trick to being a humorist when you have the whole government working for you.”

- Will Rogers

Chemicals Management Policy

California Green Chemistry Initiative

- **Assembly Bill 1879 (2008)**
 - Chemicals of Concern
 - Consumer Product Uses of Concern
 - Alternatives Analysis / Lifecycle Assessment
 - Control Measure
 - Green Ribbon Science Panel



Chemicals Management Policy

California Green Chemistry Initiative

- **Implementation Process - DTSC**
 - Wiki
 - Straw One
 - Green Chemistry Alliance
 - Straw Two
 - Draft Regulatory Package



Chemicals Management Policy

California Green Chemistry Initiative

- **Draft Regulations**

- Much better than Straw Proposals
- Still unworkable in many aspects
- Comments / concerns
- Implications
- Next steps / outlook moving forward

Chemicals Management Policy

Additional Challenges in the States

- **Chemical by Chemical Bans**

- Cadmium, Phthalates, Bisphenol-A

- **Chemicals Management Overhauls**

- Connecticut
- Alaska
- Illinois
- Massachusetts
- Michigan
- Minnesota
- New York
- Vermont
- Wisconsin

Chemicals Management Policy

Forecast for the Future

- **Continued NGO Attacks**
 - Increased Pressure for Ingredient Communication
 - Toxic Substances Control Act (TSCA) Reform
 - Extended Producer Responsibility / Product Take-Back
 - Additional State Action

Chemicals Management Policy

Forecast for the Future

- **Continual Challenges**

- State and federal activity *will* focus on chemicals selection during the next 2–3 years
- Companies need to be prepared – aware of challenges in formulations
- There *will* be new bans and restrictions on the use of certain chemicals in products

Chemicals Management Policy

Preparing for the Future

- Increased communication up/down supply chain
- Increased data development for chemicals and uses will be needed
- Increased engagement in policy process
- Increased product stewardship efforts and alternatives assessments

Chemicals Management Policy

Important Information

[http://www.dtsc.ca.gov/PollutionPrevention/
GreenChemistryInitiative/index.cfm](http://www.dtsc.ca.gov/PollutionPrevention/GreenChemistryInitiative/index.cfm)

Questions?

Thank you