

**CHEMICAL MANUFACTURERS ASSOCIATION
STATE AFFAIRS COMMITTEE
Park Conference Room
March 16, 1989**

MINUTES OF MEETING

SAC-44-1

MEMBERS PRESENT

Geoff Hurwitz, Chairman	Rohm & Haas Company
C.R. Ball, Vice-Chairman	Exxon Chemical Americas
Richard Arnold	Allied-Signal, Inc.
Jerry Chambers	American Cyanamid Company
Rita Hartmann (for G. Fort)	Monsanto Chemical Company
D. Lynn Johnson	Tennessee Eastman Company
William Lafield	Shell Chemical Company
William Margaritis	Occidental Chemical Company
Jim Murray	Union Carbide Corporation
Debbie Neale	BF Goodrich Company
Ron Roberts	GE Plastics
Colbert Wilhite	E.I. du Pont de Nemours & Co.
W.H. Westendorf, Staff Executive	CMA

PRESENT BY INVITATION

Chris Cathcart	CMA
Larry Gallo	CMA
Mary Heaton	CMA
Tom Jacob	E.I. du Pont de Nemours & Co.
Joan Riley	CMA

MEMBERS ABSENT

D.H. Brewer	Olin Corporation
Daphne Copeland	General Electric Company
Ben Schuster	ARCO Chemical Company
Jim Trammeil	Sun Refining and Marketing Co.

The meeting was called to order at 10:10 a.m. by Chairman Geoff Hurwitz.

I. Committee Business

A. The Approval of Minutes.

The minutes of the February 16, 1989 meeting were approved as submitted. Remaining action items include: to inform plant personnel of the state advocacy work. Larry Gallo will send copies of a recent

CMA 084514

Executive Letter to all SAC members who will forward them to appropriate plant personnel. SAC members are reminded to review the public policy group chart outlining major meetings of these groups and return your input to Mary Heaton by April 1. Ben Schuster will meet with CSG to explain our position on the state policy development fund. Messersmith and Gallo will pursue the concern of the Illinois CIC regarding state/federal coordination on such policies as CMA emissions reduction policy.

B. April Open Meeting

The next meeting of the State Affairs Committee will be an open meeting held in conjunction with the Florida CIC in Tallahassee on April 20, 1989 at the Radisson Hotel. Everyone is welcome to stay for the Friday morning meeting of the CIC Board. The CSG Suggested State Legislation subcommittee is meeting in Orlando on April 22.

C. The SAC Annual Planning Conference will be held at Wintergreen July 12-14, 1989. G. Hurwitz, B. Ball and task group chairs will begin in April to set the agenda for the planning conference. The May SAC meeting will begin on the night of the 17th with a dinner followed by the meeting beginning at 9:00 am on Thursday, May 18.

II. Task Group Reports

A. Advocacy Task Group

Bob Ball discussed the task group meeting held on March 15. Minutes from the last meeting (1/31) and a copy of the state advocacy implementation work plan are in the meeting book. The state relations survey was presented to the Committee for the final time. It will be sent to all CMA Executive Contacts, with copies to state affairs contacts.

The committee approved the recommendations for conducting activities in non-CIC states, as presented in Chicago. The task group is working on Federation program implementation guidance documents. Drafts of the "roadmaps" for programs in the CIC's will be available in April. Another draft guideline document on Federation CIC funding was discussed. The Committee expressed concern about interim funding prior to June 1 for CICs other than Ohio. The next meeting of the task group will be on April 14, 1989 starting at noon.

ACTION ITEMS: Bob Ball and Geoff Hurwitz will take the Committee's concerns on CIC interim funding to CMA management. The state relations survey will be sent out in early April. Larry Gallo will solicit comments from the Committee on the legislative/regulatory program guidance for federation members.

B. Ad Hoc State Initiatives Work Group

Jim Murray reviewed the revisions to the STI charter as well as written documents on the mechanism and guidelines for activation of the STI contingency fund. These were included as part of the meeting book. Final approval of these documents is expected at CMA's April Board meeting. Jim Murray highlighted the fact that CMA should consider the development of an initiative policy.

C. Ad Hoc Source Reduction Work Group

Bill Lafield, Chairman, reported on the current activities of the work group including the hiring of Direct Impact to design a coalition/grassroots program for Massachusetts. The task group will meet with DI on March 30th for an update on their progress.

ACTION ITEM: SAC members are asked to help identify their customers in Massachusetts who could be part of this grassroots program. Members were asked to submit comments on the Digital Equipment Corporation summary within the next ten days.

D. Public Policy Task Group

Mary Heaton reported that Bob Roland recently met with the governors of Iowa, Missouri, South Carolina and Utah. Governor Branstad of Iowa is the incoming NGA President and plans to make the environment his main agenda item. CMA's Communication Department also interviewed five Governors at the recent NGA meeting and fed these TV interviews to approximately 30 stations around the country. Bill Margaritis reported that the theme for NGA's annual meeting will be international trade.

During the lunch break the committee heard a presentation by Craig Rucher and David Rothbard of the Committee for a Constructive Tomorrow (CFACT). The group was established to fight the Public Interest Research Groups (PIRG) and Ralph Nader-type organizations. They are seeking corporate involvement and support.

III. Issue Review

A. Proposition 65

Joan Riley discussed California implementation and other activities including the Environmental Working Group and the Jones' bill in California which addresses the 1,000 fold safety factor for reproductive toxicants. Written material was included as part of the meeting book. Hawaii Prop. 65 legislation is being held in committee and no significant movement is anticipated. Some of the testimony from the hearing in Hawaii may be useful for the CSG Suggested State Legislation committee. CMA's Environmental Management Committee (EMC) Prop. 65 group has developed issue papers which are currently in draft form.

ACTION ITEM: Members are asked to review the membership list of the SSL and contact members directly or their legislators in those key states and discourage support for Prop. 65 as a model law. Joan Riley will send appropriate information to the SAC to assist in this action. There will also be alerts sent via SCAN. Please inform Joan Riley of any contacts you make regarding the SSL.

Those attending the SSL in Orlando will meet on Friday night April 21st, prior to the SSL subcommittee meeting on Saturday morning.

B. Toxics Use Reduction Update

Joan Riley updated the SAC on the Massachusetts public hearing on the toxic use reduction legislation. The hearing was held in March 7th in Boston. Several members of the legislature, including the House Majority Leader, testified in support of the PIRG/Beckwith bill (H. 1929). A number of agency officials, including the new Secretary of Environmental Affairs, testified in support of H. 1929 as well. AIM coordinated the industry testimony on this issue. The AIM testimony and the PIRG testimony were distributed to the SAC members.

C. Tort Reform Update

Mary Heaton reported on the presentation by Lee Nute, Chairman, State Tort Reform Task Group, and Heaton to the CMA Executive Committee General Counsel's Group. Continued state participation in the tort reform effort was recommended. Heaton reported that Martin Connor was coming on board as full-time President for ATRA. ATRA is now publishing a weekly "Legislative Watch" report for its members. There is expected legislative activity on tort reform in Texas, Pennsylvania, Illinois, New York, Wisconsin, and California. Bills have passed in Utah and Mississippi.

IV. State Reports

A. FLORIDA

The current status of the pollutants tax proposed legislation was discussed.

B. OHIO

The CIC had their annual meeting on March 8. It was well attended by 150 people. Their new executive director is still unnamed.

C. NEW JERSEY

Larry Gallo pointed out that the courts recently ruled against industry in the right-to-know case in New Jersey i.e. no federal preemption.

D. NORTH CAROLINA

Bill Margaritis reported that EDF recently issued a report called "Drawn with the Wind" concerning toxic air emissions in N.C. compiled from Title III submissions. This has led to an Executive order by Governor Martin focusing on air regulations and waste reductions. This was an overnight policy shift from the Governor and has negated twelve months of negotiations between industry and the Governor's office.

ACTION ITEM: Kymber Messersmith will send copies of the "Drawn with the Wind" report to the SAC members and attendees.

Chairman Geoff Hurwitz again discussed the attendance at the State Affairs Committee meetings, pointing out that anyone may attend if they wish to discuss a particular issue e.g. state reports or membership on task groups.

ACTION ITEMS: Westendorf will send a letter to State affairs contacts of all CMA member companies describing participation in the State Affairs Committee.

The meeting was adjourned at 2:15 pm . The next meeting will be in Tallahassee, Fl on April 20, 1989 at the Radisson Hotel.

Respectfully submitted,



William H. Westendorf
Staff Executive

Subject to Approval
March 29, 1989