



January 22, 2025

The Honorable Brett Guthrie
Chairman, Committee on Energy and Commerce
U.S. House of Representatives

The Honorable Morgan Griffith
Chairman, Subcommittee on Environment
U.S. House of Representatives

Subject: Addressing Delays and Inefficiencies in the EPA's New Chemicals Program under TSCA

Dear Chairman Guthrie and Chairman Griffith:

The domestic production of chemicals is critical to U.S. economic growth, global competitiveness, and the development and advancement of transformative technologies. The business of chemistry drives the innovation that Americans depend on every day, from computer chips and medicines to infrastructure and energy. That is why the Frank R. Lautenberg Chemical Safety for the 21st Century Act was intended to modernize TSCA by ensuring timely and science-based decisions. We believe the USEPA's current approach to implementing the law, however, has led to significant delays, inefficiencies, and regulatory uncertainty that undermine both congressional intent and American innovation.

As the Subcommittee on Environment convenes to assess the legacy and impact of the Act, the U.S. Chamber of Commerce offers the following observations of how the EPA's inability to meet its statutory obligations under TSCA Section 5 threatens the chemical sector's ability to deliver innovative solutions.

Challenges

1. Missed Statutory Deadlines:

- As of October 2024, more than 94% of the 415 chemicals under review have exceeded the 90-day deadline, with many pending review for more than a year.
- EPA circumvents deadlines by pressuring manufacturers to agree to "voluntary" clock suspensions, effectively making the process unpredictable and non-compliant with TSCA's requirements.

2. Inefficiencies and Resource Mismanagement:

- Despite increased appropriations and fees, EPA has reduced determinations, eliminated beneficial programs like Sustainable Futures, and expanded the scope of reviews beyond “reasonably foreseen conditions of use.”
 - Submitters report that EPA disregards industry-provided data, relying instead on internal models that are neither transparent nor available for industry review.
- 3. Overly Conservative Assessments and Overuse of Restrictions:**
- EPA frequently imposes excessive restrictions, including consent orders and significant new use rules (SNURs), deterring downstream users and hindering commercialization.
 - One concerning example is the exclusion of submitter-provided data on Personal Protective Equipment (PPE) in risk evaluations, despite its importance in real-world safety measures.

Broader Impacts on Innovation and Economic Competitiveness

These challenges extend beyond regulatory inefficiency to broader economic and innovation concerns. The chemical sector is at the heart of transformative innovations that drive the U.S. economy and address global challenges. Examples include advanced materials for renewable energy, lightweight composites for transportation, and development of ever-more efficient and sustainable chemical processes. Recent analyses highlight the critical role of innovation in enhancing the chemical industry’s resilience and securing its position as a leader in global markets. Delayed reviews and regulatory uncertainty erode these opportunities, forcing businesses to shift resources abroad or abandon projects altogether.

Additionally, the U.S. chemical industry benefits from a unique energy advantage that supports domestic production and global competitiveness. Regulatory inefficiencies risk undermining this advantage, making it more difficult for companies to capitalize on favorable energy costs and driving investment toward regions with more predictable regulatory frameworks.

Proposed Solutions

To address these challenges, we respectfully request that the Committee:

- 1. Hold EPA Accountable to Statutory Deadlines:**
 - Reinforce the importance of adhering to the 90-day determination period mandated by TSCA Section 5, providing manufacturers with the certainty needed for innovation and investment.
- 2. Improve Program Efficiency:**
 - Direct EPA to streamline the PMN process by:

- Evaluating only “reasonably foreseen conditions of use” as required by statute.
 - Using submitter-provided data as the primary basis for evaluations and allowing submitters to respond to EPA data.
 - Restore programs like Sustainable Futures that support small and medium-sized businesses in compliance efforts.
3. **Limit Overreach in Risk Evaluations:**
- Ensure EPA evaluates chemicals based on realistic marketplace use, limiting the overuse of consent orders and SNURs to only necessary cases.
 - Reintegrate the consideration of PPE data in risk evaluations to ensure regulatory decisions are grounded in science and practicality.
4. **Allocate Resources with Conditions:**
- Provide additional funding for the New Chemicals Program, contingent on EPA implementing process improvements, enhancing transparency, and meeting performance metrics.

Call to Action

EPA’s current practices are restricting innovation, deterring investment, and forcing businesses to explore more predictable regulatory environments. This is not only a loss for the chemical sector but for the broader economy, as innovation in this industry underpins advancements in countless others, from energy and housing to healthcare and transportation. To maintain U.S. leadership in chemical innovation and ensure a sustainable, competitive future, it is imperative that EPA fulfill its obligations under TSCA in a timely, efficient, and transparent manner.

We appreciate your leadership in addressing these critical issues. Please let us know if additional information or testimony would be helpful.

Sincerely,

U.S. Chamber of Commerce