

**United States House of Representatives
Committee on Energy and Commerce**

**Subcommittee on Environment
And Hazardous Materials**

Testimony of

**Andrew Bopp
Public Affairs Director
Society of Glass and Ceramic Decorators**

515 King Street, Suite 420
Alexandria, VA 22314

on

**Environmental Protection Agency's
Toxic Release Inventory
Form A Burden Reduction Rule**

October 4, 2007

Thank you for the opportunity to testify on EPA's efforts to reduce the paperwork burden of Toxic Release Inventory reporting on small businesses. My name is Andrew Bopp, and I am the Public Affairs Director of the Society of Glass and Ceramic Decorators. This organization is made up primarily of companies that custom print mugs and glassware including very small family-run businesses.

I have worked with SGCD members for the past ten years including business owners like Nancy Klinefelter, the President of Baltimore Glassware Decorators, as she grapples with the regulatory issues that are related to operating a business where lead is a necessary part of the process. Nancy testified on the TRI burden reduction rule before the Senate Environment and Public Works Committee on February 6, 2007, and she was eager to testify here today. Unfortunately, she also handles all of the marketing efforts for her company, and she is the only person who could work a trade show in Maryland today.

As with most regulations, the TRI reporting burden creates far more problems for small companies like Nancy's than larger operations that usually employ technical staff who can handle the forms. To give you an idea of the type of company I'm talking about, Baltimore Glass was started by Nancy's brother in 1977 with the help of her father who worked in glass decorating for more than 50 years. They employ 15 employees including Nancy's mother who works in the office, her father who acts as general manager and her two brothers who work in sales and production. They employ no engineers on staff, let alone an environmental engineer, so the TRI paperwork falls entirely on Nancy.

Baltimore Glassware represents the typical wholesale decorator. They custom print small quantities of glass and ceramic ware for advertising specialty, restaurant and souvenir distributors. When custom printing mugs or glasses, these companies may use lead-bearing enamels on the outside surfaces to achieve the color and durability demanded by customers. As a rule, unleaded enamels do not have the durability, gloss or color ranges that customers require. These lead-free colors do not hold up well for abrasion or deterioration in either domestic or commercial dishwashers. It is very important to understand that the leaded colors become a part of the glass after they are fired. Also, due to the cost of these colors, Baltimore Glassware and similar companies use only what is needed, and the rest goes back on the shelf.

I am testifying today in support of EPA's recent burden reduction rule that allows companies such as Baltimore Glass to utilize the simpler TRI Reporting Form A instead of the more complicated Form R if they meet very strict eligibility requirements. I equate this change to the IRS allowing some taxpayers with very simple returns to use the 1040EZ instead of the complicated 1040 form. Baltimore Glass will still be providing its neighbors and anyone else who might want to know with the same information about release that they have always provided, but the Form A makes it easier for Nancy and other small business owners to file a report. Her neighbors will still have the same access to information about Baltimore Glass' releases as they do now.

To qualify, a decorator must use less than 500 pounds of lead in a year and report 0 release of lead on-site and 0 release off-site. That means that Baltimore Glass or similar

companies essentially are reporting nothing of significance to their neighbors. Lead is the only TRI chemical used at Baltimore Glassware and other similar shops, and they report lead use since the reporting threshold is 100 pounds of annual usage. Baltimore Glass exceeds that threshold, although only barely. I want to emphasize that these threshold numbers reflect lead used, not released.

I have spoken with Nancy every year as she attempted to complete the Form R properly, but every year, she received notices from EPA that paperwork corrections were needed. These changes did not reflect any failure to report color use or release; they just reflected paperwork errors. For example, last year, she received a 13-page notice from EPA that informed her that she had not identified lead compounds by their CAS Number or chemical category code. Using Form A streamlined the process for Nancy, and prevented this paperwork run-around for the first time as she filed her 2007 report.

Nancy estimated that tracking color use and completing the Form R paperwork took more than 130 hours a year, although she never attempted to formally track the time spent. Each ceramic color has a different percentage of lead, so Baltimore Glass and similar companies must calculate lead use differently for each color used. This varies from day to day, and the calculations take time. If a company can maintain zero releases, the ability to report on Form A really streamlines the reporting burden. This acts as an incentive to eliminate release.

Remember that time spent on completing paperwork is time that Nancy and small business owners like her cannot spend on other things. Time spent on paperwork is time that is not spent supervising employees, working with customers, and most importantly looking for new business. Glass and ceramic decorators face brutal competition from Chinese decorators, and the reality is that paperwork burdens add to the cost of doing business by absorbing key staff time in particular. EPA estimated in the final rule that companies would save 15.5 hours a year of staff time if they qualified to use the Form A instead of the complicated Form R. Again, Nancy reported that the Form A was much simpler to complete this year for her 2006 report, and this time savings really helped as she worked to keep her business afloat in a difficult environment for small manufacturing operations.

SGCD and responsible small business owners such as Nancy believe that it is important to keep track of any releases that might impact their neighborhoods or the environment. That has not changed as a result of EPA's new burden reduction rule. If a decorator has a release, no matter how miniscule or even if it is managed off-site, it would be required to use the Form R as in the past. If a company manages its production process during a year to avoid any releases, the ability to use the simpler Form A makes it easier for that company to handle the paperwork to demonstrate that fact.

The EPA burden reduction rule also encourages companies to adapt the best decorating methods possible to eliminate releases and to qualify for simpler TRI reporting.

I also want to emphasize that this burden reduction effort was not done in haste. EPA has focused on expanding Form A eligibility after many other options were considered. The agency also sought input from a wide variety of stakeholders. SGCD participated in the two on-line Stakeholder Dialogs that EPA conducted between 2002 and 2004. It has taken quite a long time to complete this process.

SGCD commends EPA for listening to our concerns and making an effort to reduce the TRI paperwork burden without impacting the information that decorators provide to the public through the TRI program. I urge this committee to support such paperwork burden reduction efforts which are critical to maintaining the competitiveness of small companies in this country.

Thank you again for the opportunity to testify before you today.