

Transforming EPA's
Processes for Assessing and
Controlling Toxic
Chemicals

A GAO High Risk Area

About GAO

- U.S. Government Accountability Office (GAO)
- independent, nonpartisan agency that works for Congress.
- Often called the "congressional watchdog,"
- GAO investigates how the federal government spends taxpayer dollars.
- The head of GAO, the Comptroller General of the United States, is appointed to a 15-year term by the President from a slate of candidates Congress proposes. (currently vacant)

Types of Work GAO Conducts

- auditing agency operations to determine whether funds are being spent efficiently and effectively;
- investigating allegations of illegal and improper activities;
- reporting on how well government programs and policies are meeting their objectives;
- performing policy analyses and outlining options for congressional consideration; and
- issuing legal decisions and opinions, such as bid protest rulings and reports on agency rules.

Three Sources of GAO's Work:

1. at the request of congressional committees or subcommittees,
2. mandated by public laws or committee reports,
or
3. under the authority of the Comptroller General.

GAO Facts and Figures

- **Year GAO was founded: 1921**
- **Staffing level: 3,150 employees**
- **Budget : \$507.2 million**
- **Congressional testimony: 304**
- **Measurable financial benefits from GAO work: \$58.1 billion--a \$114 return on each \$1**
- **Recommendations to improve government operations: 1,782, 83 percent implemented**

GAO's High Risk Series

- Last update January 2009 for the 111th Congress.
- Areas are identified as high risk due to either
 - their greater vulnerabilities to fraud, waste, abuse, and mismanagement, or
 - broad-based transformation to address major economy, efficiency, or effectiveness challenges.

Year That Areas on GAO's 2009 High-Risk List Were Designated as High Risk

- Medicare Program 1990
- DOD Supply Chain 1990
- DOD Weapon Systems 1990
- DOE's Contract Mngmt 1990
- NASA Acquisition Mgmt 1990
- Enforcement of Tax Laws 1990
- DOD Contract Management 1992
- DOD Financial Management 1995
- DOD Business Systems 1995
- IRS Business Systems 1995
- Protecting the Critical Infrastructures 1997
- DOD Support Infrastructure 1997
- Human Capital Management 2001
- Medicaid Program 2003
- Managing Federal Property 2003
- Federal Disability Programs 2003
- Dept. of Homeland Security 2003
- Pension Benefit Guaranty Corporation Insurance Programs 2003
- Establishing Effective Mechanisms for Sharing Terrorism-Related Information to Protect the Homeland 2005
- DOD to Business Transformation 2005
- DOD Security Clearance 2005
- Interagency Contracting 2005
- National Flood Insurance 2006
- Funding the Nation's Surface Transportation System 2007
- Ensuring the Effective Protection of Technologies Critical to U.S. National Security Interests 2007
- Revamping Federal Oversight of Food Safety 2007
- 2010 Census 2008

Three new areas added to GAO's High Risk List in Jan. 2009

1. Modernizing the Outdated U.S. Financial Regulatory System
2. Protecting Public Health through Enhanced Oversight of Medical Products
3. Transforming EPA's Processes for Assessing and Controlling Toxic Chemicals

Selected GAO Reports on the Toxic Substances Control Act (TSCA)

- 1980 -- EPA Is Slow To Carry Out Its Responsibility To Control Harmful Chemicals (RCED-81-1)
- 1994 -- Toxic Substances Control Act: Legislative Changes Could Make the Act More Effective – (RCED-94-103)
- 2005 -- Chemical Regulation: Options Exist to Improve EPA's Ability to Assess Health Risks and Manage Its Chemical Review Program (GAO-05-458)
- 2006 -- Chemical Regulation: Actions are Needed to Improve the Effectiveness of EPA's Chemical Review Program (GAO-06-1032T)
- 2007 -- Chemical Regulation: Comparison of U.S. and Recently Enacted European Union Approaches to Protect against the Risks of Toxic Chemicals (GAO-07-825)
- 2009 -- Chemical Regulation: Options for Enhancing the Effectiveness of the Toxic Substances Control Act (GAO-09-428T)

TSCA Background

- Congress passed TSCA in 1976.
- Addresses chemicals manufactured, imported, processed, distributed in commerce, used, or disposed of in the U.S.
- Provides differing authorities for new and existing chemicals.
- Excludes some chemicals like:
 - Pesticides - Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA),
 - Food additives; drugs; cosmetics or devices regulated under the Federal Food, Drug and Cosmetic Act (FFDCA).

TSCA's Major Sections for Chemical Data Collection and Control

- 4 Chemical testing;
- 5 New chemical review and control;
- 6 Chemical regulation;
- 8 Industry reporting of chemical data;
- 9 TSCA's relationship to other laws;
- 14 Disclosure of chemical data (CBI).

EPA Lacks Adequate Information on Risks of Chemicals

- Burden of obtaining data on chemicals on EPA, rather than on producers.
- EPA must demonstrate health or environmental risks before requiring testing.
- No data set required for new chemicals.
- EU REACH places greater burden of testing on companies.

TSCA's Framework Impedes Efforts to Control Chemicals

- EPA threshold to take action under TSCA has proven to be difficult for EPA to meet.
- EPA has taken few actions to control chemicals under TSCA Section 6.
- With EPA's limited actions to control chemicals, states and federal actions to control chemicals (phthalates).

TSCA's CBI Provisions Limit Information Sharing

- Many claims of CBI (95% of PMNs)
- CBI information cannot be shared with state officials and foreign governments.
- EPA study suggested problems with inappropriate claims extensive.
- EPA rarely challenges claims.
- REACH/CEPA place greater limits on CBI claims.

GAO-09-271 High Risk Update

“Without greater attention to EPA’s efforts to assess toxic chemicals, the nation lacks assurance that human health and the environment are adequately protected.”

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