CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA

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May 24, 2018

VIA ELECTRONIC FILING

Mr. Mark Hartman Immediate Office, Office of Pollution Prevention and Toxics U.S. Environmental Protection Agency 1200 Pennsylvania Avenue, NW Washington, D.C. 20460

RE: User Fees for the Administration of the Toxic Substances Control Act, 83 Fed. Reg. 8,212 (Feb. 26, 2018); Docket No. EPA-HQ-OPPT-2016-0401; FRL-9974-31

Dear Mr. Hartman:

The U.S. Chamber of Commerce, the world's largest business federation representing the interests of more than three million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations, and dedicated to promoting, protecting, and defending America's free enterprise system, submits these comments in support of the U.S. Environmental Protection Agency's (EPA's or Agency's) proposal to set user fees for those required to submit information to EPA under sections 4, 5, or 6 of the Toxic Substances Control Act (TSCA).¹ As further detailed below:

- 1. The Chamber supports the need for a robust user fees structure to implement the new requirements of TSCA. However, we identify areas in which we would like to see greater transparency concerning the basis for the fee setting and options;
- 2. The Chamber is extremely concerned that EPA estimated a 20% drop in new chemical submissions as a result of this proposal. We urge EPA should keep new chemical registration fees as low as possible to promote innovation and avoid harming business interests;
- 3. The Chamber supports using \$91 million as the revenue threshold for a small business under TSCA, averaged over 3 years. We support an employee-based size standard of a small business that mirrors the Small Business Administration's (SBA) definition of a small business;

¹ User Fees for the Administration of the Toxic Substances Control Act, 83 Fed. Reg. 8,212 (Feb. 26, 2018).

- 4. The Chamber believes that current law offers the Agency the flexibility to keep new chemical fees low, while focusing a significant portion of the overall funds collected to meet the goal of completing reviews within the 90 days required by the statute; and
- 5. The Chamber supports EPA's decision not to impose fees for Confidential Business Information (CBI) claims so that companies are not discouraged from advancing claims that they are entitled to make to protect U.S. business interests.

I. Background

The Chamber has long supported a high-quality and science-based chemical management and evaluation program. TSCA was originally passed in 1976 to serve as the nation's primary chemicals management law, with a unique focus on industrial chemicals in the stream of commerce.² After close to a decade of reform efforts, President Obama signed into law the Frank R. Lautenberg Chemical Safety for the 21st Century Act (LCSA) on June 22, 2016.³ The LCSA updated TSCA for the first time since the statute was enacted and provided much-needed improvements to the chemical management and evaluation program.

Among those improvement made by the LCSA was the expansion of EPA's existing TSCA fee authority under section 26 of the statute.⁴ Section 26(b) provides EPA authority to require, by rule, the payment of reasonable fees by persons required to submit data under sections 4 or 5 of TSCA.⁵ It also capped fees at \$100 for small businesses and \$2,500 for all other stakeholders.⁶

This provision was not enforced until 1988, however, when EPA published a final rule that required the collection of fees from manufacturers and processors to pay for premanufacture notices (PMNs) and other submissions under section 5 of TSCA.⁷ EPA never published a final rule for fees collected under section 4 of the statute.

The LCSA expanded EPA's authority to collect fees from stakeholders, subject to requirements imposed under sections 4, 5, and 6 of the statute. For example, the LCSA removed the fee caps placed on small businesses and other stakeholders. Instead, it authorizes EPA to establish fees under sections 4, 5, and 6, as well as lower fees for small businesses. EPA may collect 25% of the Agency's costs to carry out work under sections 4, 5, 6, and 14 of the Act or \$25,000,000, whichever is lower. Additionally, EPA is allowed to establish fees sufficient to defray 50% of costs related to manufacturer-requested risk evaluations on chemicals included in the 2014

² S. Rep. No. 114-67, at 2 (2015).

³ Frank R. Lautenberg Chemical Safety for the 21st Century Act, Pub. L. No. 114-182, 130 Stat. 448 (June 22, 2016).

⁴ 15 U.S.C. § 2625, as amended by Pub. L. No. 114-182.

⁵ 83 Fed. Reg. at 8,214.

⁶ Id.

⁷ See, Fees For Processing Premanufacture Notices, Exemption Applications And Notices, And Significant New Use Notices, 53 Fed. Reg. 31,248 (Aug. 17, 1988).

⁸ 15 U.S.C. § 2625(b)(4)(B)(i).

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TSCA Work Plan and the full cost of conducting manufacturer-requested risk evaluations for all other chemicals.⁹

The Chamber supports EPA's efforts to set user fees for the administration of the amended TSCA. However, as further explained below, the Chamber believes that the proposed rule could be improved in a number of areas. Specifically, EPA should reassess the increase in user fees; clarify how fees will be spent; clarify the fee reimbursement process; and ease the burdens put in place on small businesses. These suggestions will ensure that the user fees are assessed in as best and proportional a manner as possible and encourage faster reviews of new chemicals.

II. EPA Should Clarify Its Approach to Calculating Associated Costs and Reassess Its Decision to Increase User Fees

EPA's proposal increases the user fees assessed on stakeholders, and the Agency should clarify its approach to developing costs and reassess its decision to charging those fees. It is important that EPA work to provide as much transparency as possible when calculating the costs associated with administering sections 4, 5, 6, and 14 of TSCA and work to minimize the fees for stakeholders to submit notices related to those sections. EPA should also provide further clarity as to how these fees will be spent, as it is imperative that money is spent in a proper manner.

a. EPA Should Further Explain Its Approach to Calculating Expected Costs

According to the proposed rule, EPA will begin assessing fees on October 1, 2018, but will not begin collecting those fees until the final rule is published. EPA estimates that it will cost approximately \$80.2 million to carry out sections 4, 5, 6, and 14 of TSCA without the costs associated with manufacturer-requested risk evaluations. Specifically, for fiscal years (FY) 2019, 2020, and 2021, EPA believes that it will cost \$3,543,000, \$28,672,000, \$43,618,000, and \$4,345,000, for each section, respectively. EPA also expects that fees collected to cover a portion of costs for manufacturer-requested risk evaluations to be \$1.3 million per chemical for chemicals on the 2014 TSCA Work Plan and \$2.6 million per chemicals for those not on the Work Plan. Some property of the pr

EPA projected these costs for FY 2019 through FY 2021 by totaling the anticipated direct and indirect program costs. The indirect costs were calculated simply by multiplying the direct costs by 28.14% and adding the resulting amount to the total annual expected costs. ¹⁴

Estimated Annual Costs to EPA					
	Direct Program Costs	Indirect Program Costs	Annual Costs		
TSCA Section 4	\$2,765,000	\$778,000	\$3,543,000		
TSCA Section 5	\$22,375,000	\$6,296,000	\$28,672,000		

⁹ *Id.* at § 2625(b)(4)(D)(ii).

¹⁰ 83 Fed. Reg. at 8,225.

¹¹ *Id.* at 8,216.

¹² *Id.* at 8,217.

¹³ *Id.* at 8,213.

¹⁴ Id. at 8,217. According to EPA, total costs may not add perfectly due to rounding.

TSCA Section 6	\$34,073,000	\$9,545,000	\$43,618,000
TSCA Section 14	\$3,531,000	\$814,000	\$4,345,000
Totals:	\$62,744,000	\$17,425,000	\$80,178,000

Although the proposal provides some explanation regarding how EPA came to calculate the costs associated with administering sections 4, 5, and 6, the Chamber finds that EPA's approach to calculating these costs lacks explanation and requires further clarity. Indeed, in order to fully support its estimates, EPA should provide further explanation as to why a rate of 28.14% is appropriate for calculating indirect costs.

For section 4, EPA bases its estimates on historical experience, including the development of test rules and enforceable consent agreements (ECAs), the review of study plans, and the review of data.¹⁵ Moreover, the Agency notes that it expects to perform work on 10 test orders, one test rule, and one ECA each year.¹⁶ EPA assumes that each activity performed under section 4 will cover one to seven chemicals.¹⁷ The estimated costs associated with section 4 are:

TSCA Section 4 Estimated Annual Costs			
Test Orders	\$279,000 (x10)		
Test Rules	\$844,000		
ECAs	\$652,000		
Total:	\$3,543,000		

The Chamber believes that EPA should provide stakeholders with references or previous examples associated with the development of test rules and ECAs, the review of study plans, and the review of data in order to avoid unnecessarily expensive or redundant fees that would result in serious economic consequences for industry. From a historical perspective, estimates calculated in this manner may not necessarily reduce the burden of test orders.

Additionally, the Chamber requests that EPA provide further explanation as to why it expects to perform work on 10 test orders, one test rule, and one ECA each year and why it assumes that each section 4 activity will cover one to seven chemicals.

EPA should provide more concrete and substantive support for the cost estimates it makes for section 5. The Agency states that it has "historical data on costs" and an understanding of how many and what type of submissions are made, based on previously assessing fees under section 5. 18 It also notes that EPA's costs to process a PMN were up to \$15,000 in 1987. 19

The Chamber believes that calculating costs for section 5 in this manner is not as transparent as it could be. EPA calculates an average base cost of a PMN, significant new use notice (SNUN), or microbial commercial activity notice (MCAN) at \$55,200, based on the baseline figure of \$15,000

¹⁶ *Id*.

¹⁵ *Id*.

¹⁷ *Id*.

 $^{^{18}}$ *Id*.

¹⁹ *Id*.

and additional cost estimates arising from changes to administering section 5 coupled with costs associated with notices of commencement (NOCs).²⁰ The estimated costs associated with section 5 are:

TSCA Section 5 Estimated Annual Costs			
PMN/SNUN/MCAN	\$25,500,000		
Exemptions	\$3,149,000		
Total:	\$28,600,000		

In order to provide stakeholders with as much information as possible as to how the Agency calculated fees for section 5, the Chamber requests that EPA provide the following information in order to ensure stakeholders that it produces a final rule in the most transparent fashion possible:

- 1. How often a PMN costed \$15,000 to process in 1987;
- 2. Detail on its decision to include the costs of processing NOCs into the costs of administering PMNs and SNUNS, as this artificially inflates estimated costs; and
- 3. The number of NOCs filed within 1 year of the completion of a PMN, to demonstrate whether a 20% drop in submissions would stifle new commercial product launches.

EPA's approach to calculating estimated costs for section 6 is problematic. The Agency uses its past experience of completing risk assessments on certain work plan chemicals and addressing risks for those chemicals to estimate costs for administering section 6.²¹ Further, the estimated cost of a risk assessment under section 6 is \$3,884,000.²²

Notably, EPA chose to use the costs associated with completing a risk evaluation under the Pesticide Registration Improvement Act (PRIA) as a benchmark for estimating costs associated with risk evaluations under section 6.²³ The use of PRIA data does not appropriately explain the Agency's estimated costs and is not tailored to be used in the TSCA risk evaluation process. The purpose of the PRIA is to register or license products on an individual basis, which is contrary to the purpose of TSCA.

Per the statute, every year EPA is required to analyze the reasonableness of the fees in relation to current and projected costs.²⁴ As such, EPA's cost estimates should be revised periodically in order to reflect the results of the latest annual audit and applied on a case-by-case basis. In the interim, the Chamber requests that EPA provide information on the following items:

1. The costs to administer risk assessments for existing chemicals under the 2014 Work Plan and other earlier approaches, whether costs will differ depending on the chemical or chemicals selected, and whether that was considered;

²² *Id.* at 8,219.

²⁰ *Id.* at 8,218.

²¹ *Id*.

²³ 83 Fed. Reg. at 8,218.

²⁴ 15 U.S.C. § 2526(b)(3)(D)(ii).

- 2. Why the Agency chose not to differentiate between costs associated with chemicals with a wide variety of uses as opposed to those with a narrow set of uses; and
- 3. Further detail why it chose to compare risk assessment fees with PRIA costs.

EPA's estimate of costs lacks full transparency. As such, the Chamber believes that it is important for EPA to provide as much clarity as possible to stakeholders and come to as logical and rational an estimate as possible when approximating costs associated with administering sections 4, 5, and 6, of TSCA.

b. EPA Should Reassess Its Decision to Increase User Fees

EPA's proposal increases user fees assessed on stakeholders to administer sections 4, 5, and 6 of TSCA. As previously noted, EPA historically only collected fees for submission under section 5 of TSCA – PMNs, certain PMN exemption applications and notices, and SNUNs.²⁵

EPA now has the authority to collect fees under sections 4, 5, and 6 of TSCA.²⁶ Per the proposal, EPA has made a number of changes to fee collection in response to this new authority. For example, EPA is now assessing fees for the submission of information under section 4.²⁷ In general, the content of a test order, ECA, or rule will be similar for a given chemical, so the Agency's estimates are based on the time that it will take EPA to negotiate or issue the required action.

The Chamber thinks that EPA should reconsider the approach to fees under section 4 based on the number and type of tests that are required. That way, companies that have to perform limited, acute testing are not paying the same fee as companies that are required to conduct chronic two year studies. The time needed to issue the order, rule, or ECA may not be very different, but the expertise and effort needed to evaluate results can vary widely.

Companies have little to say in EPA's decision to require testing in the case of test orders, so EPA should propose a schedule of fees based on EPA protocol that is required to be undertaken in rules and orders. For example, the costs and effort to review a skin sensitization study, either in traditional form or as described in the recently announced "Draft Interim Science Policy: Use of Alternative Approaches for Skin Sensitization as a Replacement for Laboratory Animal Testing" is far different than evaluating a 90-day inhalation rat study or a two-generation reproductive study. Physical chemical property testing, such as water solubility, should be relatively straightforward. When the circumstances allow, however, EPA should consider consolidating test requirements into a single order, rather than a tiered approach, in order to reduce fees.

In general, companies should not have to pay EPA more to review a test than the test costs to conduct. Therefore, a proposed approach may be to attach a percentage fee to the order or rule that is based on the total cost of the testing, such as a 5% surcharge.

²⁵ See supra note 7.

²⁶ 83 Fed. Reg. at 8,213.

²⁷ Id.

²⁸ U.S. Environmental Protection Agency, Draft Interim Science Policy: Use of Alternative Approaches for Skin Sensitization as a Replacement for Laboratory Animal Testing (Apr. 4, 2018), *available at* https://www.regulations.gov/document?D=EPA-HQ-OPP-2016-0093-0090.

Additionally, EPA is limiting the consolidation of PMN submissions under section 5 to up to six "closely similar chemical substances with similar use" and has decided that intermediate PMNs are no longer available as a PMN fee class.²⁹ It should be noted that EPA is not assessing fees under section 14 of the statute for CBI claims and reviews for section 4, 5, and 6 submissions at this time.

To that end, the proposed fees, alternative fee options, and formula used to calculate those fees are as follows:³⁰

	Proposed TSCA Fees						
Fee Category	Proposed Fee	Option A	Option B	Due	Small Business Fees		
Premanufacture Notice/Consolidated Premanufacture Notice	\$16,000	\$18,200	\$10,400	Upon Submission	\$2,800		
Significant New Use Notice	\$16,000	\$18,200	\$10,400	Upon Submission	\$2,800		
Exemption Applications	\$4,700	\$1,850	\$3,500	Upon Submission	\$940		
Test Rule	\$9,800	\$278,000	\$84,000	Within 60 Days of Effective Date	\$5,900		
Test Order	\$29,500	\$92,000	\$28,000	Within 60 Days of Effective Date	\$1,950		
Enforceable Consent Agreement	\$22,800	\$215,000	\$65,000	Within 60 Days of Signing	\$4,600		
EPA-Initiated Risk Evaluation	\$1,350,000	\$1,280,000	\$1,670,000	Within 60 Days After Final Scope of Risk Evaluation	\$270,000		
Manufacturer-Requested Risk Evaluation (Work Plan Chemical)	\$1,300,000	\$1,300,000	\$1,300,000	Within 30 Days of EPA Notice Granting Request	\$1,300,000		
Manufacturer-Requested Risk Evaluation (Non- Work Plan Chemical)	\$2,600,000	\$2,600,000	\$2,600,000	Within 30 Days of EPA Notice Granting Request	\$2,600,000		

²⁹ *Id.* at 8,220.

³⁰ *Id.* at 8,221-24.

Where:

cat x = category of similar types of submissions from manufacturers and processors requiring similar effort and burden on the part of EPA.

Program Costs = All EPA intramural costs and extramural costs associated with a particular category of similar submission types under TSCA section 4, 5 or 6.

Based on the proposal, EPA anticipates collecting approximately \$20.05 million in fees each year between FY19 and FY21.³¹ These fees will go towards "developing risk evaluations for existing chemicals; collecting and reviewing toxicity and exposure data and other information; reviewing CBI; and making determinations in a timely and transparent manner with respect to the safety of new chemicals before they enter the marketplace." Notably, EPA must adjust the fees for inflation every three years to ensure that funds are sufficient to cover the costs of carrying out sections 4, 5, 6, and 14 of TSCA.³³ Therefore, EPA should begin implementing new chemical review fees at the lowest allowable level that still permits the Agency to meet one of the statutory thresholds for the amount that needs to be collected.

The Chamber believes that EPA erred in setting the proposed fee schedule and that the charged fees are too high. In charging such high fees, EPA will likely see a reduced number of submissions. This reduction inhibits innovation and constricts the ability of new chemicals to enter the stream of commerce. As such, EPA should strive to keep new chemical fees as low as possible.

Moreover, EPA should take into account the number of producers of a particular chemical when setting fees. Producers of one-of-a-kind chemicals may opt out of production instead of paying an enormous fee for a section 6 risk evaluation. This could eliminate beneficial products from the marketplace. Moreover, small businesses would be especially vulnerable even at the proposed reduced fee for section 6 risk evaluations.

³¹ Id. at 8,213.

³² Press Release, U.S. Environmental Protection Agency, EPA Meets Important Milestone: Proposes Fees Rule, the Final of Four Framework Rules for EPA Chemical Safety Evaluations Under TSCA (Feb. 2, 2018), *available at* <a href="https://www.epa.gov/newsreleases/epa-meets-important-milestone-proposes-fees-rule-final-four-framework-rules-epa-newsreleases/epa-meets-important-milestone-proposes-fees-rule-final-four-framework-rules-epa-newsreleases/epa-meets-important-milestone-proposes-fees-rule-final-four-framework-rules-epa-newsreleases/epa-meets-important-milestone-proposes-fees-rule-final-four-framework-rules-epa-newsreleases/epa-meets-important-milestone-proposes-fees-rule-final-four-framework-rules-epa-newsreleases/epa-meets-important-milestone-proposes-fees-rule-final-four-framework-rules-epa-newsreleases/epa-meets-important-milestone-proposes-fees-rule-final-four-framework-rules-epa-newsreleases/epa-meets-important-milestone-proposes-fees-rule-final-four-framework-rules-epa-newsreleases/epa-meets-important-milestone-proposes-fees-rule-final-four-framework-rules-epa-newsreleases/epa-meets-important-milestone-proposes-fees-rule-final-four-framework-rules-epa-newsreleases/epa-meets-important-milestone-proposes-fees-rule-final-four-framework-rules-epa-newsreleases/epa-newsrele

³³ 15 U.S.C. § 2625(b)(4)(F).

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Additionally, the number and type of uses should be taken into account when setting fees for section 6 risk evaluations. A chemical feedstock used as an intermediate in a chemical process has very little exposure potential and should not be assessed the same fee as a chemical that is intended for consumer use with a high exposure potential

EPA should also reconsider using PRIA costs and fees as a benchmark for both items under TSCA. Pesticide registrants receive an individual license, while TSCA reviews put the chemical on the Inventory for competitors to use and require comparatively more time for market development. PRIA actions that are completed within 90 days often have little data associated with them, while the information requirements in a PMN are increasingly complex with respect to detailed information on manufacturing and processing, as well as potential physical-chemical data, modeling, and potentially test data submitted in advance or as a result of EPA's reviews.

Since PMN reviews are currently taking longer than 90 days, the timeframe is not even the best for comparison. It would be more productive and transparent for EPA to assign a cost per phase of the process that a PMN undergoes once it is submitted and make that information available in proposing the new fees.

In light of the increased fees, the Chamber requests that EPA provide further explanation as to why it will not consider increasing the allowable consolidation of PMN submissions from six to 10 closely similar chemicals and why a number exceeding six would be considered "prohibitively expensive."

III. EPA Should Take Certain Factors into Account When Setting Fees

The Chamber believes that EPA should take into account the following additional factors when calculating fees:

- 1. Risk evaluations take three years to complete. As such, EPA should assess those fees over a three-year period;
- 2. The LCSA requires that 50% of all high-priority designations be drawn from the 2014 Update to the TSCA Work Plan. Since there are a limited number of manufacturers of Work Plan chemicals, the fee rule, as written, would have a disproportionate impact on those manufacturers and it is unreasonable to require those manufacturers to pay the fees upfront;
- 3. Small businesses may have cash flow issues for section 6 risk evaluations, even at the proposed reduced fee; and
- 4. In the event that consortia are formed, it would be unreasonable to think that a 60-day period for fee collection is appropriate. Other chemical regulatory programs, including the European Union's "Registration, Evaluation, Authorisation and Restriction of Chemicals" (REACH) program, have demonstrated that forming consortia within that 60-day window is next to impossible.

IV. EPA Should Clarify the Fee Reimbursement Process

EPA fails to fully explain how the fee reimbursement process will work for stakeholders under TSCA. Section 26(b)(4)(G) allows EPA to refund fees, or a portion of fees, for notices submitted under section 5 of TSCA that are later withdrawn and for which EPA conducts no substantive work, unless it determinates that the submitted notices unduly delayed the process.³⁴

In the proposal, EPA states that it will continue to "refund any fee paid for a section 5 notice whenever EPA determinates that the notice or fee was not required" and proposed to "refund a consistent 75% of the user fee to the submitter if the notice is withdrawn within 10 business days." However, per section 5(a)(4) of the statute, EPA is required to return fees under section 5 if review times exceed 90 days through no fault of the submitter. The Chamber is not aware of any case in which this instruction has been acted upon, although very few new chemical notices are completed within 90 days. As one example, EPA acknowledged that it had all the information it needed to complete its review, and then the submission was delayed 5 months while EPA changed its internal process for reviewing new chemical submissions.

The Chamber thinks this provision was expressly designed to require EPA to minimize associated delays while making internal process changes like this. The Chamber requests that EPA identify internal process changes that add 30 days or more of additional time to review, as well as other examples, for refunds of these fees, particularly since they are increasing significantly.

In addition, the Chamber agrees that EPA should not charge for or collect fees until this rule is final. Given that there are a number of options proposed that could further change in the final rule, it would unnecessarily spend time and resources until there is certainty associated with the program fees. The Chamber thinks that assessing for fees that are not yet finalized unnecessarily risks that challenges will be filed against this rule or EPA's attempts to assess fees that have not been finalized. Additionally, the Chamber thinks the need to put these fees in place by October 1 should incentivize the Agency to finalize the rule.

The Chamber believes that EPA should provide examples or fully describe the circumstances of when it would reimburse companies when reviews stall. Fully explaining the fee reimbursement process provides an incentive for the Agency to speed the reviews of new chemicals. Additionally, this could help offset funding cuts that would hinder TSCA implementation.

Further, the Chamber believes that the fee reimbursement process could be a useful mechanism to aid EPA in getting its section 5 submission backlog back on track. At the time that the proposal was published in the *Federal Register*, EPA had a backlog of **406 days**, far beyond the Agency's 90-day review period. Public notice of EPA's ability to complete reviews, while not a measurement of success, could potentially incentivize the Agency to speed up its review process in order to get back on track by the time the proposal is finalized.

³⁴ *Id.* at § 2625(b)(4)(G).

³⁵ 83 Fed. Reg. at 8,225.

³⁶ 15 U.S.C. § 2604(a)(4).

V. It is Important that EPA Ease the Burdens Placed on Small Businesses

EPA should ease the fee burdens placed on small businesses. There are 28 million small businesses in the United States, which represent the vast majority (99.7%) of all business entities in our economy. Section 26(b)(2) instructs EPA to consult with the SBA Administrator to determine the standards for determining those persons that qualify as "small business concerns." This consultation aids EPA in prescribing lower fees for small business concerns under section 26(b)(4) of the statute.

The Chamber believes that EPA should continue to work with the SBA to ease any burdens that the proposed rule places on small businesses in as great a manner as possible. The Chamber supports EPA's definition of a small business having average sales of less than \$91 million based on three years of data and suggests, in response to EPA's inquiry, that an employee-based size standard of 500 would also be appropriate.

SBA sets "size standards" for small businesses in the United States based on the business's number of employees and average annual receipts for various industry sectors. For manufacturing sectors, the number of employees that defines a small business ranges from 500 to 1,500.³⁸ Approximately 27% of all manufacturing businesses have a maximum employee cap at 500 employees.

The Chamber believes that the definition adopted by EPA should be consistent with how SBA defines a small manufacturer, and supports the use of 500 employees as the floor for the employee number under TSCA. Conceptually, by supporting the growth of these businesses in this way, it will help them expand their businesses and become sizeable entities that can absorb TSCA user fees without competitive harm. High fees in that regard limit innovation by dissuading smaller companies from seeking chemical reviews while encouraging larger companies that can afford the fees. As such, the Chamber urges EPA to adopt lower fees for small businesses

VI. Conclusion

The Chamber appreciates EPA's efforts to set user fees for the administration of the amended TSCA and the opportunity to comment on this important matter. If you have questions regarding these comments, please contact me at (202) 463-5558 or at kharbert@uschamber.com.

Sincerely,

Karen A. Harbert

³⁷ 15 U.S.C. § 2625(b)(2).

³⁸ U.S. Small Business Administration, Table of Small Business Size Standards (Feb. 26, 2016), *available at* https://www.sba.gov/sites/default/files/files/Size_Standards_Table.pdf.