

8/14/98

FACT SHEET

FINAL AIR REGULATIONS FOR CONSUMER PRODUCTS

TODAY'S ACTION...

- ◆ The Environmental Protection Agency (EPA) is issuing final regulations to control volatile organic compound (VOC) emissions from household consumer products, such as cleaning products, personal care products, and a variety of insecticides.
- ◆ EPA worked in close partnership with major stakeholders, including industry representatives and state and local agencies, in developing the final regulation.
- ◆ Today's action demonstrates EPA's commitment to making pollution prevention an integral part of regulatory actions whenever possible. The requirements outlined in the final rule are based on product reformulation, a pollution prevention approach.

BACKGROUND: WHY IS EPA REGULATING CONSUMER PRODUCTS?

- ◆ VOCs contribute significantly to the formation of ground-level ozone (smog). Exposure to ground-level ozone can damage lung tissue and cause serious respiratory illness. In addition, ground-level ozone can cause serious damage to agricultural crops.
- ◆ Prior to the Amendments in 1990, the Clean Air Act focused on reducing VOC emissions from mobile sources (cars and trucks) and stationary sources, such as power plants and factories. Requiring additional controls on these sources or on small businesses may be very costly for the emissions reductions achieved.
- ◆ The Clean Air Act Amendments of 1990 included a new requirement for regulating consumer and commercial products. This can be a more cost-effective way of substantially reducing VOC emissions nationwide. Consumer and commercial products, such as surface coatings, metal cleaning solvents, personal care products, and household cleaning products, contribute about 6 million tons (approximately 30 percent) annually of manmade VOC emissions nationwide.
- ◆ Over the past several years, many states have moved ahead on their own to control emissions from several types of consumer and commercial products. National rules will provide more certainty to the affected industries, by providing regulatory consistency that will help companies avoid developing a series of different products to meet a "patchwork" of state regulations.
- ◆ Under the Clean Air Act, EPA is required to 1.) study emissions of VOCs from consumer and commercial products; 2.) list those categories of products that account for at least 80 percent of the total VOC emissions from consumer and commercial products in areas of the country that fail to meet the national air quality standards set for ground-level ozone;

and 3.) divide the list into four groups, and regulate one group every two years using best available controls, as defined by the Clean Air Act.

- ◆ In March 1995, EPA issued a Report to Congress, Study of Volatile Organic Compound Emissions from Consumer and Commercial Products, which evaluated the contribution of VOC emissions from consumer and commercial products to ground-level ozone levels, and established criteria and a schedule for regulating these products under the Clean Air Act. Today's final regulation applies to 24 types of household consumer products and is among the first group of regulations for consumer and commercial product categories issued under Section 183(e).

WHAT ARE THE HEALTH AND ENVIRONMENTAL BENEFITS?

- ◆ EPA's final rule would reduce emissions of smog-causing VOCs by 90,000 tons per year, representing a 20 percent reduction from levels emitted in 1990. Exposure to ground-level ozone can damage lung tissue and cause serious respiratory illness. Ground-level ozone can also cause serious damage to agricultural crops.

WHO WILL BE AFFECTED BY THE FINAL RULE?

- ◆ The final rule would affect approximately 220 consumer product manufacturers and importers nationwide. Many of these companies are already taking steps to reformulate their products to emit less smog-causing volatile organic compounds. EPA worked closely with these companies in developing the final rule.
- ◆ Because several states have moved ahead with their own regulations for several of these products, a national rule will help "level the playing field." This will minimize situations where companies would have to manufacture several products to meet a "patchwork" of state regulations, instead of one product for nationwide distribution.

WHAT DOES THE FINAL REGULATION REQUIRE?

- ◆ EPA's final regulation is based on best available controls, as defined under the Clean Air Act, and sets specific VOC content limits on 24 consumer product categories (some product categories are divided into subcategories). VOC limits would be met by the pollution prevention method of product reformulation. The VOC levels required by the final rule are consistent with those in currently effective state rules for consumer products.

HOW DOES THE FINAL RULE PROVIDE FLEXIBILITY TO INDUSTRY?

- ◆ Today's final rule includes an "innovative products provision," whereby EPA may exempt a specific product from the VOC content limit if it can be demonstrated to have VOC emissions less than or equal to a representative "complying" product in the same category.
- ◆ Companies subject to the final rule may apply for temporary variances in cases where the

company, because of extraordinary reasons (such as unavailability of raw materials) cannot comply with the rule. This provision should reduce the regulatory burden for some companies, particularly small manufacturers and importers.

HOW MUCH WOULD THE FINAL REGULATION COST?

- ◆ The annualized cost of the final rule is estimated to be \$27 million. However, because many products have already been reformulated to comply with existing state regulations, the actual cost estimate may be less. There are virtually no capital costs associated with the final rule, except for the development of new, reformulated products. Recordkeeping and reporting costs would equal approximately \$960,000.
- ◆ The prices of consumer products subject to the final regulation are expected to increase by less than one percent.

FOR FURTHER INFORMATION...

- ◆ Interested parties can download the final rule from EPA's web site on the Internet under recent actions at the following address: (<http://www.epa.gov/ttn/oarpg>). For further information about the final rule, contact Bruce Moore of EPA's Office of Air Quality Planning and Standards (OAQPS) at (919) 541-5460 or e-mail at moore.bruce@epamail.epa.gov.
- ◆ EPA's Office of Air and Radiation's homepage on the Internet contains a wide range of information on the air toxics program, as well as many other air pollution programs and issues. The Office of Air and Radiation's home page address is: (<http://www.epa.gov/oar/>).