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March 14, 2014

The Honorable Peter Shumlin Governor of Vermont 109 State Street, Pavillion Montpelier, VT 05609

Dear Governor Shumlin,

On behalf of the American Apparel & Footwear Association (AAFA), I urge you to oppose S.239 relating to the regulation of toxic substances.

AAFA is the national trade association representing apparel, footwear, and other sewn products companies, and their suppliers, which compete in the global market. Representing more than 1,000 world famous name brands, our membership includes more than 530 companies, drawn from throughout the supply chain. AAFA is the trusted public policy and political voice of the apparel and footwear industry, its management and shareholders, its four million U.S. workers, and its contribution of \$350 billion in annual U.S. retail sales.

Thank you for this opportunity to comment. AAFA's members are committed to creating products that are safe for consumers and maintaining supply chains that are safe for both the workers involved and the environment. For this reason, we understand and appreciate Vermont's interest in demanding such standards for its citizens. However, we do not believe S.239 is the best way to do this. The bill, as written, will place an unnecessary burden on Vermont companies without providing any proven safety benefits.

Please consider the following points:

Risk and Exposure Assessment

To begin, S.239 lacks adequate risk and exposure assessment. Under the proposed legislation, companies will be required to report to the Vermont Department of Health if their products contain chemicals indicated as chemicals of high concern. However, it is important to note that the presence of a chemical in a product does not inherently mean that product is unsafe. Safety assessments should be based on information regarding how a chemical in the formulation, as well as the unintended consequences of removal of a chemical from a product. Without complete consideration of this additional information, the reporting requirement of this legislation stands to inadvertently condemn products (and the companies that make them) which may be completely safe.

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Prioritization

At the same time, the lack of prioritization in S.239 prevents Vermont from focusing on those chemicals and products which may actually be harmful to its citizens. Narrowing the focus of the legislation to a smaller group of priority products as seen in the California Safer Consumer Products Regulations¹ or a phased-in approach for prioritizing product categories as in the Washington Children's Safe Products Act² would create a more manageable and efficient program. While AAFA has opposed the regulations in California and Washington on the grounds of an over-abundance of burdensome state-level regulations, we appreciate that the governments of these states took into consideration the need to create a workable priority-based program. We encourage Vermont to engage with stakeholders from business and community to determine a method of prioritizing its goals and actions in the realm of chemical management.

Chemical Management Program Exemptions

Another stark contrast between the proposed S.239 legislation and those of other states is the lack of consideration for companies who have in place a productive chemicals management program and are already working towards eliminating hazardous substances from their production through. We encourage Vermont to allow an exemption policy for these companies to encourage their progress rather than derail it.

Federal Regulation

Vermont is now one of many in a rising number of state-level initiatives which have created an unmanageable patchwork of chemical regulations across the country. These regulations make it nearly impossible for a company to produce a product which meets all of these regulations at once. Unfortunately, in our opinion, these burdensome state-level regulations could potentially discourage companies from wanting to do business within Vermont altogether.

We understand that the current federal legislation, the Toxic Substances Control Act (TSCA)³, as mentioned in the S.239 text, needs to be updated to effectively regulate chemicals within the United States. Moreover, AAFA is in support of the current bipartisan efforts within the U.S. Congress to reform TSCA and create an effective nationwide chemical program.⁴ The best strategy to protect the health and safety of not only the citizens of Vermont, but all American citizens while also encouraging innovation and productivity is to strengthen federal regulations, not to undermine them.

Once again, on behalf of the apparel and footwear industry of Vermont and of the United States, we strongly urge you to oppose S.239. We look forward to working together to create a chemical management system which will truly benefit and protect both consumers and business.

Thank you for your time and consideration in this matter. Please contact Marie D'Avignon at 703-797-9038 or <u>mdavignon@wewear.org</u> if you need any additional information.

Sincerely,

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Steve Lamar American Apparel & Footwear Association

¹ <u>https://dtsc.ca.gov/LawsRegsPolicies/Regs/SCPA.cfm</u>

² http://www.ecy.wa.gov/programs/swfa/cspa/

³ http://www2.epa.gov/laws-regulations/summary-toxic-substances-control-act

⁴ <u>https://www.wewear.org/assets/1/16/AAI_Statement__CSIA_Introduction_FINAL.PDF</u>