

February 4, 2015

Dr. George Alexeeff Director, OEHHA 1001 I Street Sacramento, CA 95814

SUBJECT: MATEEL ENVIRONMENTAL JUSTICE FOUNDATION LEAD CASE

Dear Dr. Alexeeff:

The California Chamber of Commerce and the below-listed organizations ("Coalition") write to express our concerns regarding the serious economic, legal, and policy consequences that will result if the Office of Environmental Health Hazard Assessment ("OEHHA") does not vigorously defend itself against Mateel Environmental Justice Foundation's ("Mateel") recent lawsuit in which Mateel asks the court to order OEHHA to rescind the current 0.5 microgram/day safe harbor for lead. Specifically, in reliance on controversial and inconclusive science and without first exhausting its administrative remedies, Mateel argues that the 0.5 microgram/day warning threshold for lead should be declared illegal and inoperative despite having been published as a final rule nearly 25 years ago.

The current safe harbor for lead—established by OEHHA in 1992—is the most stringent in the world, particularly due to Proposition 65's conservative 1,000-fold uncertainty factor requirement for reproductive toxicants. It is primarily based on a federal standard and was considered carefully by the lead agency for Proposition 65 when it was adopted. Mateel's lawsuit -- more than two decades later -- asks a court to overturn the lead agency's considered decision, thus placing California even more out-of-step with standards set by the federal government and other jurisdictions around the world.

The economic and legal impact of declaring the current lead safe harbor illegal and inoperative cannot be understated. If this were to occur, longstanding compliance determinations and prior court-approved settlements based on the existing lead warning threshold could be called into question. Some private enforcers would likely use any detectable amount of lead, no matter how small, to support a notice letter and a lawsuit against a company. Given Proposition 65's unique shifting of the burden of proof to the defendant, the relief Mateel seeks could open the doors to more unnecessary litigation, more burden on our overtaxed court system, more shifting of wealth to the coffers of the "citizen enforcers" and their counsel, and more incentives for businesses to provide unwarranted warnings, creating more consumer confusion as Proposition 65 warnings proliferate and indiscriminately cover products with trace concentrations of lead in the same manner as products containing concentrations that may actually present a meaningful health hazard. From a policy standpoint, these results—which are virtually certain to occur if Mateel gets its way or if OEHHA accommodates Mateel in the litigation by not defending itself vigorously—go directly contrary to the Governor's calls to reduce Proposition 65 litigation and OEHHA's calls to reduce the amount of warnings in California's stream of commerce.

Mateel, like any other interested party, has the right to ask OEHHA to re-examine the lead safe harbor or any other regulation it has previously promulgated under Proposition 65. Instead of playing by the rules and petitioning OEHHA to reexamine the safe harbor in a properly documented petition that could initiate a regulatory process if OEHHA agrees one is warranted, Mateel seeks to bypass this potential for review by the agency and instead has gone straight to the judicial system. Indeed, Mateel is no stranger to using the judicial system; it has filed nearly 800 notice letters and hundreds of Proposition 65 claims in its history. To establish proper incentives and ground rules, OEHHA should demand that Mateel abandon its lawsuit without receiving consideration of any form in exchange. Unless and until Mateel agrees to abandon its suit without a *quid pro quo*, the Coalition respectfully requests that OEHHA vigorously defend itself to avoid setting an unfortunate institutional precedent that may have broader long term repercussions that could go far beyond the lead safe harbor. Absent a vigorous defense, Mateel's Dr. George Alexeeff February 4, 2015 Page 2

request for relief, if granted or resolved through a settlement, would have profound adverse economic, legal, and policy implications, including many that the Governor and OEHHA have repeatedly stated they would like to avoid relative to Proposition 65 in the interest of all Californians.

Thank you for your consideration. The Coalition welcomes the opportunity to discuss this issue in person at OEHHA's convenience.

Sincerely,

Anthony Samson Policy Advocate California Chamber of Commerce

On behalf of the following organizations:

Advanced Medical Technology Association Air-Conditioning, Heating and Refrigeration Institute American Apparel & Footwear Association American Chemistry Council American Composites Manufacturers Association American Forest & Paper Association American Herbal Products Association American Wood Council Apartment Association, Southern California Cities Associated Roofing Contractors of the Bay Area Counties, Inc. Association of Home Appliance Manufacturers Automotive Specialty Products Alliance Biocom **Breen Color Concentrates** California Association of Boutique and Breakfast Inns California Attractions and Parks Association California Building Industry Association California Citizens Against Lawsuit Abuse California Fresh Fruit Association California Furniture Manufacturers Association California Hotel and Lodging Association California Independent Oil Marketers Association California League of Food Processors California Manufacturers and Technology Association California Restaurant Association California Retailers Association **Consumer Healthcare Products Association Consumer Specialty Products Association** Council for Responsible Nutrition East Bay Rental Housing Association Family Winemakers of California Fashion Accessories Shippers Association Fullerton Chamber of Commerce Gojo Industries, Inc. Grocery Manufacturers Association Industrial Environmental Association **IPC Association Connecting Electronics Industries**

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ISSA, the Worldwide Cleaning Industry Association Metal Finishing Association of Northern California Metal Finishing Association of Southern California National Electrical Manufacturers Association National Shooting Sports Foundation Nor Cal Rental Property Association OCZ Storage Solutions – A Toshiba Group Company Personal Care Products Council **Plumbing Manufacturers International Resilient Floor Covering Institute** Simi Valley Chamber of Commerce Southwest California Legislative Council SPI, the Plastic Industry Trade Association Sporting Arms and Ammunition Manufacturers' Institute Styrene Information & Research Center Toy Industry Association **Travel Goods Association** Western Plant Health Association Universal City North Hollywood Chamber of Commerce

cc: The Honorable Luis Alejo, Chair, Assembly ESTM Committee The Honorable Bob Wiekowski, Chair, Senate Environmental Quality Committee Gina Solomon, Deputy Secretary for Science and Health, CalEPA Allan Hirsch, Chief Deputy Director, OEHHA Carol Monahan-Cummings, Chief Counsel, OEHHA Mario Fernandez, Counsel, OEHHA Dana Williamson, Cabinet Secretary, Office of the Governor Cliff Rechtschaffen, Senior Advisor, Office of the Governor Sue Fiering, California Attorney General's Office Laura Zuckerman, California Attorney General's Office Kish Rajan, Director, Governor's Office of Business and Economic Development Poonum Patel, Permit Specialist, Governor's Office of Business and Economic Development