

# Industry News



## Regulatory Update

Governmental regulation has a significant effect on the United States' detergent industry, as it does on all industries.

The detergent industry, however, sometimes feels inappropriately singled out, especially in the 1970s when local governmental agencies began banning phosphate-containing detergents as a means to reduce phosphate in municipal sewage systems. Suffolk County, New York, only recently lifted a 10-year ban on retail sales of any detergent products. In Michigan, a court decision this year upheld the right of executive department officials to ban sale of phosphate by regulation, rather than requiring legislative action.

At the 1980 AOCS Short Course "Detergents Eight-O," Soap and Detergent Association Ted Brenner spoke on "The Impact of Government on the Detergent Industry During the 1980s" (*JAOCS*, 58:55A). Recently, *JAOCS* asked him to update that report by answering some questions on governmental regulation midway through the Reagan Administration.

*1. When Ronald Reagan became President, there was an expectation there would be reduced federal regulatory activity. Has that expectation been realized?*

Brenner: I don't think there is any question about the reduction of federal regulatory activity in the first two years of the Reagan Administration. In fact, the President made no secret about his feeling that, in the "New Federalism" approach, the states would have to carry a major share of the regulatory load.

*2. Has "Superfund," the federal program to finance clean-up of hazardous toxic waste sites, significantly affected soap and detergent companies?*

Brenner: Our members have not brought any particularly measurable or distinct impact of Superfund to our

attention. Of course, many of our supplier companies are major chemical and petrochemical producers who may or may not have problems with Superfund, but probably as a result of operations unrelated to the soap and detergent industry. Major detergent ingredients are generally recognized as not presenting toxicity problems.

*3. Has the Toxic Substances Control Act posed any major problems?*

Brenner: We have been closely monitoring TSCA developments since the law was originally passed. We were particularly active in the development of the initial inventory and we made, in my judgment, some significant contributions. SDA has filed comments about the various proposed Section 8 rules during the past three years. Essentially we sought to ease the burden on our members without interfering with the basic intent of the legislation. For example, our comments on the 8c drafts regarding recordkeeping and reporting of allegations of consumer adverse reactions alerted the agency to the problems associated with a requirement of automatic reporting of such allegations. We expect that the final regulations will eliminate the reporting requirement.

*4. With a slackening of federal regulatory activity, has there been an increase in state and local regulatory efforts?*

Brenner: There is no question that the level of state and local regulatory activity has increased substantially since the Reagan Administration took over, and there is no doubt that it is more manageable to deal with one national regulatory body as opposed to 50 or more such entities. Nevertheless, the SDA is uniquely prepared to meet this challenge, as we have been active on the state level for over 20 years. There is heightened interest in consumer protection, labeling, packaging, and ingredient control at the state and local level. The real and potential proliferation of such legislation and regulation requires more of our attention, and it would seem that the trend will continue for the foreseeable future.

*5. Are local jurisdictions as concerned about phosphate in detergents as they once were?*

Brenner: The phosphate-ban situation is much less widespread now than it was ten years ago; in fact, one could characterize it as spotty. With the exception of Wisconsin (where the three-year-old ban was rescinded last year and is being reconsidered at the present time), Nevada (where a ban is unlikely to pass) and Ohio (another unlikely passage), there does not appear to be any real interest in the subject. On the positive side, Dade County, Florida, is actively considering lifting its ban, and several other areas are also taking another look at their bans. The combination of sewage treatment plant construction in recent years, coupled with a 50% reduction in the levels of phosphate in detergent, means that detergents now represent only a small portion of the phosphates in municipal waste.