

**Supporting Statement for a Request for OMB Review under
The Paperwork Reduction Act**

1 IDENTIFICATION OF THE INFORMATION COLLECTION

1(a) Title and Number of the Information Collection

**Title: Recordkeeping and Reporting Requirements for Allegations of Significant
Adverse Reactions to Human Health or the Environment**

EPA ICR No.: 1031.10 OMB Control No.: 2070-0017

1(b) Short Characterization

Section 8(c) of the Toxic Substances Control Act (TSCA), 15 U.S.C. 2607(c) (Attachment 1), requires that “any person who manufactures (including imports), processes, or distributes in commerce any chemical substance or mixture” must keep “records of significant adverse reactions to health or the environment, as determined by the Administrator by rule, alleged to have been caused by the substance or mixture.” TSCA section 8(c) requires that allegations of adverse reactions to the health of employees be kept for thirty years, and all other allegations be kept for five years.

EPA promulgated 40 CFR 717, “Allegations that Chemical Substances Cause Significant Adverse Reactions to Health or the Environment; Subpart A -- Recordkeeping and Reporting,” on August 22, 1983 (48 FR 38178) (Attachment 2). This rule became effective on November 21, 1983. The rule requires manufacturers (including importers) and processors of chemical substances and mixtures to keep records of “significant adverse reactions” alleged to have been caused by such substances or mixtures. The rule also prescribes the conditions under which a firm must submit or make the records available to a duly designated representative of the Administrator.

2 NEED FOR AND USE OF THE COLLECTION

2(a) Need/Authority for the Collection

The recordkeeping and reporting activities associated with this collection of information are required by statute. The TSCA section 8(c) reporting and recordkeeping requirements are of central importance in the administration of TSCA section 8 as a whole. Without the ability to administer these paperwork requirements, EPA would not be able to meet its obligation under TSCA.

Since the statute does not contain an automatic reporting provision, EPA must either inspect company files or require reporting of records that relate to specific substances of concern in order to obtain and use information about allegations of significant adverse reactions. EPA’s authority to inspect and require such reporting is codified in 40 CFR 717.17. EPA will review relevant TSCA section 8(c) records in connection with its TSCA chemical assessment activities.

All studies submitted to EPA will be verified and the contents of the submissions recorded and inspected for the inclusion of confidential business information. Copies of the documents will then be

prepared for inclusion in EPA's public docket and distributed, as appropriate and based on the associated chemical identity, to program offices at EPA and/or to other federal agencies for scientific analysis. A coding form will be completed to capture certain descriptive information such as identity, document control number, confidentiality indicator, document title, document date, receipt date and chemical identity. The document will be recorded on microfiche and stored for archival purposes.

2(b) Use/Users of the Data

By using the TSCA section 8(c) reporting authority, EPA can examine such records whenever a chemical is discovered to present possible risks to human health or the environment. Information contained in the TSCA section 8(c) allegation records will have several uses. The information collected will be used on a case-specific basis to evaluate suspected adverse health or environmental effects of a chemical substance or mixture already under assessment by EPA's Office of Pollution Prevention and Toxics (OPPT). Most of these substances will be "existing" chemicals, e.g., chemicals for test rule consideration, substances that are the subjects of TSCA section 8(e) notices of substantial risk, or substances or mixtures brought to the attention of OPPT by other EPA programs, other government agencies, industry, or the public. However, TSCA section 8(c) reports also may be required on "new" chemicals as one means of monitoring for any suspected or potential hazards identified during the premanufacture notification (PMN) review period.

On a case-specific basis, requiring reporting of TSCA section 8(c) records will also serve as a discovery function. It will help identify trends of adverse affects across the industry that may not be apparent to any one company. It will also serve as a long-term trend identification function because of the 5-year and 30-year recordkeeping feature of the statute.

3 NON-DUPLICATION, CONSULTATIONS AND OTHER COLLECTION CRITERIA

3(a) Non-Duplication

Information recorded and reported on alleged adverse effects on health or the environment is specific for compliance with the TSCA section 8(c) rule. Records required to be maintained under this rule include records of consumer allegations of personal injury or harm to health, reports of occupational disease or injury, and reports or complaints of injury to the environment submitted to the manufacturer, processor, or distributor in commerce from any source. Allegation means a statement, made without formal proof or regard for evidence, that a chemical substance or mixture has caused a significant adverse reaction to health or the environment. TSCA section 8(c) requires that allegations of adverse reactions to the health of employees be kept for 30 years, and all other relevant allegations be kept for 5 years.

No other EPA programs or other agencies/departments that require this specific set of information on alleged adverse effects to be recorded and maintained for this retention period nor does any other government program have direct authority to access such information. If any records or reports relating to the allegation are required by another agency, then copies of those records or reports must be maintained in the TSCA section 8(c) allegation record. For example, if an employee allegation results in a requirement for the firm to record the case on Occupational Safety and Health Administration (OSHA) Form 301, or equivalent form, which must be maintained by the firm for only 5 years (see 29 CFR part 1904 for recording and reporting requirements for occupational injuries and

illnesses under the Occupational Safety and Health Act of 1970), then a copy of that OSHA record must be included in the allegation record.

3(b) Public Notice Required Prior to ICR Submission to OMB

In proposing to renew this ICR, EPA provided a 60-day public notice and comment period that ended on December 27, 2011 (76 FR 66061, October 25, 2011). EPA received no comments during the comment period.

3(c) Consultations

, Under 5 CFR 1320.8(d)(1), OMB requires agencies to consult with potential ICR respondents and data users about specific aspects of ICRs before submitting an ICR to OMB for review and approval. In accordance with this regulation, EPA submitted questions to nine parties via email. The individuals and/or organizations contacted were:

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Regulatory & Technical Affairs
robert_kiefer@americanchemistry.com
American Chemistry Council
Washington, D.C. 2002

Ernie Rosenberg, President and CEO
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Doug Fratz, Vice President of Scientific and Technical Affairs
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Thomas Neltner, Food Additives Project Director
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Food Additives Campaign / Pew Health Group / The Pew Charitable Trusts
Washington, D.C. 20004

EPA received no responses to its solicitation for consultations. A copy of EPA's consultation e-mail to the above nine potential respondents is included in Attachment 3.

3(d) Effects of Less Frequent Collection

Currently, EPA uses its authority to collect information pursuant to the TSCA section 8(c) rule sparingly, and anticipates issuing infrequent requests. However, reporting requests may occur more frequently because individual notices or letters containing such TSCA section 8(c) requests may be clustered in the same year. The information will be collected on a case-specific basis to evaluate suspected adverse health or environmental effects of a chemical substance or mixture already under assessment by OPPT or when a chemical not under assessment by OPPT is discovered to present possible risks to human health or the environment. For example, chemical disasters are obviously unpredictable and OPPT must reserve the capability to require records submission on an as-needed basis in order to gather relevant information related to such matters. TSCA section 8(c) allegation records are part of such related information.

3(e) General Guidelines

The record retention provisions of TSCA section 8(c) and 40 CFR part 717 exceed the Paperwork Reduction Guidelines (5 CFR 1320.6) in that they require respondents to maintain records other than health, medical, or tax records, for more than three years. TSCA section 8(c) authorizes EPA to require persons (i.e., manufacturers (including importers), processors, or distributors) to maintain records of adverse reactions to the health of employees for a period of 30 years from the date such reactions were first reported or known to the person maintaining the record. Any other record of such adverse reactions (e.g., to the environment, non-employees) is required to be retained for a period of 5 years. 40 CFR part 717 incorporates these record retention provisions authorized by TSCA.

3(f) Confidentiality

Respondents may assert a claim of business confidentiality with respect to all or part of an allegation submission. Such submissions will be handled in accordance with the provisions at 40 CFR Part 2.

3(g) Sensitive Questions

This section is not applicable. The information does not include responses to questions of a sensitive nature.

4 THE RESPONDENTS AND THE INFORMATION REQUESTED

4(a) Respondent NAICS Codes

Respondents affected by this collection activity are mainly NAICS categories 325 and 32411 (*Chemicals and Allied Products Manufacturers* and *Petroleum Refining*, respectively).

4(b) Information Requested

(i) Data Items

Records maintained pursuant to 40 CFR Part 717 must consist of the following:

- a. The original allegation as received.
- b. An abstract of the allegation and other pertinent information as follows:
 1. The name and address of the plant site that received the allegation.
 2. The date the allegation was received at that site.
 3. The implicated substance, mixture, article, company process or operation, or site discharge.
 4. A description of the alleged (e.g., employee, neighbor), including age and sex, if ascertainable.
 5. A description of the health effects, including explanation of how the effects became known and the route of exposure, if explained in the allegation.
- c. The results of any self initiated investigation with respect to an allegation. EPA does not require such investigation under the section 8(c) rule.)
- d. Copies of any further required records relating to the allegation (e.g., records required under OSHA).

Each person who is required to keep records under this part must submit copies of those records to EPA as required by the Administrator or appropriate designee. EPA will notify those responsible for reporting by letter or will announce any such requirements by notice in the Federal Register.

(ii) Respondent Activities

Respondents must do two things: (1) maintain records of allegations of significant adverse reactions, and (2) submit copies of these allegation records when required by EPA. Entities subject to the rule must record significant reactions alleged to have been caused by substances or mixtures that they manufacture, import, or process. These firms must establish a recordkeeping system for such allegations and monitor incoming complaints to determine if they meet the criteria for filing. Allegations that are filed must be retained for 30 years if they are employee related and for 5 years for all other types/sources of allegations.

Firms subject to the rule must keep their TSCA section 8(c) records at company headquarters or at a site central to their chemical operations. A multi-site company will usually require the responsible official at the individual plant site to forward potentially recordable TSCA section 8(c) allegations to a designated TSCA coordinator at their operations headquarters. Depending on the size of the company, such allegations will be reviewed by a committee to determine if the allegations relate to the company's product, operations, or discharges. If so, the effects cited in the allegation are compared against the rule's definition and examples of "significant adverse reaction." If the allegation meets this test, it is recorded. The actual allegation record is to be comprised of an abstract of the allegation along with a record of any company-initiated investigation and other pertinent documents. The rule does not require further investigation. EPA requires that allegations be filed so that they may be readily retrievable by the alleged "cause" of the reaction. EPA does not, however, require a specific form under this rule.

Firms subject to this rule must maintain an awareness of their reporting requirements. A reporting requirement will take the form of a letter directed to selected respondents or it will be a notice in the Federal Register. Respondents are responsible for monitoring the Federal Register for such notices. Whenever feasible, EPA will also notify those companies that can be identified with the production, importation or processing of a substance or mixture in question. Respondents then must determine if they manufacture or process the chemical substance or mixture. If so, they must conduct a search of their TSCA section 8(c) files to determine if there are any relevant records of significant adverse reactions alleged to have been caused by the substance or mixture. If such records are present, they must make a photocopy of those records and mail it with a cover letter to EPA. The company should note that they have submitted such records to EPA so that future duplicative reporting will not occur.

5 THE INFORMATION COLLECTED - AGENCY ACTIVITIES, COLLECTION METHODOLOGY, AND INFORMATION MANAGEMENT

5(a) Agency Activities

OPPT is the primary user of the information gathered under the authority of this rule. In addition, information may be gathered for other EPA program offices/regions, and other Federal or state health or environmental agencies.

EPA personnel involved in monitoring recordkeeping, initiating reporting requests, and reviewing responses will be staff of the Chemical Information and Testing Branch (CITB) of the Chemical Control Division (CCD), the Director of CCD and the Director of the Office of Pollution Prevention and Toxics (OPPT). (For more information about the Chemical Testing Program, go to: <http://www.epa.gov/oppt/chemtest/index.html>.)

As OPPT receives submissions, they will be logged in and reviewed for confidentiality considerations. Copies of submissions will be made available to offices within OPPT that are assessing the substances of concern. Non-confidential versions of the submissions will be placed in a public docket and will be available for review by other government agencies and the public.

5(b) Collection Methodology and Management

EPA has not identified a more efficient, less expensive or more flexible means of obtaining the

required data. At present there is no new technology applicable to the collection of this information that would minimize the collection burden.

Any reporting requirements will have a minimum reporting schedule of forty-five days as outlined in the regulation. Neither the rule nor EPA requires the use of any particular methodology or technology for the retention or transmittal of TSCA section 8(c) records.

To aid persons subject to this information collection, OPPT has set up a TSCA Hotline that provides information regarding TSCA section 8(c) reporting as well as other regulatory information. When Hotline staff members are unable to answer questions regarding TSCA section 8(c), the questions are referred to OPPT/CCD staff for appropriate resolution.

5(c) Small Entity Flexibility

Unlike section 8(a) of TSCA, Congress did not include a specific exemption of small businesses in TSCA section 8(c). This rule does not exempt small manufacturers (including importers) or processors of chemicals from its provisions. This is due to EPA's belief that workers, plant neighbors and consumers may be adversely affected by products, emissions, etc., produced or created by firms of all sizes.

However, the TSCA section 8(c) rule was written to concentrate the recordkeeping and reporting burdens on those firms generally associated with the mainstream chemical industry. EPA specifically eliminated most distributors and effectively limits the number of processors subject to the rule. By doing so, EPA has eliminated a large number of small businesses from the purview of the rule without compromising its objectives.

5(d) Collection Schedule

If EPA publishes in the Federal Register a reporting requirement relating to a chemical substance or mixture, or requests such reporting by letter, then manufacturers (including importers) and processors of such substance or mixture must submit a copy of relevant allegation records in their files. TSCA section 8(c) reporting requirements will be developed on an as-needed basis and could initially require only the submission of an abstract of the allegation record, which is generally one page in length, not the full allegation file.

6 ESTIMATING THE BURDEN AND COST OF THE COLLECTION

This section presents the estimates of the industry burden hours and costs associated with TSCA section 8(c) activities. The specific action required to comply with a TSCA section 8(c) reporting are assumed to include review of the Federal Register for notices regarding specific chemicals, recording pertinent information on allegations and storing such records, and reporting allegations to EPA when required.

6(a) Estimating Respondent Burden and Cost

The steps required to estimate burden associated with the activities of (1) maintaining records of significant adverse effects, and (2) submitting copies of allegation records when required by EPA,

include estimating the number of affected firms and employees, the number of allegations, and number of reports requested by EPA. Unit estimates of burden for the various activities are also required. These unit estimates are then coupled with the number of allegations, reports, and Federal Register notice reviews to develop total burden estimates for the industry reporting community.

Estimates of costs require estimation of wage rates for personnel who are expected to participate in TSCA section 8(c) activities. These, coupled with the burden hours associated with the various tasks, provide the bases for industry cost estimates.

Estimate of the Number of Firms

As in the previous TSCA section 8(c) ICR burden analysis, EPA utilizes Census' *County Business Patterns* database to determine numbers of firms/plants and their employment. The analysis entails computing the average number of employees per firm.¹

The first step is to gather information on the number of firms and employees from the Bureau of the Census's *County Business Patterns* for NAICS code 325 (Chemical and Allied Products) and NAICS code 32411 (Petroleum Refining and Related Industries). EPA chose those NAICS codes to define the firms that manufacture (including import) and process chemical substances. The most recent dataset available is from 2008.

The number of employees per firms is calculated using employment figures from *County Business Patterns* for those firms that fall under NAICS 325 or NAICS 32411. Data from *County Business Patterns* show that compared to the previous ICR renewal, the number of firms has increased while the number of employees per firm decreased slightly, resulting in about a 2% decrease in average number of employees per firm. Current estimates using 2008 Census data are provided in Table 1.

Table 1. Numbers of Firms and Employees for NAICS 325 and 32411, for 2008

Number of Firms*	Total Number of Employees*	Average Number of Employees per Firm
13,951	876,091	63
* Excludes most government employees, railroad employees, and self-employed persons.		
Source: US Census Bureau. <i>2008 County Business Patterns</i> . Release Date: 8/17/2010.		

Estimate of the Number of Allegations of Significant Adverse Health Reactions

The total number of allegations is based upon the average number of employees per firm and the number of firms, multiplied by a standard annual allegation rate per firm.

The Agency received numerous public comments following the issuance of the initial TSCA section 8(c) proposal, including many comments about the Agency's estimate of the number of allegations. In response to these comments, EPA contacted a number of firms to develop a consensus estimate. According to the 1983 ICR, the consensus opinion of the firms contacted is that recordable

¹ EPA has used this methodology from 2006 forward because the data source is publically available, making the analysis more transparent. In the program's initial ICR burden analysis, EPA used Dun's Market Identifiers (DMI) from a Dun and Bradstreet database (see U.S. EPA, "Comparison of Data Sources for Characterizing Manufacturers and Processors," Draft Report, Prepared by Centaur Associates, Inc under EPA contract No. 68-02-3980, Washington, DC; November 6, 1986).

TSCA section 8(c) allegations are likely to be made by 0.5 percent of the employees at an average firm. Additionally, and per the 1983 ICR, EPA assumes that the rate of allegations made by the general public would be about one-third the employee allegation rate. Based on the average number of employees per firm, the estimated annual number of allegations per firm is presented below in Table 2. The total number of allegations is calculated by multiplying the total number of firms (13,951) by the average annual number of allegations per firm (.42), for a total of 5,841 allegations per year.

Table 2. Estimated Total Number of Allegations per Year for 2012-2015

Firms	Avg. Number of Employees	Average Annual # of Allegations per Firm			Total Allegations
		Employee	Public	Total	
13,951	63	0.31	0.10	0.42	5,859

Estimate of the Number of Reports Requested by EPA

EPA's long-term experience shows that only a very limited amount of reporting has been required under TSCA section 8(c); this is not expected to change during the period covered by this ICR. To date, only two reporting notices have been issued under TSCA section 8(c)² and these two notices covered two chemicals and two chemical categories. A total of 31 reports^{3,4} have been received under TSCA section 8(c), an average of approximately 16 reports per notice. This represents an average of only about 1.1 reports per year since the rule was promulgated in 1983.⁵

Estimated Wage Rates

Loaded wage rates for technical, managerial, and clerical personnel are derived using a standard methodology for the TSCA-regulated community. Wage rate data are obtained from the regularly updated Bureau of Labor Statistics (BLS) *Employer Costs for Employee Compensation Supplementary Tables*.

Wages and fringe benefits for managerial, professional/technical, and clerical labor are taken from the BLS *Employer Costs for Employee Compensation (ECEC)* data for March 2011, for manufacturing industries.⁶ The cost of fringe benefits (paid leave, insurance and other items) specific to each labor category is taken from the same BLS series.

An additional loading factor of 17 percent is applied to wages to account for overhead. This approach is consistent with OPPT practice, as established in economic analyses for two major rulemakings.⁷ See Table 3 below for calculation details.

² U.S.EPA. "Chemical on Reporting Rules Database (CORR)," CCD and CSB, June 1990; and U.S.EPA. "Chemical on Reporting Rules Database (CORR): Update," CCD and CSB; October 31, 1992.

³ U.S.EPA. [Untitled Computer Printout], IMD; June 3, 1992.

⁴ Sherlock, Scott, Information Management Division. Phone conversation with Wendy Hoffman based upon "TSCA Reports to Congress for EPA Fiscal Years 1992-93;" August 1994.

⁵ In comparison to the estimate of over 5800 allegations, it appears that the allegations rate used to estimate total allegations in Table 2 is overstated. However, given potentials for higher counts of allegations, EPA retains the existing methodology, which provides for a large contingency in additional burden. Moreover, the total burden for this information collection is relatively small despite the use of an overstated estimate for total allegations.

⁶ *Employer Costs for Employee Compensation Supplementary Tables: December 2006-March 2011*, US Bureau of Labor Statistics, June 8, 2011 (pp 17,18,20) (<http://www.bls.gov/ncs/ect/sp/ecsuhst.pdf>, accessed July 13, 2011).

⁷ For methodology, see: Wage Rates for Economic Analyses of the Toxics Release Inventory Program

Table 3: Loaded Industry Wage Rates (March, 2011)

EPAB Labor Category	Data Sources ^d	Date	Wage	Fringe Benefit	Fringes as % wage	Over-head % wage ^b	Fringe + overhead factor ^c	Loaded Wages ^a
			(A)	(B)	(C) =(B)/(A)	(D)	(E) =(C)+ (D)+1	(F) =(A)*(E)
Managerial	BLS ECEC, Private Manufacturing industries, "Mgt, Business, and Financial"	Mar-11	\$43.11	\$20.51	47.58%	17%	1.65	\$70.95
Professional/ Technical	BLS ECEC, Private Manufacturing industries, "Professional and related"	Mar-11	\$37.31	\$16.77	44.95%	17%	1.62	\$60.42
Clerical	BLS ECEC, Private Manufacturing industries, "Office and Administrative Support"	Mar-11	\$17.61	\$10.85	61.61%	17%	1.79	\$31.45

Notes:

^a Wage data are rounded to the closest dollar figure in this table; however, in calculations using these numbers for this report, unrounded values were used.

^b An overhead rate of 17% was used based on assumptions in *Wage Rates for Economic Analyses of the Toxics Release Inventory Program* (Rice, 2002), and the *Revised Economic Analysis for the Amended Inventory Update Rule: Final Report* (EPAB, 2002).

^c An inflation factor of "1" means wage data were not escalated to reflect inflation.

^d Source: *Employer Costs for Employee Compensation Supplementary Tables: December 2006-March 2011*, US Bureau of Labor Statistics, June 8, 2011 (pp 17,18,20) (<http://www.bls.gov/ncs/ect/sp/ecsuphst.pdf>, accessed July 13, 2011).

Unit Burden Hours and Costs

Unit costs for each of the burdens associated with the TSCA section 8(c) requirements are calculated in this section and summarized in Table 4 using the wage rates referred to above.

i. Unit Recordkeeping Burden and Cost

Based on the original TSCA section 8(c) analysis, EPA estimates that a firm's TSCA section 8(c) coordinator will spend 2 to 3 hours to determine the status of an allegation.⁸ For the purposes of this analysis, it is assumed that 3 hours are needed. This level of effort will occur for all allegations received. If the allegation is found to be recordable, the coordinator completes a form, has it typed, and checks it for accuracy. This requires 0.5 hours of clerical time and an additional 0.5 hours of managerial time. Assuming that all allegations are recordable, a total of 4 hours are expended per allegation (3.5 hours managerial plus 0.5 hours clerical). Storage costs for the allegations are believed to be negligible. The unit cost per allegation is \$264.05.

(U.S.EPA/OEI/EAD/ASB, June 10, 2002) and the Revised Economic Analysis for the Amended Inventory Update Rule: Final Report (U.S. EPA/OPPT/EETD/EPAB, August 2002).

⁸ U.S.EPA. "Economic Analysis of TSCA Section 8(c) Significant Adverse Reaction Recordkeeping Rule, OTS/ETD/RIB." January 1983.

ii. Unit Reporting Burden and Cost

Based on the original TSCA section 8(c) analysis, EPA estimates that a management level company official will spend one hour reviewing the Federal Register notice or letter from EPA to determine whether the company manufactures (including imports) or processes substances subject to the reporting requirement.

Technical personnel would then spend an estimated two hours conducting a search of the company's TSCA section 8(c) files for any relevant allegation records. Once the file search is complete, EPA estimates that a managerial employee would spend two hours preparing a transmittal letter and other explanatory material to accompany the allegation records. An upper-level management official would spend an additional two hours reviewing these materials. One hour of clerical labor would be required to prepare and mail the response. A total of eight hours is expended per report (five managerial hours, two technical hours and one clerical hour). The unit cost for reporting, per report, is \$507.04.

iii. Unit Federal Register Notice Review Burden and Cost

Based on the original TSCA section 8(c) analysis, EPA estimates that 0.25 hour of managerial labor would be required to review each Federal Register notice (see Table 4). The unit cost for Federal Register notice review is \$17.74.

Table 4. Unit Respondent Burden and Cost Estimates

Activity	Clerical Hours	Technical Hours	Manager Hours	Total Hours	Total Cost
Recordkeeping, per allegation	0.5	0	3.5	4	\$264.05
Reporting, per report	1	2	5	8	\$507.04
<u>Federal Register</u> notice review, per notice	0	0	0.25	0.25	\$17.74

Total Industry Burden and Cost

Estimates for Burden and Cost are summarized in Table 5 by activity, and are thereafter presented in more detail.

Table 5. Summary of Total Industry Burden and Cost

Activity	Unit Burden, Hours	Unit Cost	Applicable # and Unit	# Firms	Burden, Hours	Cost
Recordkeeping, per allegation	4	\$264.05	5,859 Allegations per year	N/A	23,436	\$1,547,069
Reporting, per report	8	\$507.04	1 Reports per year	N/A	8	\$507
<u>Federal Register</u> Notice review, per Notice	0.25	\$17.74	1 Notices per year per firm	13,951	3,488	\$247,491
Total Burden/Cost					26,932	1,795,067

i Total Recordkeeping Burden and Cost

The unit burden for recordkeeping is multiplied by the total number of allegations. Total annual recordkeeping burden is 23,436 hours. The unit cost for recordkeeping of \$264.05 is multiplied by the average annual number of allegations per firm. This figure is then multiplied by the number of firms. Total annual recordkeeping cost is \$1,547,069.

ii. Total Reporting Burden and Cost

EPA assumes that 1 TSCA section 8(c) report will be submitted annually, in response to the publication of a single, assumed TSCA section 8(c) notice per year based on the 31 reports received in response to the 2 TSCA section 8(c) notices published in the 27-year history of the rule. The estimated annual reporting burden hour is 1 report x 8 hours per report (from Unit Reporting Burden and Costs), or 8 hours. The cost of submitting these reports is determined by multiplying the annual number of reports by the unit reporting cost of \$507.04. The estimated annual reporting cost is \$507.04.

iii. Total Federal Register Notice Review Burden and Cost

Historically, the Agency has published an average of only 0.08 notices each year since 1983, as EPA has published only two notices to date. In light of that history, EPA conservatively assumes that it will publish a single, TSCA section 8(c) notice each year. Given this assumption, an estimated unit burden of 0.25 hours per notice, and an estimated 13,951 firms that will read the Federal Register notice to determine compliance obligations, the estimated annual industry burden is 3,488 hours. The estimated annual cost to industry of reviewing the Federal Register notices is estimated using the unit cost for Federal Register review at \$17.74 and multiplying by 13,951 firms reading 1 notice per year to obtain \$247,491.

iv. Total Industry Burden and Costs

The total economic burden on the regulated community imposed by TSCA section 8(c) is the sum of the three components identified above (recordkeeping, reporting, and Federal Register notice review) and estimated at 26,932 hours annually with an associated annual cost of \$1,795,067. These costs, shown in Table 6, would be incurred in each of the three years covered by this ICR.

Table 6. Total Industry Burden and Cost

Collection Activity	Number of Respondents	Total Annual Burden, Hours	Total Annual Cost
Recordkeeping	5,859	23,436	\$1,547,069
Reporting	1	8	\$507
<u>Federal Register</u> Review	13,951	3,488	\$247,491
Total/Overall	13,951	26,932	\$1,795,067

6(c) Estimating Agency Burden and Cost

The total annual cost to EPA for TSCA section 8(c) for each of the three years covered by this ICR is estimated to be \$58,889. This figure is based on activities identified in the 1986 and 1989 ICRs. Costs are estimated based on wages and salaries in 2011 GS-schedule.

Annual costs to EPA associated with the recordkeeping portion of the rule include general administration of the rule, education and outreach activities, and compliance monitoring. Costs associated with reporting involve preparation of reporting notices, Federal Register printing costs, document control, and document review. Annual costs to EPA are derived based on an analysis of the cost of performing these various activities. The various factors that contribute to EPA costs include:

- Each year, general administration of the rule involves approximately one-tenth of a staff specialist's time plus approximately one week's time each for two management personnel at the branch, division and OPPT Office Director's level.
- Education and outreach activities will include ongoing rule support by the Environmental Assistance Division (EAD) in OPPT.
- Compliance monitoring costs primarily involve the costs of the TSCA section 8(c) portion of inspection carried out by regional personnel and other administrative costs for headquarters personnel to target and review results of such inspections.
- To date, a total of only 31 reports have been received. Based on historical data, over the life of the rule an average of only 0.08 notices have been issued per year and an average of only 1.3 reports received. EPA expects that reporting activity under TSCA section 8(c) will remain at low levels during the period covered by this ICR renewal (i.e., 1 assumed report submitted per year). EPA costs associated with reporting have been adjusted to reflect this large decrease in the level of expected activity. Labor involved in developing the reporting notices will require decision meetings and either the development of letters, separate Federal Register notices, or the insertion of boilerplate segments in other rule preambles.
- Time will be required to process submissions based upon reporting requirements and to review them for confidentiality considerations.
- The Federal Register notices will be reviewed by the office directly requesting the information as well as by the Chemical Information and Testing Branch (CITB) of the Chemical Control Division (CCD).

Table 7. Annual Burden and Cost to the Federal Government

Activity	Hourly Wage	Burden Hours	Annual Cost
Administrative maintenance	\$68.49/\$95.20 ⁽¹⁾	288	\$21,862
Education/Outreach	\$57.59 ⁽²⁾	240	\$13,822
Compliance monitoring	\$57.59 ⁽²⁾	400	\$23,036
Develop reporting notices	\$57.59 ⁽²⁾	1.1	\$63
Document control functions	\$57.59 ⁽²⁾	0.75	\$43
Notice review, referral and data entry	\$57.59 ⁽²⁾	1.1	\$63
Totals		931	\$58889

(1) This activity is estimated to require 208 hours at the GS-13 level and 80 hours at the GS-15 level. The 2011 base wage for a GS-13, Step 1 is \$89,033, plus 60 percent overhead and benefits of \$53,420, for a total of \$142,453. Dividing this by the

2,080 hours in a work year yields an hourly wage rate of \$68.49. The base wage for a GS-15, Step 1 is \$123,758, plus overhead and benefits of \$74,255, for a total of \$198,013. Dividing this by the 2,080 hours in a work year yields an hourly wage rate of \$95.20.

(2) The estimated total cost to the EPA of a full time employee (FTE) at a GS 12, Step 1 level for 2011 is \$119,795. This includes a base wage of \$74,872, and 60 percent for overhead and benefits, or \$44,923. Dividing this by the 2,080 hours in a work year yields an hourly wage rate of \$57.59.

6(e) Reasons for Change in Burden

There is an increase of 3,396 hours (from 23,536 hours to 26,932 hours) in the total estimated respondent burden compared with that identified in the ICR currently approved by OMB. This increase reflects EPA's estimate of a greater number of potential respondents affected by the reporting requirement. The total estimated respondent burden has increased slightly (0.5%) as a reflection of the higher number of firms at 13,951 compared to 13,521 in the ICR most recently approved by OMB. As shown in Table 5, nearly 87% of the burden hours are attributed to recordkeeping for allegations. The number of allegations follows directly from the number of firms, in accord with the allegation rate of .42 allegations per firm (see Table 2 for details on allegations rate). These changes are adjustments.

6(f) Burden Statement

The annual public burden for this collection of information, which is approved under OMB Control No. 2070-0017, is estimated to range between approximately 1 minute and 8 hours per response, depending upon the type(s) of activity that a respondent must complete. Burden is defined in 5 CFR 1320.3(b). An agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a current and valid OMB control number. The OMB control numbers for EPA's regulations in title 40 of the CFR, after appearing in the Federal Register, are listed in 40 CFR part 9 and included on the related collection instrument or form, if applicable.

The Agency has established a public docket for this ICR under Docket ID No. EPA-HQ-OPPT-2011-0699, which is available for online viewing at www.regulations.gov, or in person viewing at the Pollution Prevention and Toxics Docket in the EPA Docket Center (EPA/DC). The EPA/DC Public Reading Room is located in the EPA West Building, Room 3334, 1301 Constitution Ave., NW., Washington, DC. The EPA/DC Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the EPA/DC Public Reading Room is (202) 566-1744, and the telephone number for the Pollution Prevention and Toxics Docket is (202) 566-0280.

You may submit comments regarding the Agency's need for this information, the accuracy of the provided burden estimates and any suggested methods for minimizing respondent burden, including the use of automated collection techniques. Submit your comments, referencing Docket ID No. EPA-HQ-OPPT-2011-0699 and OMB Control No. 2070-0017, to (1) EPA online using www.regulations.gov (our preferred method), or by mail to: Document Control Office (DCO), Office of Pollution Prevention and Toxics (OPPT), Environmental Protection Agency, Mail Code: 7407T, 1200 Pennsylvania Ave., NW, Washington, D.C. 20460, and (2) OMB by mail to: Office of Information and Regulatory Affairs, Office of Management and Budget (OMB), Attention: Desk Officer for EPA, 725 17th Street, NW, Washington, DC 20503.