**Attachment 1**

**American Chemistry Council**
**Principles on Fees for the Administration of TSCA**

**Threshold Principle:** ACC supports reasonable fees for implementation of TSCA where the industry *receives a direct benefit*, as provided in the Frank R. Lautenberg Chemical Safety for the 21st Century Act (LCSA). Fees should be based on a clear and transparent understanding of what administrative costs, and in what amounts, EPA is seeking to defray with fees.

**Principles:**

1. The user fee system should be as simple as possible. The following concepts should be specifically included:
    a. Fees should be proportional and equitable within the chemical industry value chain.
    b. Increases in PMN fees, if warranted, should reflect a proportional increase for all submitters (small and larger submitters, for example).
    c. The fee program should include an appropriate small business exemption/waiver.
    d. EPA should provide appropriate guidance on fee reductions and refunds.
    e. EPA must be transparent about the level of effort it expects to make in providing services, and about the Agency's costs associated with providing those services.

2. Fees should be fair and equitable and *for a specific service*. Therefore, fees should:
    a. Reflect the level of effort required by EPA (e.g., lower fees for reviews or decisions requiring less effort).
    b. Be charged and collected for PMN/SNUN review, for prioritization decisions requested by manufacturers, and for risk evaluations.
    c. Be assessed on a per chemical basis (e.g., a single fee that can be paid by a single entity or consortia).
    d. Be administered in a clear, transparent manner.
    e. Be implemented to impose a minimal burden on the regulated community.
    f. Be reviewed on a periodic basis, as provided in LCSA.
    g. Consider the impact on innovation and competition.
    h. Avoid the creation of disincentives for the submission of information.

3. Under LCSA, fees must be used to defray EPA costs in administering the program (including the cost of CBI reviews), and will be paid to a new TSCA Service Fee Fund established under LCSA. As provided in LCSA, fees should result in an overall increase in funding for EPA and not be offset with a decrease in appropriations. Appropriations for EPA should be maintained at levels as provided in LCSA.

4. Fees should not be charged for the submission of data required under section 4 of TSCA.
    a. Data generated under section 4 is developed at the expense of the manufacturer/processers. Charging fees for the submission of section 4 information effectively charges the manufacturer/processor a second time.
    b. The review of data required to be submitted under section 4 for the purposes of sections 5 or 6 may require the assessment of a fee under those sections (where EPA is providing a service).

5. In setting fees for Pre-Manufacture Notifications (PMN)/Significant New Use Notices (SNUN) EPA should:

a. Establish fees for SNUN submissions at a lower level than for PMNs, as hazard has already been assessed.
b. Calculate fees on the basis of the level of effort required by EPA to provide the service.
c. Avoid creating a disincentive, through the fee system, to claim the benefits of PMN exemptions. EPA should consider charging no fees for exemption notices.
d. Provide credit for specific reviews conducted prior to PMN/SNUNs (e.g., sustainable future reviews).

6. In establishing fees for actions under section 6(b), EPA should:
   a. Consider the need for fees for the review of new information (not previously reviewed) submitted to EPA in consideration of proposed prioritization decisions
   b. Establish standardized fees for risk evaluations of high priority substances.
   c. Allow consortia the freedom and flexibility to allocate fees to participants as they determine appropriate.
   d. Assess fees at specific stages in the process, and create an incentive for EPA to complete work by the statutory deadlines.
   e. Provide a transparent basis for the assessment of fees for manufacturer-requested evaluations (for which manufacturers would be responsible for 100% of the costs of evaluation, or 50% in the case of Work Plan chemicals).
   f. Consider the special circumstance of fee-sharing responsibilities for new entrants into a market after a risk evaluation is completed.

7. EPA should endeavor to make all necessary decisions under a predictable and timely evaluation process that meets all deadlines imposed under LCSA.