

November 13, 2006

U.S. Occupational Safety & Health Administration
Docket Office
Room N2625
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

**RE: OCCUPATIONAL SAFETY & HEALTH ADMINISTRATION
DOCKET NO. H-022K**

The National Association of Chemical Distributors (NACD) is pleased to provide the following input regarding the Advance Notice of Proposed Rulemaking by the U.S. Occupational Safety and Health Administration (OSHA) on aspects of the Globally Harmonized System (GHS) of Classification and Labeling of Chemicals.

NACD represents more than 250 chemical distribution companies in the United States and Canada, which operate approximately 1,400 facilities and employ over 21,000 people. These companies represent between 80% to 90% of the chemical distribution facilities in the nation and more than 90% of the industry's gross revenue. NACD member companies have established themselves as leaders in health, safety, security, and environmental performance through implementation of the Responsible Distribution ProcessSM (RDP), established in 1991 as a condition of membership in NACD. RDP is a third-party verified management practice. Among the Guiding Principles of RDP, by which each NACD member pledges to manage their businesses, is a commitment to operate their facilities in a manner that protects the health and safety of their employees, the public, and the environment. Additionally, each member pledges to work with customers, in accordance with manufacturer recommendations, on product stewardship including handling, use, transportation, and disposal of chemicals.

The membership includes small businesses as well as regional and national companies. Handling, storing, repackaging, and transporting hazardous substances is an integral part of the chemical distribution business. In 2005, NACD members made 6.5 million chemical distribution shipments, were responsible for 46 billion pounds of delivered product, and drove 172 million miles while distributing chemicals. Most NACD members deal in domestic trade within the U.S. However, some members are involved in various import and export trade.

According to OSHA's annual data on workplace injuries and illnesses, chemical distribution is one of the safest industries in wholesale trade. Additionally, similar data annually collected by NACD show positive results in our members' health and safety performance. NACD publicly reports its membership's aggregate data at www.ResponsibleDistribution.com.

As our comments state, we have concerns about the cost and benefits of GHS. Members have reported to us in the past their concerns with manufacturers' Material Safety Data Sheets



(MSDSs), specifically the inconsistency from one to another among suppliers of the same chemical. However, members are also concerned about potential consequences of GHS, particularly the high cost in re-designing labels and in re-training employees, especially given the fact that most members will never ship chemical products overseas.

**COMMENTS BY THE
NATIONAL ASSOCIATION OF CHEMICAL DISTRIBUTORS
REGARDING THE U.S. OCCUPATIONAL SAFETY & HEALTH
ADMINISTRATION'S ADVANCE NOTICE OF PROPOSED RULEMAKING SEEKING
PUBLIC INPUT ON THE GLOBALLY HARMONIZED SYSTEM (GHS) OF
CLASSIFICATION AND LABELING OF CHEMICALS
[Docket No. H—022K]**

The following input was developed with and is based on information from NACD members. Our members, not NACD, have the technical expertise and first-hand experience in these issues.

1. NACD's 250 member companies distribute thousands of different hazardous substances, including chemical mixtures, mostly to domestic end-use customers. Some members do, however, export chemicals to other countries.
2. Reviewing and preparing labels are job functions that are handled by NACD's members in a variety of ways. Many members designate an employee(s) to handle these functions, such as a technical or safety director who have science or other technical trade backgrounds. Others rely on others outside of the facility to provide labels for their packages, such as a private business specializing in chemical labeling or a manufacturer or supplier of the chemical(s) being distributed.

Most members receive Material Safety Data Sheets (MSDSs) from their supplier and rely on them to provide the necessary and required safety information.

3. Revision of an MSDS has been estimated to require about 100 hours. OSHA should also consider the time it takes to train employees after a revision is made to either a label or MSDS.
4. The cost for preparing a GHS SDS would be more than for preparing an MSDS. An estimate of cost for converting an existing MSDS to the GHS format would be about 150 hours. Work hours would depend on the time allowed for the conversion process. Shorter allowed times would result in higher costs.
5. Some members use computer software to assist with the assurance of proper labeling. We do not have a precise cost or time estimate in the event that this process would require revisions. However, our members report that it will be both costly and time-consuming.

6. This number will vary by member according to many factors. One member reported that newly-hired employees receive at least an hour of Hazard Communication training; annual refresher courses are approximately 20 to 60 minutes per employee. This does not include the time a company's trainer(s) spend providing the training to employees. This should also be considered.
7. Members report that there will not be a noticeable impact.
8. NACD strongly recommends a phase-in approach. If the phase-in is done by size of business, there will be an extended period of time when there are multiple systems in operations. As long as that does not present a problem in commerce, then phasing in would be acceptable. Larger companies may have more resources to apply to the conversion than a small business. They may be able to accomplish the conversion faster and with less disruption to the business. The impact will be influenced by the number of SDSs to be converted. Because many chemical distributors stored many different chemicals at any given time in their inventories, a phase-in process should be considered for small businesses and especially those that store numerous different chemicals that would be covered under the GHS.
9. At least one member reports that safety data sheets are updated about every three years; labels are reviewed and revised about every one to two years.
10. We do not know whether stockpiles of labeled product exist generally among members. Stocks of labels and safety data sheets do exist at some member facilities, however.
11. No suggestions at this time.
12. No suggestions at this time.
13. Other listings, such as NIOSH, may differ from the OSHA listing and should be considered if there is a significant health and safety impact to affected parties. The information provided should be sufficient for the affected parties to take the proper steps and make the proper decisions in how to safely work with a chemical. There should not be conflicting information that would cause confusion or uncertainty in the workplace.
14. No suggestions at this time.
15. It seems clear to us that there has to be consistency, not only among OSHA regulations but between them and other standards, such as NFPA standards.
16. No suggestions at this time.
17. At least one member suggests the continued use of the OSHA website to explain the changes to regulations. Outreach to regulated entities is strongly encouraged, such as having local OSHA offices conduct free training courses in areas with OSHA field offices. Members report that this type of outreach was done when the Hazard

Communication standard was instituted and was extremely helpful in dispelling myths, getting facts out about regulatory requirements, and providing industry with the correct information in an efficient manner. Another suggestion is to provide regulated entities with DVDs or model templates to allow companies to develop MSDSs. For employee training, OSHA should provide hard copy, explanatory pamphlets. In summary, electronic tools are preferred for training and preparing MSDSs, paper publications are preferred for employee training as handouts.

18. For the outreach, instruction in labels and MSDSs are of particular interest. More information on how GHS impacts the distribution of mixtures is also of great interest.
19. OSHA should announce the availability of the materials through established information releases. OSHA should distribute them via the web or mailings.
20. No suggestions at this time.

Thank you for the opportunity to comment. If you have any questions, or require any additional information, please do not hesitate to contact me at 703/527-6223.

Respectfully submitted,

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