

November 1, 2011

Mr. Don Fox
Acting Director and General Counsel
Office of Government Ethics
1201 New York Avenue, NW
Suite 500
Washington, DC 20005-3917

RE: RIN 3209-AA04
[Proposed Amendments Limiting Gifts from Registered Lobbyists and Lobbying Organizations]

Dear Mr. Fox:

My association, the National Association of Chemical Distributors (NACD), opposes the proposed extension of the federal ethics rules to prohibit federal employees from attending paid events hosted by some organizations that employ lobbyists. The proposed change would exempt charitable, media, and professional organizations, but specifically includes trade associations. The reason given by the Administration is that while trade associations hold some educational events, their primary purpose is promoting an industry; a claim that is demonstrably false.

This narrow reading of trade association activities ignores the important role these organizations play in virtually every industry that the government seeks to regulate. Companies join trade associations to promote common interests, share best practices and learn about the latest developments in their industry. While many trade associations engage in advocacy, they also help resolve industry-wide issues that could otherwise threaten economic growth, and set safety and technical standards that benefit everyone in exactly the same way as professional associations, scientific organizations and learned societies.

A considerable intersection exists between government and trade associations' interests. Today's mixed economy – where government and business both play important roles with regard to production, consumption, job creation, and investment – requires mutual understanding and a free exchange of ideas, knowledge and expertise to ensure informed policymaking and economic progress.

NACD holds numerous events that are beneficial to federal employees not because we use the contacts for a lobbying advantage, but because the information exchanged there provides a valuable public benefit and creates a working public-private partnership. For example, NACD hosts a trade show annually called OPSEM. At that event, we often host federal agencies to both speak and exhibit, which allows invaluable interaction between chemical distributors and federal regulators. At NACD, one of our primary goals is to support our members' environmental, health, safety and security performance. By eliminating this dialog, this proposed change threatens the outstanding results hundreds of chemical distributors have delivered.

On behalf of NACD's 400 member companies and affiliates, I urge OGE to revise its proposed exception for gifts to allow federal employees to attend substantive educational programs and events held by trade associations, for the same reasons that this exception has been extended to the other types of organizations listed in the proposed rule.

Thank you in advance for your consideration and if you have any questions, please feel free to contact me for more information at (703)527-6223 or cjahn@nacd.com.

Sincerely,

A handwritten signature in black ink that reads "Christopher L. Jahn". The signature is written in a cursive, flowing style.

Christopher L. Jahn
President