Arnold&Porter

California and Federal Legal EHS Drivers

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Agenda



I. Chemicals & Constituents

- Asbestos
- Mercury
- PFAS
- Crystalline Silica



II. Modernizing Workplaces

- Robotics and Al
- Temporary Worker Safety Initiative



Occupational Safety and Health Administration

U.S. Department of Labor



III. Political Changes

- Public Disclosures
- OSHA Enforcement
- Private Cal/OSHA Lawsuits in California

Introduction and Themes



Federal Rollbacks

- EPA and Chemical Regulations
- Federal OSHA and Public Disclosures



State Action and Deviation

- State Legislation on PFAS Exposure
- Private Cal/OSHA Actions in California



Federal Progress

- Crystalline Silica OSHA Regulations
- Center for Occupational Robotics Research



I. Chemicals & Constituents

Asbestos Regulation: Context

- Banned in more than 60 countries worldwide, including the U.K., every member of the EU, and Australia
- Use of asbestos is regulated in the United States
 - "Asbestos Ban and Phaseout Rule of 1989" struck down as unconstitutional in Corrosion Proof Fittings, et al. v. EPA and Reilly, 947 F.2d 1201 (5th Cir. 1991)
- Still used in variety of products (brake pads, automobile clutches, corrugated sheeting, firefighters' clothing)
- Raw crystalline asbestos imported by chlorine manufacturers

Proposed Significant New Use Rule (SNUR) for Asbestos

- Gives EPA authority under TSCA to approve "significant new uses" of certain products containing asbestos
- Companies must notify EPA at least 90 days before they begin manufacturing or processing these asbestos-containing products

- Adhesives, sealants, and roof and non-roof coatings
- Arc chutes
- · Beater-add gaskets
- · Extruded sealant tape and other tape
- · Filler for acetylene cylinders
- High-grade electrical paper
- Millboard
- Missile liner
- · Pipeline wrap
- Reinforced plastics
- Roofing felt
- Separators in fuel cells and batteries
- Vinyl-asbestos floor tile
- And any other building material (other than cement).

Arguments For and Against Proposed New Significant Rule

EPA	OPPONENTS
Listed products/uses not specified in current asbestos regulations	Many listed products/uses have fallen out of favor anyway
Manufacturers of these products were not required to notify EPA	Reassessing these products/uses could bring them back to use
Will give EPA better picture of asbestos use in US	Review process does not consider historic asbestos use data
Will give EPA authority to prohibit or limit harmful exposures	Review does not consider all asbestos fibers
Is necessary step to potential full ban of asbestos one day	Will ultimately lead EPA to classify asbestos as less of a threat

Proposed SNUR for Asbestos: Regulatory Timeline

- June 1, 2018 SNUR Proposed
- August 10, 2018 Public Comment Period Ended
- January 2019 EPA Plans to Finalize SNUR



Mercury and Air Toxics Standard (MATS)

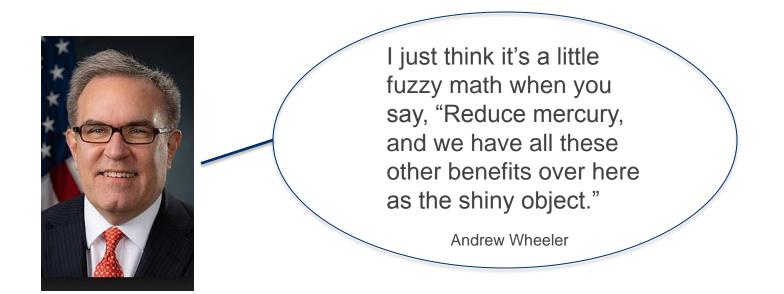
- October 2018: EPA announced it is considering recalculating Obama EPA's economic analysis supporting MATS
- MATS: Obama EPA Clean Air Act regulation that set limits on air pollutants including mercury, arsenic, and metals
- Affected 550 power plants, primarily in middle part of U.S.



- Clean Air Act: EPA must take any appropriate and necessary actions to regulate hazardous air pollution
 - Appropriate and necessary includes weighing the benefits of a proposed regulation against the costs
- Obama EPA Analysis "Benefits" of a regulation can include "co-benefits" – accompanying benefits that stem from a regulation and are not direct results of regulating the target chemical.

Benefits	Costs
\$6 million : health benefits of lower mercury reductions	\$9.6 billion – industry costs for complying with MATS standards
\$37-90 billion : benefits of reduced soot and nitrous oxide reductions from pollution control equipment	
Total - \$37.06-\$90.06 billion	Total - \$9.6 billion

- Trump EPA's Recalcuated Position:
 - EPA cost-benefit analyses should focus on the specific impact of a rule (here, mercury)
 - EPA should not consider accompanying benefits that stem from installing new pollution controls on equipment



 New cost-benefit calculation analysis could redefine how the Clean Air Act is implemented and lead to additional regulations being rolled back

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Per- and Polyfluoroakyl Substances (PFAS)

- Family of about 3,500 chemical compounds (including PFOA/PFAS)
- Classified as Group 2A: Probably Carcinogenic to Humans by IARC
- Used to make non-stick paper products (i.e., microwave popcorn bags)
- Also used as fire retardant and firefighting foam
- Used in chrome plating, electronics manufacturing, and oil recovery
- Highly soluble and cannot be removed by standard wastewater methods



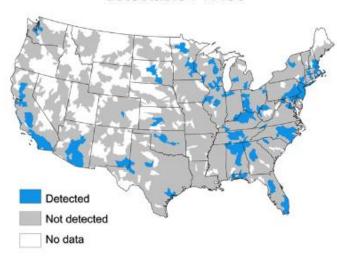


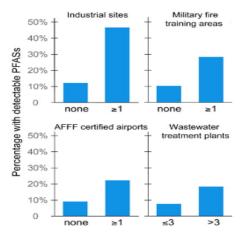
2016 Harvard Study on PFAS Contamination*

- Unsafe levels of PFAS found in 33 states' drinking water
- 13 states contained 75% of hydrological units with PFAS detections
- Includes hydrological units in both Los Angeles and Bay Area
- Detections most commonly found at industrial sites, military fire training areas, and AFFF certified airports

*Hu, Xindi, et al., "Detection of Poly- and Perfluoroalkyl Substances (PFAS) in U.S. Drinking Water Linked to Industrial Sites, Military Fire Training Areas, and Wastewater Treatment Plants." *Environ. Sci. Technol. Lett.*, 2016 3 (10), pp 344-350.

Hydrological units with detectable PFASs





Federal Regulation

- <u>EPA</u> –nonenforceable healthy advisory in 2016 for PFOA and PFOS levels at a combined 70 parts per trillion (ppt)
- May 2018 EPA announces that PFOA and PFOS may eventually be classified as hazardous substances for waste site cleanups
- June 2018 Department of Health & Human Services releases study concluding "minimal risk level" for combined PFOA and PFOS should be 7-10 times lower than EPA advised level
- September 2018 EPA official tells congressional panel EPA will decide by the end of 2018 whether to initiate multiyear process to develop MCLs for PFOA and PFAS

- Some states are taking action given perceived slow progress of federal government
- 6 states have advisory drinking water limits for PFOA and/or PFAS (3 are stricter than EPA's level)
- New Jersey has set an enforceable standard for PFNA and proposed standards for PFOA and PFOS



- PFNA Standard 13 ppt
- Proposed PFOS 13 ppt
- Proposed PFOA 14 ppt



- PFOS Advisory 13 ppt
- PFOA Advisory 14 ppt



- PFOS Advisory 27 ppt
- PFOA Advisory 35 ppt

State of Washington Legislation on PFAS

- Begun rulemaking process to set drinking water standard
- 2018 First state in the country to pass legislation outlawing certain products with PFAS

Washington Revised Code Section 70.75A

- Bans the use of PFAS-containing firefighting foam for training
- Requires manufacturers of firefighting PPE containing PFAS to disclose presence of chemical
- Will ban manufacture, distribution, and sale of firefighting foam containing PFAS (July 2020)

Washington Revised Code Section 70.95G

- Bans use of PFAS in paper food packaging (i.e., popcorn bags, french fry boxes) effective January 1, 2022
- Ban is conditioned on State Department of ecology finding a safer alternative to PFAS for food packaging

Crystalline Silica

- <u>Crystalline Silica</u> basic component of soil, granite, and other minerals; quartz is the most common form
 - Can be inhaled when workers chip, cut, drill, or grind objects
 - Roughly 2 million American workers are exposed
 - Recognized as a threat to human health since the 1930s
 - Most common health effect is silicosis
 - Recognized as a cause of long cancer

1996: "If It's Silica, It's Not Just Dust" Campaign to eliminate overexposure

Non-Malignant	Malignant
Alveolar Proteinosis (Acute Silicosis)	Lung Cancer
Parenchymal Fibrosis (Silicosis)	
Tuberculosis	
Connective Tissue Disease	
Chronic Renal Failure	
COPD	

Crystalline Silica

- June 2016: OSHA enacted regulations to prevent overexposure to crystalline silica
 - Former Labor Secretary Tom Perez, "I'm sorry it took so long."
- OSHA: enacted two separate standards
 - Construction (effective October 23, 2017)
 - General Industry and Maritime (effective June 23, 2018)
- Common elements between standards
 - Exposure limit of 50 micrograms per cubic meter of air (ug/m3) per 8 hours
 - Requirement that employers provide respirators to workers with especially high exposure to silica dust
 - Requirement that employers offer confidential medical exams to workers exposed for more than 30 days per year to exposures above 25 ug/m3 per 8 hours



II. Modernizing Workplaces

Robotics and Al

- Not only are robots becoming more common in the workplace, but also the roles of robots are changing
- Likelihood that OSHA will implement robotic-specific workplace regulations in the future
 - No current regulations specifically covering use of robots in the workplace
 - 1987: published "Guidelines for Robotics Safety"



Robotics and Al

Center for Occupational Robotics Research (CORR)

- October 2017 OSHA, NIOSH, and the Robotics Industries Association signed an alliance agreement to create CORR
- Goals
 - Work together to enhance OSHA and NIOSH's technical expertise
 - Improve awareness of workplace hazards with robots
 - Identify areas of needed research to reduce hazards



Robotics and Al

Center for Occupational Robotics Research

- Research Plan: research traditional industrial robots and emerging robotic technology (i.e., drones and AI)
 - May 2018: Requested public comment for research prioritization suggestions; received 2 comments
- Identified at least 61 robot-related workplace deaths between 1992 and 2015



Dawn Castillo, Director, NIOSH Division of Safety Research

"We suspect fatalities will increase over time because of the growing number of industrial robots being used by companies in the U.S."

Robotics and OSHA Violations

OSHA can issue citations relating to robotics incidents under its existing regulatory framework

Case Study: July 2016

- Temporary assembly line worker entered a robotic station after an assembly line had stopped to clear a sensor fault
- The worker was crushed when the machine abruptly restarted and killed
- OSHA: issued 23 violations to the host employer and fined staffing agency. Violations included:
 - Failing to use energy-control procedures to prevent machine restart
 - Failing to provide safety locks to isolate hazardous energy
 - Exposing employees to crushing and amputation hazards

Temporary Worker Safety

OSHA Temporary Worker Initiative (TWI)

- Temporary workers are becoming more common in workplaces across the country
- OSHA launched TWI in June 2014 in response to concerns that temporary workers were not afforded the same protections as permanent employees
- Has released 9 advisory bulletins, including 2 in 2018

TWI BULLETIN NO. 9



Temporary Worker Initiative

Temporary Worker Safety

Temporary Worker Initiative Highlights

- Both the host employer and staffing agency are responsible for maintaining safe work environments for temporary workers
- Host employers are generally in a better position to understand hazards on their own worksite.
- Host employers remain liable for the following, regardless of contractual agreements with staffing agencies, including:
 - Ensuring workers have adequate PPE
 - Ensuring workers receive adequate, site-specific training
- As workplaces become more modern, it is critical to ensure that temporary workers are properly trained and protected



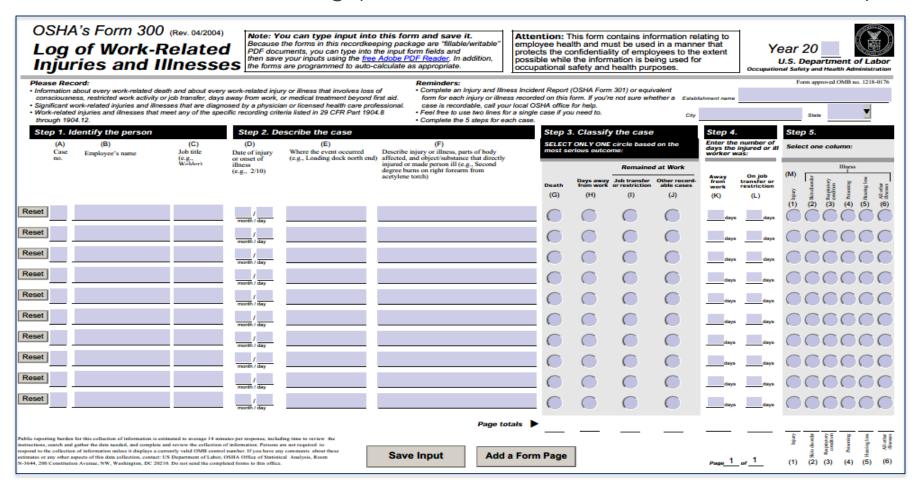
III. Political Change

Federal OSHA Summary

Changes to Public Disclosure Practices Reduced Enforcement Reduced Advisory **Panel Roles**

- July 2018: OSHA announced a proposed rule that would eliminate the requirement that employers with 250 or more employees electronically file OSHA Forms 300 and 301, and that these forms be made public
 - OSHA Form 300 Log of Work-Related Injuries and Illnesses
 - OSHA Form 301 Injury and Illness Incident Report
- Under proposed rule, all employers with 20 or more employees in designated industries would only be required to e-file their Form 300A general summary of workplace illnesses and injuries
- OSHA: Proposed rule will help protect worker privacy

OSHA Form 300 Log (E-Filed and Public Under Current Rule)



OSHA Form 300A (Only Public Filing Under Proposed Rule)

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Comparison of Publicly Available Information

Current Rule	(OSHA	Form	300	Log)
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For each reported injury or illness:

- Date of Injury or Illness
- Location of the Injury on the Jobsite
- Description of the injury or illness
- Classification of the Case
 - Death
 - Requiring Days Away From Work
 - Requiring Job Transfer/Restriction
- Number of Days Away From Work
- Classification of the Event as an Injury or as Specific Type of Illness
- *Worker Name is Redacted*

Proposed Rule (OSHA Form 300A)

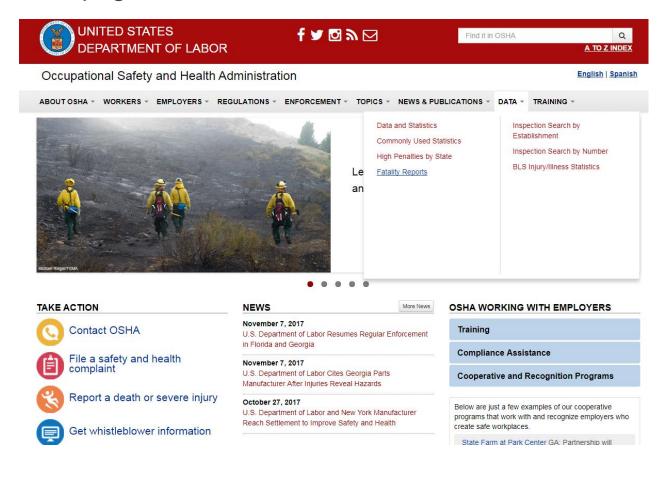
Total number of:

- Cases
 - Deaths
 - Requiring Days Away From Work
 - Requiring Job Transfer/Restriction
- Number of Days
 - Away From Work
 - Requiring Job Transfer/Restriction
- Injury and Illness Types
 - Total Number of Injuries and Specific Injury Classes

 Under the Obama Administration, worker fatalities were displayed prominently on the OSHA homepage



 In August 2017, OSHA removed information about worker fatalities from its homepage.



- Worker fatalities that do not result in a company citation are no longer included in OSHA's fatality list.
- Going forward, OSHA's fatality list will only include fatalities recorded in the states and territories that OSHA regulates directly.
 - Fatalities reported in the 26 states that administer their own OSHA programs will not be included in the fatality list.

Federal OSHA: Reduced Enforcement

Reduction in EPA Enforcement Units

- To encourage "quality over quantity" with inspections, EPA has used a weighted enforcement unit point system to measure enforcement actions
- Enforcement units dropped from 2016 to 2017 and during the first five months of fiscal year 2018

2016	2017	Oct 2016 – Feb 2017	Oct 2017 – Feb 2018
42,900	41,829	15,806	14,643

Federal OSHA: Reduced Advisory Panel Roles

- OSHA sponsors 5 advisory committees that advise on workplace safety and health issues and whistleblower protection
 - Advisory Committee on Construction Safety and Health
 - National Advisory Committee on Occupational Safety and Health
 - Federal Advisory Council on Occupational Safety and Health
 - Maritime Advisory Committee for Occupational Safety and Health
 - Whistleblower Advisory Committee
- <u>September 2017</u>: President Trump issues executive order continuing certain advisory committees
 - Did not continue any of OSHA's committees
 - Committees have not met since the executive order was signed

California & Private Cal/OSHA Lawsuits

Solus Industrial Innovations, LLC v. Superior Court*

- Held that private parties can sue employers for Cal/OSHA violations
- Background
 - Explosion at Solus left two employees dead
 - DOSH issues five citations to Solus for alleged violations of Cal/OSHA regulations, and Solus appeals
 - Orange County District Attorney files lawsuit against Solus for alleged violations of CA Unfair Competition Law and Fair Advertising Law
 - Premise By maintaining an unsafe work environment, Solus engaged in unlawful business practices and falsely represented commitment to workplace safety

*4 Cal. 5th 316 (2018)

Solus v. Superior Court

- <u>Court of Appeal</u> overruled trial court's denial of Solus' demurrer and held that Federal OSHA preempted UCL and FAL claims arising from Cal/OSHA violations
- <u>Cal. Supreme Court</u> unanimously reversed the decision
 - Federal OSHA identifies specific enforcement actions (such as workers' comp.) that are not preempted by OSHA
 - However, Federal OSHA <u>does not identify specific encorment</u> actions that are preempted by OSHA
 - By allowing states to provide broader protections than the federal government, Federal OSHA anticipates that states may use enforcement actions other than administrative litigation to further their aim
 - Civil litigation is not foreclosed by the statutory scheme, and its use does not conflict with Federal OSHA's objectives

Themes



Federal Rollbacks

- EPA and Chemical Regulation (Asbestos, Mercury)
- Federal OSHA and Public Disclosures



State Action and Deviation

- State Legislation on PFAS Exposure
- Private Cal/OSHA Actions in California



Federal Progress

- Crystalline Silica OSHA Regulations
- Center for Occupational Robotics Research

Questions?