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Global and Local Use of Hazardous Materials and Waste Taxes and Fees

Hazardous Materials

To most layman hazardous materials conjure up images of chemicals that can kill with a single drop (in fact this doomsday view was used to great advantage by Secretary of State Collin Powell in his presentation to the United Nations in the lead up to the Iraqi War¹). They are seen as connected directly to



warfare or sabotage. The reality is that many of the industrial processes that make the modern materials, which make life comfortable (in the short term at least) use hazardous materials as important components in their manufacturing and then produce hazardous waste as a by-product.² The reality is that pesticides, fertilizers, refrigerants, even something as ubiquitous as crude oil, in the wrong place or quantities, are considered hazardous materials.

This has to do with its toxicity, the ability of the substance to cause harm. Water in high enough quantities is toxic to individuals (you would have to ingest gallons for this to be true). On the other end of the spectrum are substances like dimethyl mercury, which has literally killed people with drops-worth of exposure.³ Thankfully the majority of hazardous materials fall somewhere between these two extremes. What this means in practical terms is that the job of protecting not only individuals but the environment from this sort of danger is extremely complicated and not without controversy.

Although different nations have different definitions of what a hazardous material is, most use simple list of chemicals that come under regulation and/or taxation. In this country the responsibility for monitoring and mitigating the danger of these materials/waste falls upon three different organizations.

¹ http://www.washingtonpost.com/wp-srv/nation/transcripts/powelltext_020503.html

² <http://www.ktca.org/newtons/13/hazmat.html>

³ <http://www.denison.edu/collaborations/naosmm/topics/dartmouth.html>

EPA



The first is the EPA, whose organization and responsibilities are listed under Code of Federal Regulations, specifically 40CFR.⁴ Section 261.3 of 40CFR defines hazardous waste and the agency's responsibilities towards these substances. Although the mission of the EPA is "to protect human health and the environment"⁵ their focus and main activity is remediation. Although they do have regulatory authority on producers of hazardous materials and waste, the fees and fines they impose are used mainly to fund clean up activities. The most well known program administered by the EPA is the "Superfund". Created in 1980:

The Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) was passed by Congress in 1980 to provide funding to clean up these facilities and waste sites. As part of the act, a trust fund of \$1.6 billion was authorized over five years. Since then, Congress has twice re-authorized CERCLA, increasing funding from \$1.6 billion to \$13.6 billion. These funds are to be used to help clean up abandoned and closed hazardous waste sites that are placed by the EPA on a national priority list if they meet certain conditions under a hazard ranking system. About 70 percent—more than \$20.6 billion—of total cleanup costs, however, have come from the responsible parties.⁶

This trust is what is commonly referred to as the Superfund.⁷ The reality is that it is not super at all, either in scope or in size. Rather than reauthorizing a variety of "polluter pays" fees on the purchase of chemicals and petroleum on large chemical companies to help fund the program congress allowed this source of funding to lapse.⁸ As of this year the program can only follow through on no more than 20% of their obligations with the shortfall eating away at the trust. In fact, a recent Inspector general report "found that 78 Superfund sites that had requested funding in FY 2002 received either no or partial funding".⁹

In fact a scarier statistic is the makeup and distribution of these superfund sites. "Industrial solvents are present at 87 percent of Superfund sites; inorganic compounds, including lead, at 87 percent; and pesticides, at 50 percent. All told, 1 in 4 people in the U.S.—including 10 million children -- live within four miles of a

⁴ http://www.access.gpo.gov/nara/cfr/waisidx_01/40cfr261_01.html

⁵ <http://www.epa.gov/epahome/aboutepa.htm>

⁶ http://www.texassep.org/html/wst/wst_5iab.html

⁷ <http://www.epa.gov/superfund/action/law/cercla.htm>

⁸ http://www.texassep.org/html/wst/wst_5iab.html

⁹ http://www.texassep.org/html/wst/wst_5iab.html