

US company penalised \$500k for TSCA formaldehyde emissions violations

EPA takes first enforcement action on composite wood products regulations

28 August 2019 / Built environment, Enforcement, TSCA, United States

The US EPA has reached a settlement agreement penalising a company more than half a million dollars for violations of its TSCA formaldehyde standards for composite wood products.

The enforcement action – the first the agency has taken for its formaldehyde emissions regulations – comes with respect to a New Jersey company that imported cabinets that do not comply with the agency's standards.



Adopted in **December 2016**¹ and effective 1 June 2018, the EPA's formaldehyde rules set limits on how much of the substance can be released from composite products and requires third-party certification demonstrating compliance. Formaldehyde is found in the resins used in the manufacture of composite materials and exposure to it can lead to irritation of the skin, eyes, nose or throat or, at high levels, certain types of cancer.

According to the settlement, Global Sourcing Solutions, a division of Turner Logistics LLC – a construction products procurement company – allegedly violated these requirements when it imported finished cabinets with components fabricated in compliance with EU standards that failed to meet US requirements.

The company has agreed to "take corrective actions to come into compliance" and will pay a civil penalty of \$544,064.

Violation

The EPA's regulations have required, since 1 June 2018, that regulated composite wood products, or finished goods containing them, be certified as compliant with either TSCA Title VI or with the California Air Resources Board (CARB) emissions standards.

That phase-in process, however, ended on 22 March of this year. From that point, products have had to be labelled as TSCA compliant and a TSCA section 13 import certification has been required for products being brought into the country.

According to the settlement agreement, Global Sourcing Solutions contracted a Turkish company in 2018 to fabricate a variety of cabinets in compliance with EU standards, including for formaldehyde content.

But on 29 March this year, it received a request from its import broker to complete a TSCA section 13 import certification with respect to a shipment of finished goods delivered to a South Carolina port.

The company "immediately investigated the reason for the import certification requirement and discovered the existence of Part 770 [the TSCA formaldehyde regulations] and its applicability to the finished goods".

It reportedly informed the EPA of its potential non-compliance within the next week, and "promptly quarantined" finished goods that had already been moved to a job site. It also directed its import broker to arrange for proper storage of other containers that had already arrived or that were in transit.

In total, the EPA alleges the company violated TSCA with respect to eight separate entries, comprising 42 violations of the law. These include failures to maintain appropriate records and labels, and a failure to comply with import certification requirements.

Settlement

The EPA says that it took into account the voluntary nature of the disclosure when it determined the penalty.

The agreement also sets out a 'corrective action plan'. This details which panels in the finished cabinets are non-compliant and sets out procedures and documentation processes for replacing those parts with TSCA Title VI compliant materials.

In a statement shared with Chemical Watch, Global Sourcing Solutions said: "without admitting liability, [it] voluntarily self-reported an issue to EPA related to cabinets that were built to European Union standards and then imported into the United States".

The company added that it has "developed and implemented a solution to address the issue" and has modified its standard operating procedures to put in place additional measures with its supply chain partners to ensure ongoing compliance with all US regulations.

Last week, the EPA **finalised**² technical amendments to its formaldehyde regulations in an effort to better align them with CARB's programme.



Kelly Franklin³
North America editor

Related Articles

[EPA sets compliance dates for formaldehyde emissions rule](#)⁴

[US EPA finalises amendments on formaldehyde emissions from composite wood](#)⁵

Further Information:

[Settlement agreement](#)⁶

[EPA press release](#)⁷

[Resources for formaldehyde rule](#)⁸

[December 2016 final rule](#)⁹

[EU standards](#)¹⁰

<https://chemicalwatch.com/51614/epa-sets-compliance-dates-for-formaldehyde-emissions-rule>

<https://chemicalwatch.com/81201/us-epa-finalises-amendments-on-formaldehyde-emissions-from-composite-wood>

<https://chemicalwatch.com/search/?author=Kelly%20Franklin>

<https://chemicalwatch.com/51614/epa-sets-compliance-dates-for-formaldehyde-emissions-rule>

<https://chemicalwatch.com/81201/us-epa-finalises-amendments-on-formaldehyde-emissions-from-composite-wood>

[https://yosemite.epa.gov/oa/EAB_Web_Docket.nsf/RecentAdditionsv2/35EF5959F6E2771685258457006C2202/\\$File/Final%20Order%20and%20Attach](https://yosemite.epa.gov/oa/EAB_Web_Docket.nsf/RecentAdditionsv2/35EF5959F6E2771685258457006C2202/$File/Final%20Order%20and%20Attach)

<https://www.epa.gov/newsreleases/epa-addresses-violations-requirements-formaldehyde-emissions-imported-composite-wood>

<https://www.epa.gov/formaldehyde/resources-and-guidance-materials-translations-formaldehyde-emission-standards-composite>

<https://www.regulations.gov/document?D=EPA-HQ-OPPT-2016-0461-0001>

<https://apawood-europe.org/official-guidelines/european-standards/individual-standards/en-13986/>

© CW Research Ltd. You may circulate web links to our articles, but you may not copy our articles in whole or in part without permission

CORRECTIONS: We strive for accuracy, but with deadline pressure, mistakes can happen. If you spot something, we want to know, please email us at: reportanerror@chemicalwatch.com

We also welcome YOUR NEWS: Send announcements to news@chemicalwatch.com



A newer version of Chemical Watch is now available ...

The new Chemical Watch service features our awarded-winning news and intelligence via a new cutting-edge platform, alongside a range of other features to help you unlock the value of compliance. Find out more today.

[Find out more](#) [Login](#)
[Close x](#)