

## Environmental Protection Agency

## § 791.37

of any party does not exceed \$5,000, exclusive of interest and hearing costs, and may be applied in other cases if the parties agree.

(a) *Application of rules.* The expedited hearings will be conducted according to the same procedures as the regular ones, except for those specifically changed by the expedited rules in this section, § 791.31.

(b) *Notice by telephone.* The parties shall accept all notices from the American Arbitration Association by telephone. Such notices by the American Arbitration Association shall subsequently be confirmed in writing to the parties. Notwithstanding the failure to confirm in writing any notice or objection hereunder, the proceeding shall nonetheless be valid if notice or obligation has, in fact, been given by telephone.

(c) *Appointment and qualifications of hearing officers.* The American Arbitration Association shall submit simultaneously to each party to the dispute an identical list of five persons from which one hearing officer shall be appointed. Each party shall have the right to strike two names from the list on a peremptory basis. The list is returnable to the American Arbitration Association within 10 days from the date of mailing. If for any reasons the appointment cannot be made from the list, the American Arbitration Association shall have the authority to make the appointment without the submission of additional lists. Such appointment shall be subject to disqualification for the reasons specified in § 791.29(f). The parties shall be given notice by telephone by the American Arbitration Association of the appointment of the hearing officer. The parties shall notify the American Arbitration Association, by telephone, within 7 days of any objections to the hearing officer(s) appointed. Any objection by a party to such hearing officer shall be confirmed in writing to the American Arbitration Association with a copy to the other parties.

(d) *Time and place of hearing.* The hearing officer shall fix the date, time and place of the hearing. The American Arbitration Association will notify the parties by telephone, 7 days in advance of the hearing date. Formal notice of

hearing will be sent by the American Arbitration Association to the parties.

(e) *The hearing.* Generally, the hearing shall be completed within 1 day. The hearing officer, for good cause shown, may schedule an additional hearing to be held within 5 days.

(f) *Time of award.* Unless otherwise agreed to by the parties, the Award shall be rendered not later than 15 business days from the date of the closing of the hearing.

### § 791.34 Serving of notice.

(a) Each party shall be deemed to have consented that any papers, notices or process necessary or proper for the initiation or continuation of a hearing under these rules and for any appeal to EPA or any court action in connection therewith may be served upon such party by mail addressed to such party or its attorney at its last known address or by personal service, within or without the state wherein the arbitration is to be held (whether such party be within or without the United States of America), provided that reasonable opportunity to be heard with regard thereto has been granted such party.

(b) The American Arbitration Association shall, upon the written request of a party, furnish to such party, at its expense, certified facsimiles of any papers in the American Arbitration Association's possession that may be required in appeal to EPA or judicial proceedings relating to the hearing.

### § 791.37 The award.

(a) *Time of award.* The award shall be made promptly by the hearing officer and, unless otherwise agreed by the parties, no later than 30 days from the date of closing the hearings, or if oral hearings have been waived, from the date of transmitting the final statements and proofs to the hearing officer.

(b) *Form of award.* The award shall be in writing and shall be signed either by the sole hearing officer or by at least a majority if there is more than one. It shall contain a concise statement of its basis and rationale, and a timetable for payment of any ordered reimbursement.

(c) *Delivery of award to parties.* Parties shall accept as legal delivery of

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the award the delivery of the award or a true copy thereof by certified mail to the party at its last known address or to its attorney, or by personal service.

**§ 791.39 Fees and expenses.**

(a) *Administrative fees.* (1) As a not-for-profit organization, the American Arbitration Association shall prescribe an Administrative Fee Schedule and a Refund Schedule to compensate it for the cost of providing administrative services. The schedule in effect at the time of filing or the time of refund shall be applicable.

(2) The administrative fees shall be advanced by the initiating party or parties, subject to final apportionment by the hearing officer in the award. The administrative fee is increased by 10 percent of the original for each additional party.

(3) Fees and expenses in excess of the limit contained in section 26(b) of TSCA (\$2,500 per person, or \$100 per small business) will be paid by EPA.

(b) *Expenses.* Subject to paragraph (a)(3) of this section, all expenses of the hearing, including the cost of recording (though not transcribing) the hearing and required traveling and other expenses of the hearing officer and of American Arbitration Association representatives, and the expenses of any witness or the cost of any proofs produced at the direct request of the hearing officer, shall be borne equally by the parties, unless they agree otherwise, or unless the hearing officer, in the award, assesses such expenses or any part thereof against any specified party or parties.

(c) *Hearing officer's fee.* Hearing officers will normally serve without a fee. In prolonged or special cases the American Arbitration Association in consultation with the Administrator may determine that payment of a fee by the parties is appropriate and may establish a reasonable amount, taking into account the extent of service by the hearing officer and other relevant circumstances of the case. Any arrangements for compensation shall be made through the American Arbitration Association and not directly between the parties and the hearing officer.

**Subpart C—Basis for Proposed Order**

**§ 791.40 Basis for the proposed order.**

(a) The hearing officer shall propose a fair and equitable amount of reimbursement. The formula in paragraph (b) of this section shall be presumed to be fair and equitable as applied to all persons subject to a test rule. However, the hearing officer has the discretion to modify the formula, or to use some other basis for allocation if necessary. Additional factors that may be taken into account include, but are not limited to, relative amounts of exposure attributable to each person and the effect of the reimbursement share on competitive position.

(b) In general, each person's share of the test cost shall be in proportion to its share of the total production volume of the test chemical:

$$R_x = C \frac{V_x}{V_t}$$

Where:

R=the reimbursement share owed by company X.

C=the total cost of the testing required by the test rule.

V<sub>x</sub>=the volume of the test chemical produced or imported by company X over the period defined by § 791.48.

V<sub>t</sub>=the total volume of the test chemical produced or imported over the period defined by § 791.48.

(c) The burden of proposing modifications to the formula shall lie with the party requesting the modification.

**§ 791.45 Processors.**

(a) Generally, processors will be deemed to have fulfilled their testing and reimbursement responsibilities indirectly, through higher prices passed on by those directly responsible, the manufacturers. There are three circumstances in which processors will have a responsibility to provide reimbursement directly to those paying for the testing:

(1) When a test rule or subsequent FEDERAL REGISTER notice pertaining to a test rule expressly obligates processors as well as manufacturers to assume direct testing and data reimbursement responsibilities.