

ASBESTOS CONTAMINATION IN LIBBY, MONTANA

FIELD HEARING

BEFORE THE

**COMMITTEE ON
ENVIRONMENT AND PUBLIC WORKS
UNITED STATES SENATE**

ONE HUNDRED SIXTH CONGRESS

SECOND SESSION

ON

**FEDERAL, STATE, AND LOCAL RESPONSE TO PUBLIC HEALTH AND EN-
VIRONMENTAL CONDITIONS FROM ASBESTOS CONTAMINATION IN
LIBBY, MONTANA**

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FEBRUARY 16, 2000—LIBBY, MONTANA
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C O N T E N T S

Page

MAY 2, 2000—LIBBY, MONTANA

OPENING STATEMENTS

Baucus, Hon. Max, U.S. Senator from the State of Montana	1
Burns, Hon. Conrad, U.S. Senator from the State of Montana	16

WITNESSES

Anderson, Ron, director, Lincoln County Environmental Health Department ..	7
Prepared statement	55
Beasley, Terry, Libby, Montana	50
Berget, Hon. Tony, mayor, City of Libby, Montana	9
Prepared statement	56
Black, Brad, M.D., medical officer, Lincoln County Environmental Health Department	6
Prepared statement	54
Damrow, Todd, Ph.D., M.P.H., State Epidemiologist, Montana Department of Public Health and Human Services	21
Prepared statement	57
Falk, Henry, Assistant Administrator, Agency for Toxic Substances and Dis- ease Registry, Public Health Service, U.S. Department of Health and Human Services	36
Prepared statement	66
Rosco, Jim, Libby, Montana	49
Rumelhart, Paul, Libby, Montana	53
Simonich, Mark, Director, Montana Department of Environmental Quality	23
Prepared statement	58
Stringer, Alan, W.R. Grace	51
Prepared statement	69
Williamson, Lloyd, Libby, Montana	47
Windom, Rita, Lincoln County Commissioner	4
Prepared statement	53
Yellowtail, William, Region VII Administrator, Environmental Protection Agency	32
Prepared statement	63

ASBESTOS CONTAMINATION IN LIBBY, MONTANA

WEDNESDAY, FEBRUARY 16, 2000

U.S. SENATE,
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS,
Libby, Montana.

The committee met, pursuant to notice, at 10:10 a.m. in the Memorial Gym, Libby, Montana, Hon. Max Baucus [ranking minority member of the committee] presiding.

Present: Senator Baucus.

Also present: Senator Burns.

OPENING STATEMENT OF HON. MAX BAUCUS, U.S. SENATOR FROM THE STATE OF MONTANA

Senator BAUCUS. I'd like to welcome everybody to this field hearing of the Senate Environment and Public Works Committee. We are here today to review the government's response to the asbestos contamination here in Libby. I'm very pleased to be joined by my colleague, Senator Burns, who's temporarily detained over in the corner by modern technology. I assume he'll be back during the hearing.

Unfortunately, Congressman Rick Hill and Governor Marc Racicot are unable to be here. They were invited, but they had other business that required their attention. I would like to recognize on behalf of Congressman Rick Hill, Julie Altemus. Julie, where are you? If you have any questions, I want to direct you to Julie.

I'd also like to identify other key people who are here. First, of my staff, Bill Lombardi, who works for me in Helena, and then Barbara Roberts and Tom Sliter who are staff Environment and Public Works Committee. Could you three please make yourselves known? Barbara and Tom Sliter. He's the minority staff director of the Environment and Public Works Committee, and then Bill Lombardi over there in the blue jacket.

Senator Smith is the chairman of the Environment and Public Works Committee. He is represented here by Kirstin Rohrer. This is Kirstin Rohrer who represents Senator Bob Smith from New Hampshire, chairman of this committee. Lori McDonald. Is Lori here? Lori's over there on the side, representing Senator Burns. And in addition, probably the most important people here is Bambi Goodman. Bambi Goodman is over here who is physically typing away making a record of everything that we say.

Also, I'm very happy to see some very familiar faces here: John Konzen, Rita Windom, Brad Black, Ron Anderson, Tony Berget, George Bauer, Mark Simonich, Todd Damrow. A lot of you have worked very hard. Thank you very much for being here, in addition to Bill Yellowtail who's flown in from Denver. He's the head of Region VIII of the Environmental Protection Agency—Public Works Committee, and Dr. Falk, who's come all the way from Atlanta to come here to help solve some of our problems.

We all know that Libby's been in the spotlight lately, which is probably the understatement of the year. But attention from people in a position to help who are committed to taking concrete steps to give some relief to this community is what we're trying to find out and get some help from. That's the kind of attention we are really looking for. This is a rare opportunity, having in one room key representatives from the city, from the county, from the State, from Federal agencies working toward a common goal. And that's why I called this hearing, primarily, just to get everybody together so that we can compare notes, take stock of where we are and to be sure that we're working together and working together for Libby. Because after all, it's Libby's solution, with the aid of outside agencies where appropriate, is going to, I think, reach the kind of result that makes more sense for all of us here.

One of the main goals of this hearing is to help ensure that the citizens here get the assistance that they deserve. Again, some outsiders will know, but we want them to be listening to people here at home so that the right assistance is provided.

The two priorities are to determine if the health of the people of Libby is threatened by continuing exposure to asbestos. Is there any continuing exposure? And if there is, clearly, steps must be taken to eliminate the threat to the maximum amount possible. We must ensure that whatever cleanup is needed is performed quickly so this community can have a clean bill of health. That's paramount.

I know a lot of people here, rightly, are very concerned about the image of the community, of Lincoln County. The clear primary goal of ours is to be sure that that image is a shining one, that people know that Libby has a clean bill of health, as quickly as we possibly can. It's good for jobs, it's good for tourism, it will help real estate values and just help our various economies.

The other, probably, is to support those who suffer from asbestos-related illnesses. That would be including screening, treatment, as well as public education. We'll learn this morning what steps have been taken, what is planned for the future to address these priorities.

I particularly want to learn how work is being coordinated among all the different government agencies. That includes how the agencies are communicating with the citizens; getting input from the community and keeping citizens actively informed as information becomes available. I also hope to hear from the people of Lincoln County, Libby, their perspectives on whether the community's needs are being met by steps that have been taken or being planned.

So far I've heard mostly positive things about the coordination from local, State and Federal personnel. I know it takes work to

keep on track. Everyone has a lot on their minds. More than we can address at a single hearing. But I want to emphasize, just this little anecdotal conversation with people, that the coordination sounds pretty positive. It sounds like things are working real well.

I've heard from many of you about your feelings of helplessness, anger, confusion, guilt, just to name a few. Those are obvious human reactions. The goal here is to soothe all of those, make them go away so that we can feel good and confident about the community. And I believe that with commitment, the commitment of the people here in this room, that's going to happen. Because that is, after all, the purpose of this hearing: to ensure that the people of Libby and the community get the assistance they need to meet their needs.

We have three panels. The first will be basically local officials. The second panel will be representatives of our State, State of Montana, and third, representatives of Federal agencies. I'm going to ask each of the witnesses of each of the panels to speak up to 5 minutes. And that's what these lights up here are all about. When you start, the light's going to be green. When there's about 1 minute left, that is after 4 minutes have transpired, it's going to turn yellow. And then when it's all over, it's red.

Now, I'm going to be flexible but firm about this. So just know that I'm not going to just gavel you down exactly 5 minutes. But on the other hand, please don't abuse the privilege. We have to keep the interest of others, be polite and courteous to others, keep it within our time frame. I'll ask some questions then of the witnesses, and Conrad will also ask some questions too. And that will be the procedure from each of the panels.

However, at the end of each panel, I'm going to ask a general question whether—is there something that should have been said that hasn't been said, or has somebody said something so outrageous that needs to be addressed. That's for each of the panels. Then, finally, after we go each of the three, I'm going to come back to the first one again. Because they will have, at that point, heard from State officials and they will have heard from Federal officials. So that the county folks, the local folks, will have an opportunity then to address what they've heard. We want to make sure that all of you here, you know, get the word out of what you want everybody to hear.

We'll be flexible. If somebody in the audience has something to say, if there's some expert in the audience that has something to say, we want to recognize that person as well.

Before I start, though, just as a symbol of coordination and working together, I'd like to mention the name of Paul Peronard. Where's Paul? I hear Paul's been doing a really good job. And people like their work, Paul, and you're a real good servant to the people of this community. And let's give Paul a big round of applause.

[Applause.]

Senator BAUCUS. He's shaking his head over there.

All right; first panel is Rita Windom and John, the commissioners here in Lincoln County, Brad Black. Ron Anderson is the director of Lincoln County Environmental Health Department; Tony Berget, mayor; and George Bauer, acting president, Libby city

council. I apologize for the small table. We'll just move the microphone around.

Okay, Rita?

**STATEMENT OF RITA WINDOM, LINCOLN COUNTY
COMMISSIONER**

Ms. WINDOM. Thank you, Senator Baucus and Senator Burns.

Senator Baucus, Senator Burns, we would like to thank you so much for taking time out of your busy schedule to hold this formal hearing on the asbestos problem that we are faced with. This is a very important issue to all of us, especially those that have had their health adversely affected by this problem.

Credit needs to be given, and I thank you, Senator Baucus, for doing that, to the EPA and the ATSDR for their quick response for the concerns that have been raised. They have acted in a very open and professional manner, and they have done an excellent job in earning the trust of our local citizens by being openly accessible to address concerns and answer all questions as—and keeping everyone fully informed. The on-site coordinator, Paul Peronard, really does deserve to be personally thanked for managing this team in such a proficient method.

There are several issues that are of current concern to all of us. An immediate concern, of course, is the level of contamination within the Libby area, especially any risk of people's homes. Current testing by the EPA shows that 2 homes out of 32 have asbestos detected. One of those homes has tremolite asbestos which is the kind associated with vermiculite mining.

The EPA testing has also discovered asbestos at the two former vermiculite crossing locations. One is at the old railroad loading of the Kootenai River at the base of the Rainy Creek Road. That property is currently being used as a plant nursery. The other is in Libby at the old export site near the ball fields. Currently, this property is owned by the City of Libby who has leased a portion of the property to a local business. We know, for a fact, that both of those businesses are extremely concerned whether they will be able to continue in business or remain in business during any clean-up efforts.

There are many areas of concern to private citizens where there have been areas of testing, including soil sampling and garden areas, driveways, roads, and outside air quality in Libby and near the mine site. The test results from these locations should be available around the middle of March. With that information in hand, a plan can be determined on how much and where further testing needs to be done.

Another major concern is the health of our residents, especially the former workers and their families. We believe, as a board of commissioners, that it is important to follow through with developing a screening and treatment center right here in Libby to reduce the fears of those who have not had an opportunity to be screened, but more importantly, to lessen the financial and traumatic impact on those that have contracted asbestosis or related diseases. These folks affected may not be financially nor physically able to travel the long distances they now have to travel to seek treatment. But in addition to that, I think it's very important to have local screen-

ing and treatment because it provides the emotional support of family and friends.

The local hospital has submitted a plan that they feel will meet these needs right here in Libby. We, as Lincoln County Board of Commissioners, strongly support the efforts of St. John's Lutheran Hospital to accomplish this. There are still so many unknowns on how many people will need to be screened and treated. Asbestosis may take years to develop to a point where it is detectable. The need to offer this screening and treatment locally will continue for years to come.

We are also concerned about the effects this has already had and we know it will continue to have on our local economy. The Libby area, as well as the rest of Lincoln County, was already faced with economic challenges due to the major downturn in timber sales and other natural resource-based industries these last several years. To survive this additional roadblock will require all of us working together to address and identify the problem collectively, get it cleaned up, and we can do that, and identify ways to recover from the negative and sometimes exaggerated publicity.

Our taxpayers are understandably worried. They know that Lincoln County has been affected by major losses of revenue the past few years. Many of our county services have been reduced or eliminated because of a loss in tax valuation due to the closure of major industry. We are aware there will, undoubtedly, be a demand on many county departments for continuation of some services associated with this very distinct problem. Due to the long latency period associated with asbestos disease onset, the lengthy duration of the illness and the likelihood of additional asbestosis source discovery, citizens will need to rebuild their confidence that the environment in which they live is currently safe, and it will continue to be safe through extended sampling programs. We foresee additional funding requirements for our district court, the Department Of Environmental Health, our county nurse's office, the road department, mental health services, and other areas of support needed by our constituents. As part of the partnership working to solve this problem, it would be beneficial for the Federal Government to help us defray the cost of these additional burdens, rather than to attempt to shoulder all this additional burden by those who are most affected.

Again, we all would like to thank this committee for taking the time to come to Libby, to listen to us, and to address the problems and the uncertainties that are on the minds of all our residents. We appreciate this opportunity; thank you.

Senator BAUCUS. You're very welcome. It was a very good statement; we appreciate that.

I'll turn to John. Do you have a statement, John?

Mr. KONZEN. Same.

Senator BAUCUS. Good; thank you.

Dr. Black?

**STATEMENT OF DR. BRAD BLACK, M.D., MEDICAL OFFICER,
LINCOLN COUNTY ENVIRONMENTAL HEALTH DEPARTMENT**

Dr. BLACK. My name is Brad Black. I hold the position of Lincoln County Health Officer and have lived and practiced medicine in Libby for the past twenty-two years.

As cases of asbestosis surfaced in the area that involved people with nonoccupational—

Senator BAUCUS. Can everybody hear Dr. Black?

You have to speak a little more slowly and right into the microphone.

Dr. BLACK. I'll start over. My name is Brad Black. I hold the position of Lincoln County Health Officer and have lived and practiced medicine in Libby for the past 22 years.

As cases of asbestosis surface in the area with people with non-occupational exposure, our health department began the process of determining where that might have occurred. Communication with Dr. Alan Whitehouse, pulmonary specialist in Spokane, gave indication that at least 23 cases of nonoccupational asbestosis had occurred. When we identified some of these areas and realized they extended into youth recreation and the various areas, there was real concerns over more widespread exposure.

And then in the fall, of course, late November, the EPA arrived and—under the direction of Paul Peronard, and felt like things went very efficiently in the initial assessments, and with EPA toxicologists Chris Weis and Aubrey Miller, took on a very professional—they took on a very professional approach to look at the situation. And their observations supported the concerns of over—possible widespread asbestos exposure.

We, together, discussed the immediate needs to determine, first of all, if there's current risk of asbestos exposure through environmental screening; if there was significant past exposure, which would require medical screening; and then also, the need in our community to develop infrastructure in the medical system that would accommodate people and carry on the ongoing monitoring and care for patients that were affected with significant asbestos exposure.

In discussions with our medical providers in the community, there was consensus that we should take a lead role in providing this medical support and follow-up care. Our medical staff is very interested in one of the more important issues that came to mind was how can we help people too. And we were very interested in some component that might look at potential therapies in this area.

We also discussed that the Lincoln County Health Board this—our desire to take a lead role, and we received their support with us also. And also we discussed this with Dr. Whitehouse as an expert consultant, and he was very supportive of us taking on this plan.

At this stage, our role appeared to be in providing assistance to the EPA and medical screening process and to proceed with securing the elements necessary to provide medical care and follow-up care.

In the first part of this year, the ATSDR was engaged. And under the direction of Jeff Lybarger, physician, we continued to proceed with the development of some infrastructure needs. There

was initially concern locally, that with the EPA and the ATSDR together on the project, there might be a problem concerning the leadership. However, both groups have demonstrated a level of professionalism that has allowed things to move along in a positive direction. They have come to fulfill their role but have been listening and responding to State and local input quite well.

Development of the community advisory group is seen as an essential element. I would strongly recommend an initial phase of development of this interactive process, that the EPA take a more formal role in facilitation. This could help break down community tensions and help create an environment of participancy that is comfortable and respectful of individual rights when discussing differing pinions. Then the group function can mature to a level that allows it to sustain an independent character.

As environmental screening and medical screening are in progress, we feel that it is essential to be developing a system to receive, evaluate, continue monitoring, and provide for all aspects of care for these people with significant asbestos exposure. This would be accomplished with the assistance of expertise offered by Dr. Whitehouse, a pulmonary specialist who is experienced with this clinical course of tremolite exposure. In addition, it is our interest, along with Dr. Whitehouse, to investigate the possibility of finding a therapy for the fibrotic process caused by the asbestos fibers. The ATSDR, represented by Dr. Lybarger, has indicated a support for a research component.

As we receive the aid of the EPA and environmental screening and the ATSDR in developing a local program that would begin by being involved with the medical screening and continue the process and be ready to receive the identified population, I am concerned we are not going to be prepared. St. John's Hospital is in a serious need of operational capital in order to take an active role in hiring a local program coordinator, clerks, interviewers and pursuing education for health providers and respiratory therapists, to mention a few immediate needs. As a health care community, we are ready and waiting to move ahead. With adequate capital and expertise, I'm certain we can construct a quality infrastructure.

There had been indications that there might be monetary aid somewhere in the future, and I'm hopeful that we will see some success in this area.

I think—in closing, I think our role still is to continue to work in a negotiating relationship with W.R. Grace to address the long-term health care needs of persons affected by asbestos-related disease. This would involve regular monitoring and care with appropriate interventions for those who have been impacted by asbestos exposure.

Thank you.

Senator BAUCUS. Thank you very much, Brad.

Ron, are you going to add to the statement?

STATEMENT OF RON ANDERSON, DIRECTOR, LINCOLN COUNTY ENVIRONMENTAL HEALTH DEPARTMENT

Mr. ANDERSON. Senator Baucus, Senator Burns, I wish to express my appreciation for your consideration and efforts in evaluat-

ing the impacts on, and concerns of, this Libby community as we deal with this asbestos issue.

I echo the acknowledgments of others in regard to the Federal and State assistance rendered to date in evaluating conditions and assessing the problem. These efforts will result in public health risk assessments, health screening for asbestos disease presence and clean-up of known asbestos sources. This process will go a long way toward alleviating immediate health concerns and anxieties harbored by the community.

However, asbestos and its impacts presents a long-term issue. Asbestos does not readily deteriorate in the environment, and exposure to its fibers take many years to develop into a debilitating and deadly affliction. It is inconceivable to assume the efforts currently being expended in response to the asbestos conditions in Libby will result in a 100 percent clean-up of all asbestos risk. Long-term planning is proceeding for personal health issues associated with asbestos presence in our community. These include screening, long-term care and research efforts.

In order to rebuild and maintain citizen and visitor confidence in the Libby environment, it will be necessary to maintain an ongoing environmental asbestos monitoring program. This program must address ambient and indoor air quality, drinking water and source sampling of such things as dirt and insulation. As people remodel houses, dig up yards and gardens and transfer real estate, new asbestos sources and concerns are going to be uncovered. People will need to have a local agency to assist them. The Lincoln County Environmental Health Department has experienced staff personnel to deal with air and water monitoring programs regularly. Asbestos training and appropriate monitoring equipment will allow our department to expand this role to provide this service. It is also logical that we assume the role as the educational outlet for asbestos-related topics when the EPA Libby storefront information center is phased out.

The scope of these long-range community needs falls beyond the current EPA and State efforts. These needs will require extended funding, and that leads me to the basis of my request. The citizens of the Libby community need your assistance in providing a means for sustained and assured long-term funding to provide these essential environmental programs. Assurance, and reassurance, that the local environment does not pose a public health risk is critical to the healing and rebuilding process facing the citizens of the Libby community.

I'm appreciative of your efforts and concerns and express my thanks.

Senator BAUCUS. Thank you very much, Mr. Anderson.

Mayor Berget?

Mayor Berget. I basically feel like everything I'm going to say has already been covered, but I'll do it.

Senator BAUCUS. There's a famous Member of Congress named Mo Udall who once said—when he was at the end of the line and everybody had said everything that had to be said, and he said, "Everything's already been said but not everybody has said it."

**STATEMENT OF HON. TONY BERGET, MAYOR, CITY OF LIBBY,
MONTANA**

Mayor Berget. We are experiencing one of the most difficult times in Libby's history. It is diagnosis of hundreds of Libby area residents with asbestosis that is devastating on many levels. I have lived in this community for almost my entire life. It is where I choose to raise my family, not because it is the most economically advantageous place to be to do so, but because this is where my heart is. Libby is a beautiful and a great place for kids. But the reason I choose to live here is because of the people.

It is only recently that I've become aware of just how many families have been affected by this debilitating and deadly disease. I, like many Libby citizens, knew of the court cases but had no idea of the scope of the problem until recently. The more I've talked with victims of this disease during the past few weeks and months, the more I realize how horrifying the diagnosis can be. My heart goes out to everyone affected. It is imperative now that we determine the extent of the problem and assess the steps necessary to remove any residential danger. It is clear that health care facilities need to be expanded and staffs of the testing and health care services can be received in Libby. I am encouraged that W.R. Grace has made a commitment to help St. John's Lutheran Hospital provide these services. It is still unclear how much money will be required to do what is necessary. There may also be environmental clean-up issues that surface as we continue the investigation. This community does not have the resources to face these economic challenges. We will need help.

I am also concerned about the effect the intense media attention will have on the future of Libby. This media coverage, aside from making us more aware of the situation, has only done damage. Not only to the Libby as a community, and yes, to the economic issues we have been striving to turn around, but also, and most severely, to the very individuals who have already suffered the most. The national exposure to the situation means that many more individuals are seeking legal recourse against Grace, including most recently a class action suit. I'm concerned that the lawyers will fair better than the victims of asbestosis. The publicity has already led to the delay of a pending court case. Should the change of venue be granted, the plaintiffs may have to travel to eastern Montana, at their own expense, to have their day in court. Meanwhile, these individuals with asbestosis who are still able to work, or who may need to sell their home, will be subject to the same economic hardship as the rest of the community, as we continue to be labeled "The town left to die."

I'm glad the EPA is here and I'm very impressed with the team. I'm very impressed by their expertise and professionalism. They are very approachable. I am cautiously optimistic about the preliminary findings. I believe there's minimal risk of exposure to the citizens of Libby today. I believe Libby is still a safe community in which to live. This in no way should diminish the fact that many people are suffering from the past exposure. We must continue to work together at local, State and Federal levels to ensure the well-being of Libby's future.

Senator BAUCUS. Thank you very much, Tony. I'd like to ask some questions. I'm encouraging others to chime in, if you have additional points you want to make of particular relevance. I want this to be more in the nature of a discussion than a formal hearing. Conrad's going to chime in too.

Dr. Black, I was struck with your suggestion that EPA take on the more formal role in facilitation. What do you have in mind? Does that mean going beyond the community advisory group?

Dr. BLACK. No. For those of us who went to the first meeting, I think we felt like there was enough tension in the room, varied feelings about this. It was an opportunity for our community to start healing and getting through and understanding each other and hearing about people's past. You know, some of the pain they've gone through, and also for those of us who do not—or those members who don't understand what other people have gone through, it's very important to share those feelings.

Those feelings only come through breaking down of the tensions and starting into conversation. Certainly, at first, it's a bit tenuous because of those feelings and things can be very difficult. It needs a more formal process, I think, from the EPA in terms of coordinating and facilitating the process to where people get to a very comfortable level and respect for each other in that setting so that that group can then take over and become a very—

Senator BAUCUS. How has it been working so far?

Dr. BLACK. It's been moving slow, I think. It's starting to move some. We did go out and obtain a facilitator. But I felt like that could have been handled by the EPA to get us started and maybe the first—maybe until we saw the group maturing to a level as far as being able to interchange and do it in a very—

Senator BAUCUS. But the EPA helped in getting the community actually grouped together; is that correct?

Dr. BLACK. Yes. Excellent idea, there's no question. A very appropriate thing to do. I just felt like it could have gone a little smoother. That was the only criticism. That's not a major criticism.

Senator BAUCUS. So it's a little slow in developing, but do you think that's a good group to kind of sort of be the clearing house for the community?

Dr. BLACK. I think that it's not been defined fully. I have a little different expectation of it. Right now I think it's been a—considered a clearing house for information. I suspect, over time, it could become an area where when it comes to some decisions we make, because of the impacts of the decisions on this—in this process, it affects everybody. And I think the community has to have some sense it's time for the community to work together and actually stand behind something together. And I think it's an opportunity to do that.

Senator BAUCUS. Am I correct in assuming that's a good way for the community to decide among itself what it really wants, or doesn't want, in working with the State and Federal agencies? Others might want to speak to this.

Dr. BLACK. To me it has this potential. I'll turn it over to whoever wants to speak.

Mr. ANDERSON. In the late 1980's we were faced with Clean Air Act violations here and were deemed to be a noncompliant commu-

nity, according to the clean air standards. As part of the process for addressing the problem and coming up with an action plan, we developed a citizens' advisory group that worked very effectively. This group involved all the various interests in the community—wood stove users and those opposed to wood stoves, road districts, etc.—everybody we could think of. That group quickly focused on the issue of developing a plan and control measure that everybody could live with. Through compromise and whatnot, we were able to effectively cure the problem.

Senator BAUCUS. Does this group have the confidence of the community? That's a hard question to answer, but it's only going to work if it has the confidence of the community.

Mayor Berget. I think it does. I mean, the group is made up of quite a few different individuals. I've been really impressed with Wendy as part of that triple-A team we had here in Libby. But I think all of us have our own expectations of what the group is going to do. So I think over time, as Dr. Black said, we will get comfortable together and we will be able to strive.

Senator BAUCUS. Does the community advisory group have a leader?

Mayor Berget. Just our facilitator at this time and Wendy.

Senator BAUCUS. Okay. Rita, do you have a comment?

Ms. WINDOM. Senator Baucus, I have attended both of those meetings. They have been frustrating for everyone in attendance, but I believe that it's our own responsibility. I have noticed that we still represent certain sections of the community in the way we sit at those meetings. The elected officials sit together, the victims sit together, other community members sit together, EPA sits together. And we haven't come to that comfort level that we should have with one another that we mix up and sit in varied seats in the arena and that we are able and comfortable to share the information.

We need strong leadership in that direction. Maybe it needs to come from EPA, maybe it needs to come from the community, but we need the support of EPA in bringing all of these different groups together to have a spokesman in this group and raise our comfort level so that we can actually share our most intimate thoughts on these subjects.

Senator BAUCUS. What facilities and equipment are needed for screening, testing and counseling? Probably we won't know until a little later on, but what are the parameters? What's the minimum, and then what is a reasonable maximum?

Dr. BLACK. We're looking at short-term needs and the long-term needs. Short-term, I think that some of the upgrading of x-ray equipment, the provision of a specific pulmonary function apparatus, which has not been in our community before, is in the process of being worked out also. Those things will be essential in order to fill a role. We're working with the ATSDR and EPA to bring them into the community.

The areas that I think we need immediate help involve the development of the initial infrastructure. Somebody needs to coordinate our program. This is a new program for the hospital and the health care community to take on. It's going to need ongoing, long-term

organization to carry this out. We think a clinical coordinator is a very critical role in this.

Senator BAUCUS. What's it take to get one?

Dr. BLACK. You're asking probably the wrong guy on that.

Senator BAUCUS. Who do we ask?

Dr. BLACK. Well, I think probably hospital administration, Mr. Rick Palagi.

Senator BAUCUS. You work at the hospital. We've got a good sense of what it takes.

Dr. BLACK. You caught me off guard on that one. I'm not the money man.

Senator BAUCUS. I'm just trying to get a sense, John and Rita and everyone. You've thought about this a month or so now. Quantify the amount, in dollar terms maybe, the equipment, the trained personnel, coordinator you're talking about that's going to be necessary here short-term, long-term. We're trying to get a handle on this.

Mr. KONZEN. I think that is what frustrates everybody. We're not experts in this area at all. We are covering new ground. The role each agency plays in the delivering of service to help these folks and to get this community on the path to assistance and recognition of their potential and the therapy that could come on after the end of this process is important, I think. My frustration is in trying to understand what role W.R. Grace plays monetarily, what role EPA plays monetarily and the other organizations. So far, we have heard a lot of talk, and not seen a lot of money. We're looking to fleece America. We're looking to get what this community needs to do the job, and that's what you're trying to do.

I wonder, when W.R. Grace comes to the table with money, if we should take it or not. We have never been through this process. Who is out there to advise people on this kind of issue? There is a concern that we could draw upon advisers to help us better focus on what we need to do. About \$6 million was mentioned a couple times, but I don't think we know where that's going to go. The costs could be far greater than that.

Senator BAUCUS. Now, you're asking a question of some State folks here and some of the Federal people like EPA and ATSDR folks. Do you get a sense that they'll be able to help you answer those questions fairly soon?

Mr. KONZEN. No, I think it's becoming clearer that they are going to be able to do something, but we still haven't seen that commitment on paper.

Dr. BLACK. I think we're talking about an issue that's short and long-term. Clearly, you know, on the short-term, I think we could probably get, you know, some idea on costs from the right people. But on the long-term, until we identify the impacts, we do not know how many people are affected with significant asbestos exposure. Until we identify it, it's very difficult to put together figures. You know, is it going to involve 500 people? What's it going to involve? We don't know and we're—we need that piece of information once a medical screening does get enacted and we get some rulings.

Senator BAUCUS. Let's assume it does involve 500 people. Let's make that assumption. Then what flows in terms of medical and screening and equipment, personnel screening needs?

Mr. KONZEN. Senator, could we bring Rick up here?

Senator BAUCUS. Sure; Rick.

Rick, you're paged here. You're requested. Why don't you identify yourself, Rick.

Mr. PALAGI. I'm Rick Palagi. I have the honor of living in this community and representing the finest rural hospital in America. And you can take that back to Washington with you.

I don't know how to respond to this. The big deal is to identify. We assume 500? I'm not the medical expert. I believe there's a group of them getting together next week to further discuss medical models of how to manage and look at this process. There are resources, I believe, that ATSDR, EPA and maybe independent facilities that could forecast, let's say, what it might cost in terms of care for a person who has an asbestos-related disease. So I don't now what that figure is. We could discuss a million dollars over the course of a lifetime. Is it—whatever that might be.

Senator BAUCUS. Well, I got word yesterday that the Department of Health and Human Services is going to give Libby \$80,000. That's probably just a drop in the bucket, but it's—the Department of Health and Human Services, yesterday, announced they're going to give Libby \$80,000 for medical care. It's a start. Once you get your foot in the door, it could lead to other Federal possibilities.

Now, we also know that Grace has offered \$250,000 a year. John wondered out loud, is it good to take that money or not. We'd like a little more comfort in attempting to answer that question.

What's your knowledge about that \$250,000? It's my understanding is it's there for the hospital to spend as it wishes on asbestos-related problems. But they want to be sure that there's some kind of an independent screening of some kind. Could you tell us a little more of your understanding?

Mr. PALAGI. That pretty well reflects my understanding of what we've been in discussion with those folks for.

Senator BAUCUS. Would that be fair to the people or—that is the independent screening or not? I just don't know I'm asking.

Mr. PALAGI. Would an independent screening be fair? I believe that's what most of us would want to have is an independent screening, yes. And I guess that's representing the hospital. We want to make sure that what we do is independent and used that way in the most supportive way that it can be with all the community members. So that's some of our debate within the board.

Senator BAUCUS. Would you also tell us all that's involved in looking at and examining x-rays—the expertise that's needed. It's my understanding you need something called a "B reader." I was talking to somebody at the ATSDR, and they said you need three B readers. What does that mean?

Dr. BLACK. Basically, B reading is a standardized method that was developed, and I can't tell you what year. But it's been the standard for quite sometime in terms of assessing on chest x-ray what involvement somebody would have with what's called a pneumoconiosis, which would be asbestos, asbestosis or silicosis or that type of disease. They've been used for years. Once again, it's the only standard that has been used.

The kicker on this, and I'll be very frank with you and our real concerns are that the nature of this tremolite exposure is that it

involves the pleural surface of the lung, which is very active in that area, and it predominates in that area. The standard B reading is not as accurate in that area. That's why we want an active part in the process of screening those x-rays also. With the assistance of people that have really been taking care of this disease for quite sometime, we have the chance to get much more expertise. I think we can do a very good job of that.

Senator BAUCUS. Would telemedicine help here, that is of x-rays taken and then sent Internet or somehow?

Dr. BLACK. I think there is a place for that in certain cases, yes.

Mr. PALAGI. That's like a lead-in for me, isn't it?

Senator BAUCUS. Right.

Mr. PALAGI. Telemedicine has a lot of things. Let's talk a little bit about what's commonly referred to as televideo or interactive television, which requires for transmission and message purposes, T-1 telephone lines, big pipelines or fiber optic. Both those elude us here significantly. Would it be helpful? Yes. If we have physicians caring for a group of patients who require visits in consultations with pulmonary specialists, be those in Spokane or Chicago or Washington, DC, that would be very helpful. That's an interactive two-way process. That could be achieved without having families bear the burden of travel and time with that travel. So that would be certainly something that could be helpful.

Senator BAUCUS. What's the cost of a T-1 line to Spokane?

Mr. PALAGI. I'm going to guess—I might be off—but it's somewhere in the neighborhood of \$2,500 to \$3,500 a month, in terms of maintaining that expense. We just worked one in terms of some work we were doing with Missoula, and that was about \$3,500 to \$3,700. That's an ongoing expense. Doesn't sound like a lot, but to a hospital with an \$8 million revenue stream, it's a big bunch of money.

Senator BAUCUS. Another question: obviously the facilities and we want to solve this problem as quickly as possible. We hope this health problem is going to come to a time where it tapers off. So this would be a large, but not be a permanent effort. It would be somewhat temporary or intermediate. T-1—some Federal dollars paying for a T-1 connection during in the near-term would then reduce. Once the issue was basically solved, then there would be other facilities in place for a lot better rural telecommunications. That is a huge problem that Senator Burns and I have been working on for Montana, generally. I want to make sure we're not gold-plating this thing. We want to dedicate the needed dollars, but we don't want a big rush of pork in here as well. What we really want is just to address the need for as long as it lasts.

Mr. PALAGI. There is a component of use that extends beyond medical that that equipment obviously could be used for.

Senator BAUCUS. Absolutely.

Mr. PALAGI. There is many economic development kinds of things that would be very positive to allow community and business access, let's say, to a telemedicine suite of that nature. So there are some long-term benefits to our community.

Senator BAUCUS. I have a little different kind of question here.

This is a huge problem, and we are going to do all we can to solve it. But it seems to me that simultaneously, at the same time,

it really helps psychologically if there's some other community effort going on. Something to spend one's positive energy on so we're not just devoting all our time to a problem or maybe get a little disconcerted with or frustrated with or something.

I mean, are there some ongoing sort of positive, like one or two major community efforts to—you know, boy, we're proud of this—football team or a basketball team or something? My God, you're the State champs or so on and so forth? I don't know, I'm just thinking out loud here, if there's something like that that we can kind of put some positive energy into at the same time we're looking into this.

Audience Member. Timber resource.

Senator BURNS. Timber resource; okay.

Mayor Berget. There's a community effort with the Kootenai Heritage Council and what they're using on. There's a pool. There's a group that's still working in Libby in an area to accomplish that. And as far as the—I don't know, the T-1 line or fiber optics into Libby so that we could be up to speed with any of you guys, that's all it would take, is getting the speed to the access of the Internet things. Because it speeds up the speed and the ability to come in and out of Libby at faster rates you know, we're going to be able to create some jobs that way as well. So I guess those can.

Mr. PALAGI. I'm a newcomer. I've been here 5 years. I don't think I get my card-carrying Libby residency status for about another 10 or 12, I'm told. More than that, Senator? This is a community of the proudest people I have ever been associated with. The news cameras will catch the tattered screens behind us and the tattered drapes and the kind of cold we're in in this building, and that does not at all represent the spirit of people that are here.

Two weeks ago or so we had a public fund-raiser to bring public radio to town. Local bluegrass band, a packed house at the Elks Club. It's a neat thing, it's going to happen. Raising \$20,000, amongst many of our folks who don't have a nickel in their pocket, is a big deal. It will happen. The performing arts center will happen. There are many, many positive things here. Unfortunately, now, we're under a cloud with this particular situation to work through. So it's troublesome for us. But that doesn't mean we won't keep pushing for those things.

Senator BAUCUS. And I appreciate that very much.

Is there anything any of you want to say to the State folks that will be coming up soon or to the Federal folks that will be coming up soon? Anything that you want to say to us or to them so that Conrad and I can talk to them about?

Mr. KONZEN. I'd like to see things move fast, and I realize that this is not going to move fast. But I think if this can get some positive data out to the folks in this community and to this nation of ours that's now involved, that it will help stop some of the decisiveness that's going on in this community. That if this thing continues to linger and the unknowns continue to be out there, it's going to continue to cause the decisiveness that I'm seeing. And so I think a clear goal and a clear plan needs to come forth as soon as possible.

Senator BAUCUS. Are there any areas where you think perhaps it can be a little more speedy?

Mr. KONZEN. Put people in the lab; I don't know.

Senator BAUCUS. What's that?

Mr. KONZEN. More people in the lab that are getting this stuff tested.

Senator BAUCUS. The tests are just taking a long time.

Mr. KONZEN. Yes. I think these folks are doing what they can, locally. But I guess, you know, trying to figure out—I wear two hats; the hospital board member and the commissioner. And watching the hospital struggle with this process, trying to coordinate and set up something that could be palatable for the people in this community without knowing where the source of funding is at, is really a question. And our EPA doesn't give funding. They do it through a contract, and then we don't know where all this stuff goes. So like I mentioned before, we're still frustrated with the process of securing funding to make sure these people get the health needs met. And if we don't do that pretty soon, I think we'll continue to have problems.

Senator BAUCUS. That's a good point. Maybe I'm a little naive here. But it's my hope that we could, you know, turn this into something that makes that community really, really proud. I mean, it's kind of like turning a sow's ear into a silk purse. That is, we got a problem here, we just—we get people working together and a story that would be written maybe a year or two from now about what a great job the folks from Libby did there and whether we could make a real positive story out of it. Everything's an opportunity, and it's my hope that that's the result of this, my goal, to help work toward that goal.

Mr. PALAGI. Senator, I would be remiss if I didn't take the opportunity to speak to the research component. Brad's mentioned that some. There's a very definite positive silver lining in this, if we can develop some kind of research component or someone can here. Not only can we hold out hope for folks suffering that would be transforming event to have that happen here. And so we're very anxious with that.

**STATEMENT OF HON. CONRAD BURNS, U.S. SENATOR FROM
THE STATE OF MONTANA**

Senator BURNS. Thank you, today, Mr. Chairman. I want to thank Max for holding this hearing. I think it's very essential in the way we reacted to this situation that we have up here, and I appreciate him doing that. And I appreciate him letting me sit here and listen today. I'm not a member of the Environment and Public Works Committee, but I am a member of the Senate subcommittee that appropriates its money.

I was interested in, Ron, your statement today. Also, I knew John Konzen when he was younger and faster and quicker on the handball court. I can just take one look at him right now and tell him he can't be that quick anymore. Of course, neither can I. So we've had some real sessions on the handball court.

But I want to take this a little further with you, Ron, Mr. Anderson, just for a second. You want the capability to monitor and to assist in whenever we start talking about property transfer, we start talking about putting confidence back into the community. I think you will have a lot to do with that. Can you give me any kind

of a figure, what do you think—and this is going—how long you going to have to do it and what are the resources you're going to need as far as manpower, and then we're going to convert that into dollars. Because I'm going to look at it the way the commissioners look at it. I was a commissioner before I was this. And I know that in providing those funds, it will finally end up in our committee. So if you could give me an idea what idea you have of resources, personnel and what—tell me what you define your job to be.

Mr. ANDERSON. Well—

Senator BURNS. You got to feel like an old auctioneer and just grab a hold of the microphone and talk. There you are.

Mr. ANDERSON. How much am I bid for this?

I, too, am frustrated by the uncertainty of this, as far as determining an actual dollar value. And it's—

Senator BURNS. If you can say how many people do you think you'll need. Let's solve a problem here. How many people do you think you'll need if you decide to monitor; that if people come to you and say Okay, I'm buying a home or a property or a business, can I come to you to make sure that everything is taken care of environmentally and especially in environmental health.

Mr. ANDERSON. I envision that the resources that we have, manpower wise, will adequately cover the sampling program. The cost of analyzing filters for asbestos and the latency period in getting results for those, we're not doing this—we're not envisioning doing this as we do with the daily air quality monitoring that we do right now. We feel that it's necessary to, possibly once a month, collect a sample and have it analyzed for the presence of asbestos fibers. What would be involved—there is an agreement with the lab to process those filters on whatever basis. The equipment for collecting that sample. It's a matter of just, you know, one shot deal. The installation would be compatible with what we already have in place.

As far as people discovering new sources, relay transfers, that sort of thing, the actual sampling process is fairly simple for the source materials such as the insulation; a matter of collecting the sample.

Senator BURNS. Equipment. How about equipment? Are you going to need extra equipment or new equipment?

Mr. ANDERSON. We would need the air sampling device. We would also need the indoor sampling devices, whichever was selected to be most appropriate and most affordable.

Senator BURNS. How about training? In other words, have you got trained folks, and do you think you'll have to have additional training from other labs, other places that deal with these problems?

Mr. ANDERSON. I think training would be essential for the people in the department. Like I say, we've had the experience—continual experience with sampling techniques and running equipment. But this would be just a different set of equipment. As far as educational purposes, if we're looking at being somebody in a department that people can come to, we would need to have some training about the asbestos and other related issues.

Senator BURNS. I think it would be quite helpful to Senator Baucus and to me if you could set down and make some sort of an as-

essment on where we are and where you want your department to go and what role it plays and what it's going to take to bring you up to speed to do a job. And for the county. Also, I think it could be very important as far as the State's concerned. I think that's what the commissioners are looking for. And if there's a way we can help you with that, if it takes funding, let's look at it. Let's get our name in the pot and start moving into those areas. I think we owe that not only to this generation but the next. I think that's the most acute problem that we have right now is dealing with the environmental problem; that we make sure we're helped with our properties and everything.

Now, as far as Dr. Black and Mr. Palagi's concern on the T-1 line, we are already moving on a broad-band digital transfer of extra eight and stuff like that. But I'll talk about that later on. But I think right now, I'm more concerned about do you have the money to do what you want to do environmentally so that we can address that problem, and can you give us a ballpark figure and would let Senator Baucus and I work on that for you?

Mr. ANDERSON. Yes, I will; thank you.

Senator BURNS. Okay.

Senator BAUCUS. I think George had a comment to make.

Mr. BAUER. Senator Baucus, and Senator Burns, as far as the litigation process, I personally would like to see another judge brought into this area at the district level. And, second, on the Federal Court list, you know, that seems to be an ongoing list of about 30 or 40 people. If that could be speeded up, you know, to a certain degree, because sometimes that takes a long period of time, as long as 10 years. So those are two issues that people have asked me, so I'd like to see that addressed.

Senator BAUCUS. That's a really very important question. I essentially kept the scope of this hearing to the health needs of the area and then also the exposure problems and questions of the future where asbestos might hurt people. And I've stayed away from liability issues. My view is, let's get focused on the health needs first and let's see what clean-up needs are and get the resource dollars there.

Now, clearly, one of the pressures on Lincoln County is going to be the cost of trials and judges and things like that. It's a huge cost. And that is related to costs and resources; there's no doubt about that. My judgment is that we should start looking at that a little bit later, not much later, but a little bit later but focus first on those first two problems.

Mr. BAUER. And, second, as far as the insulation situation in homes in Libby, Montana, I would consider that there's probably 60 to 80 percent of these homes in Libby that have zonolite insulation. There are a lot of people that have addressed this to me that they feel this should be handled a little bit speedier. As John Konzen mentioned, that if this is going to be a problem, it should be addressed at a faster pace. We look at the 5 micron level. What is the danger point? Is it under 5 or so, I think this is something—

Senator BAUCUS. Those are all very good questions. And so at some point—and later on this morning we will talk to—the Federal and State people supposedly have a little more expertise on ver-

miculite and asbestos and begin to tell us what system you set up to know what to do about insulation in homes.

Sometimes asbestos should be removed. Sometimes asbestos is best just left there, as long as it's not getting in the way or getting in people's bodies. It's a judgment call. And it's really—it's going to take people, not me, but others to know, you know, when to do all that.

This is a huge issue with asbestos over the years and other situations. There's asbestos in walls and so forth and ceilings, and sometimes you just start scraping the stuff away trying to get it out and you don't know what you've created.

Mr. BAUER. I agree. We talked about a judgment call. But we're talking about people's homes. And if they want to sell their house, I think it can be a considerable problem.

Senator BAUCUS. That's a very good point.

Mr. BAUER. And they talk about sealing off the problem, I'm not so sure that's a long-term situation.

Senator BAUCUS. Have you been asking these questions of the Federal and the State people in town?

Mr. BAUER. I've talked to Senator Burns about it.

Senator BAUCUS. Have you talked to the feds about it? Have you talked to Paul about it? What does Paul say?

Mr. PERONARD. One of the things we've had to do with the number of samples we collected—

Senator BAUCUS. Paul, could you come over to the microphone? Sorry. This is your big buildup, you better tell us something.

Mr. PERONARD. One of the things that we've done is the number of samples we've collected and tried to prioritize them. And we've done that so that we can assess where we think some of the risks are. In the entraining samples that we have now, we did the air samples first. And we've got a direct measure of what people are going to be exposed to, what they're breathing right now.

The second set of samples that we put in line are in queue at the laboratory with the samples around the screening plant and loading station, as we saw vermiculite there out in the open and it was the unexfoliated, unexpanded material. Historically, that has shown higher asbestos levels.

Third in the queue was the insulation samples from the 32 homes that we have in there. I'm going to have a complete set of data for all the samples back by mid March. I can look and see where the insulation samples are and bump them up as a priority. What that means is that I take other samples which I'm analyzing, take them out of the queue and I replace them. So, you know, there's a balance to be struck there.

In the meantime, the reason I put the insulation samples down is just the point that Senator Baucus raised. It's not—there are two things that we need to figure out. One, is there, in fact, asbestos in the expanded insulation? As it turns out, nobody's ever sampled and analyzed, at least on the government side, expanded vermiculite in this mine. So that's a question one.

And then two, does that create an immediate exposure problem even if it's in there? How we get to the second answer is by doing the air sampling, which we bumped up to the first priority.

So I actually think we've done this in the appropriate order. I certainly can move it around in the lab. In any event, we'll have all the answers from the first round of samples back by March. I'll be able to come up here and tell you We have this percent at this level of asbestos and vermiculite sample in Libby. So that's sort of how we approached it and that's why.

Senator BAUCUS. Paul, while you're here, you might address the basic question about speeding things up a little bit and, you know, what's in the queue, and maybe the way to set up different or more queues someplace in the universe in order to get the data and the information here a little more quickly. It's a basic point that John was making.

Mr. PERONARD. You know, I used to have a larger part of my stomach lining intact. And I don't mean to whine about this. We can certainly try to pick up the pace.

But especially with the air samples, there's a limited number of laboratories in the country that can run the samples with the type of analysis that—transmission electromicroscopy that we are using. In each of the samples, somebody's got to sit under a microscope after the sample has been prepared and count the fibers. It's a tedious, tedious process. Something I hope never to do in my entire life. So physically it takes time. There's not a whole lot of laboratories I can go to for the analysis.

Senator BAUCUS. Where are the samples going to?

Mr. PERONARD. Right now they're being done by two commercial laboratories in Denver. So we also have to set up the contracting to do that. The more laboratories I contract with the more time I lose in the procurement cycle. I can add more labs and I can spend more money off the project in the procurement cycle, and I'm not sure what the net gain in time is.

Senator BAUCUS. Is there anything that we can do, like myself or Senator Burns?

Mr. PERONARD. Unless you want to open an asbestos laboratory that meets the QA standards and certification, there's actually—because of the type of analysis, there's a very rigorous quality control procedure with it. And only so many labs are certified and capable of giving you verifiable data. We can pick it up. I'll get back to doing that, and I'll see if I can pull out the vermiculite insulation samples.

Frankly, one of the other exposure areas that I'm a little more worried about is actually the garden material. It's something we put back in the priority because people don't garden in the winter-time, typically, unless they want to shovel the snow out of the way. So, again, we're trying to prioritize the samples and run through, help see if we can pull out the insulation samples.

Senator BAUCUS. Thank you, Paul.

Any other questions?

Ms. WINDOM. I just wanted to make one more comment. You've heard from these panelists, and I think it's pretty evident that this is a wounded community. We were wounded before this event with a bad economy, very high unemployment, a lot of struggles in families. And now we're further wounded. And if we're going to talk to the Federal and State agencies, what I want to say is, We don't want to hemorrhage to death in this community while we're trying

to resolve this situation. Please make sure that the results are timely, that the figures, the facts that you give us are quantifiable so we can go out to the press and the rest of the world and say These are the facts. This isn't rumor, this isn't emotion, these are the facts. And until we have the facts, we can't begin to heal and to rebuild our community and move forward. So that is extremely important to us.

Thank you.

Senator BAUCUS. That's a very good point, in fact. You can be sure Senator Burns and I are going to be talking to Federal agencies to accomplish just that goal so that you can know more quickly otherwise.

Okay, Tony, one more and then we've got to go to the next panel.

Mayor Berget. And I guess that word pork boys comes up. But even some public works jobs or something up here, a little more highway work in this area, so there are some jobs for the next couple years while we get through this difficult time. You know, if a road was scheduled for 2005, we could move it back or something and try to get some other public works jobs up here.

Senator BAUCUS. That's a good point. This committee also has jurisdiction over the highway dollars. And we've got a 60-percent increase in highway dollars for Montana over a 6-year period compared to the previous 6-year period. And that began a year ago. We used to get Montana 160 million dollars, roughly, of Federal highway funds. Now we get about 260-some million dollars in highway funds. There are three of us that did that; myself, John Chafee and John Warner basically were on this committee that—the general rule was 40-percent increase. I made sure Montana got a 60-percent increase in that highway funding.

Now the question is where the money is spent in Montana. That primarily is up to the highway commission. And so we've got to really talk to Jim Roscoe sitting over here. He'll give you some ideas on that, where some of that money is spent. But that's basically where it's at. I hear you.

Okay; next panel. Thank you very, very much.

Next panel is Dr. Todd Damrow, Mark Simonich, DEQ.

Okay; Todd, start with you. This is Todd Damrow. He's with the Montana Department of Public Health and Human Services.

Dr. DAMROW. Senator Baucus, Senator Burns, for the record, my name is Todd Damrow. I'm the State epidemiologist with the Montana Department of Public Health and Human Services.

Senator BAUCUS. I'm sorry, don't forget to hold the microphone a little close to you.

STATEMENT OF DR. TODD DAMROW, Ph.D., M.P.H., STATE EPIDEMIOLOGIST, MONTANA DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES

Dr. DAMROW. Okay. I appreciate this opportunity to testify before your committee about our department's involvement in the various State and Federal activities here in Libby.

On behalf of the department, I wish to sincerely thank the Federal Government for the assistance which they have provided to our department on numerous occasions over the years.

As you might suspect, health care resources in this State are rather limited. Public health workers with the highly specialized training and expertise needed in Libby are not available in this State. Thus, in these situations, it becomes necessary for us to appeal for help from Federal health authorities in order for our residents here to be properly served.

Our department has enjoyed a long history of good working relationships in Montana with Federal health experts from EPA and ATSDR. Their responsiveness to the public health needs in Montana continues to this day, as evidenced by the strong showing of Federal health workers here in Libby. And we are most appreciative for their assistance in providing residents of Libby with the care that they expect and deserve.

Our department is currently involved in response activities in several different ways.

First, the State medical officer and the State epidemiologists have been working together with local health officials to help them in decision making, when requested.

Since the public health system in Montana is set up by statutes such that local/county health agencies have primacy over health matters in their jurisdiction, the Lincoln County Health Department ultimately has the final decision making authority with respect to public health actions in Libby. State and Federal health workers are very careful to respect this right of the counties.

It's been our experience that county health departments appreciate our department's assistance in decision making, especially when dealing with large agencies like EPA and ATSDR. County health departments are quite understandably nervous about becoming out on the limb alone when making decisions in isolation. They recognize our department's experience working with these agencies, and they value our input because of insight obtained from past situations in Montana. And we're working closely with the Lincoln County Health Department to make sure the health decisions that are made are logical, scientifically defensible and cost effective.

Close cooperation between county and State health agencies is the norm here in Montana. We've worked hard over the years to successfully establish good, close collegial working relations with all of our county health departments, including Lincoln County.

Second, the Montana Department of Public Health and Human Services is working closely together with health officials from EPA and ATSDR to assist them in accomplishing their mission here in Montana.

Since public health infrastructures and resources vary considerably among States in the nation, Federal health workers often rely on State health workers to help them transition the work in the locale. State health department workers are helping to facilitate their work here in every manner possible. We stand firmly united with EPA and with ATSDR in their efforts to protect the health of the public in Libby.

Third, our department has engaged all the personnel and resources within our agency that are able to bear on the situation in Libby. Workers in our department's Bureau of Vital Statistics and Records have provided data for analysis by State and Federal epi-

demologists. Similarly, workers in the Montana Central Tumor Registry have provided aid on cancer residents for analysis.

In an unprecedented action, departmental administrators accessed medicaid claim databases for medical utilization review of current and former residents of Libby. This action was undertaken in an effort to help Federal health workers in their assessment of the current health status of residents in Libby.

And last, our department has created new partnerships and strengthened goal partnerships with other State agencies in response to the incident here.

Health professionals in our department are currently on call to meet with the Department of Environmental Quality incident managers as developments unfold here. Face-to-face meetings of workers in our two agencies occur on a frequent basis to help ensure that the State response actions are coordinated and comprehensive.

The Montana Department of Public Health and Human Services is also collaborating with the Montana Office of Rural Health in Bozeman to evaluate and redress unmet needs regarding health care delivery in Montana.

This office serves as the State's single point of contact for the Federal Office of Rural Health Policy and for funding from HRSA, Health Resources and Services Administration.

Together, we've been working with the county health officer, with the administrator of St. John's Lutheran Hospital in an attempt to secure funding for two critical unmet needs which have already been mentioned. One would be to get a clinical coordinator, locally hired, to work out of the hospital to assist the health officer with medical screening and follow-up of patients here in Libby. And second, as telemedicine capabilities for the hospital to allow for tele-radiology, pulmonary function telemetry and consulting on patient evaluations and follow-up care.

So on closing, let me say that the State health department is committed to working closely together with local, State and Federal colleagues to ensure that the public health response to the situation in Libby is the best available anywhere.

Thank you.

Senator BAUCUS. Thank you, Dr. Damrow.
Mark Simonich?

**STATEMENT OF MARK SIMONICH, DIRECTOR, MONTANA
DEPARTMENT OF ENVIRONMENTAL QUALITY**

Mr. SIMONICH. Thank you, Senator Baucus, Senator Burns. My name is Mark Simonich. I'm the director of the Montana Department of Environmental Quality. And I'd like to extend Governor Racicot's regret that he was not able to be here today. He certainly did appreciate the offer to attend. We also appreciate this opportunity to address the committee and explain all the involvement that our department has had and will continue to have with not only the mine site but the various environmental issues here in Libby.

The DEQ was formed just 5 years ago by an executive branch re-organization that brought into place the responsibilities for nearly all environmental regulation in one agency. The DEQ, as it now stands, administers more than 25 environmental laws in Montana.

Many of those are State laws. DEQ also has responsibility and delegation of authority for, in administering certain Federal laws as well. We administer air quality laws, water quality laws, solid and hazardous waste laws and are also responsible for development of natural resources such as hard rock, open pit and coal mining operations in Montana. The department also has the responsibility for overseeing cleanup activities for instances from the past. For example, underground storage tanks, abandoned mine, petroleum releases and, of course, Superfund. So DEQ has many responsibilities in regard to the operations here in Libby, and has actually been involved with the mine up here since the early 1970's when the State legislature first passed the Montana Metal Mine Reclamation Act.

Prior to 1971, there was not a reclamation law in the State of Montana, and so there wasn't a direct regulation or requirement for reclamation of that. At the point in time that that law was passed, the department started working with Grace so that it could be properly permitted to operate in Montana. Through the 20 or so years after that that the mine operated, of course, Montana adopted a number of environmental laws, including our native air quality and water quality regulations.

Through that period of time, the department and its predecessor permitted the mine as an operating mine, under the Metal Mine Reclamation Act, also permitted, I think, 10 different air quality permits during that period of time, as well as issuing water quality permits for discharges from that facility. The department has continued to work with the company throughout that period of time doing the necessary monitoring of every aspect of that.

As you know, the mine closed in 1990, and we are still administering what we refer to as a post-mine closure area where they are continuing to do reclamation of the site. Other than under the mining reclamation law, the company is required to put up a bond—post a bond that will ensure that reclamation will take place.

The mine was originally permitted to cover a potential area of 1,200 acres. Some 325 acres of that had already been disturbed prior to a reclamation law going into place in Montana. So as a part of working with the company over those years, a reclamation bond was established for areas that were disturbed as the mine was mined. Then as reclamation took place, the department would take steps to reduce the bond that was in place at the time.

At this point in time, we now have, out of that entire 1,200-acre area within the mining permit, only 125 acres is still held under the bond. The bond is \$66,700. That is the specific area of responsibility and the amount of money that is currently held by the State just for mine reclamation as it relates to 125 acres on the site.

Now, there have been a variety of concerns, Senator, that because the bond is so small that, in fact, if there are additional areas of work that may need to be done, that there won't be enough money to get that work done. I would like to assure the committee that we do not see it in that same fashion. The Metal Mine Reclamation Act is very specific, the bond is very specific in terms of what we can require to be done on the site. But as I indicated, the

State has a responsibility for other environmental laws, and we're fully prepared to utilize each one of those laws to ensure that adequate reclamation or cleanup is done at the mine site as we proceed through that area.

I won't speak to all the testing that's been done in the homes in the community. I'm sure EPA will touch on that. But I would like to indicate that through the course of the spring and into the summer, we will continue to do a fair amount of sampling, particularly of the Rainy Creek Road and Rainy Creek itself and some of the drainages of some of the other tributaries around Rainy Creek, as well as the mine site, so we can determine if, in fact, outside of reclamation that was done and vegetation that was established, is there any ongoing concerns at the mine site particularly that need to be addressed. Even if they have already been reclaimed, we still have the authority, if need be, to require additional work to be done if we find that there is asbestos that is exposed and potentially being re-entrained in the air which might cause some type of health concern.

I would like to speak, just briefly if I can, to water quality. Asbestos is not something that will be water soluble. So we don't anticipate that public water supplies will necessarily be at risk in Libby. But to try and help bring some level of comfort, we did go out and sample several groundwater wells that are used for domestic purposes up in the valley, near the mine, mobile home courts, at the nursery, with the screening plant. We also coordinated with the City of Libby and have taken water samples at the water treatment plant, both the raw, untreated water going into the treatment plant and the treated water that comes out of the plant. All those samples have come up clean, no asbestos.

We wanted to make this point again that we do not see any concern with the public water supply in Libby with asbestos. The concern, really, would be more from the standpoint of what might be in the soils, what might be entrained in the air, and we will continue to work through this spring and summer with the EPA and local officials to try and determine what those areas of contamination may be in trying to determine appropriate steps to take to clean up areas in those particular areas so we can remove that.

Thank you, Senator.

Senator BAUCUS. Thank very much, Mark. Basically, you heard the earlier panel. And as I understand it, essentially there's a concern that—if I can state it in their words, We really don't quite know, yet, the degree with which we've got a problem on our hands; how much it's going to cost; what resources we're going to need; what efforts to hire medical personnel and equipment or whatnot. And, second, Gee, is there some way to speed up these tests so we have a better idea more quickly of what the situation is here so we can get a handle on it.

So as State representatives, what advice do you have in answer to those questions? And how much of those concerns can you State officials solve?

Mr. SIMONICH. Senator, I think I'll take the first shot of that, particularly from the environmental side.

As you and I spoke before the meeting, it will take us several months to continue the sampling that we need to do, from the envi-

ronmental side, because, again, we're looking at trying to sample new soils, we're trying to sample high stream flows in streams that might be carrying asbestos off the mine site that wouldn't occur normally at other times of the year. It's very difficult to get to those soils when we have frozen conditions.

Senator BAUCUS. To make it clear to everybody, when you talk about the environmental side, you're saying the environmental side as opposed to the health side; is that right?

Mr. SIMONICH. Yes, sir.

Senator BAUCUS. You're talking about clean-ups here more than—are you talking—more than you're talking about health needs and taking care of people that—

Mr. SIMONICH. That's correct, sir. I'll let Dr. Damrow address the health side.

But from the clean-up side, we need to be able to see those same areas during drier conditions. Those drier conditions are the ones that, more than likely, would cause some potential health risk from the asbestos getting airborne. Much less likely that we would be seeing that, particularly in the outdoor environment, in the winter-time. So we will continue to do that kind of sampling during the summertime and then begin putting into place the protocol to do the clean-up.

Now, I'm convinced that we have the ability to work very closely with the EPA and the local people in Libby to put those clean-up activities in place very quickly, once we determine what exactly needs to be done on the ground.

I'll let Dr. Damrow speak to the health side.

Dr. DAMROW. Senator, from the public health standpoint, until we know for sure just exactly what we're dealing with, and can accurately determine the impact of the incident, it's going to be tough to come up with appropriate response actions and fiscal figures associated with those actions.

As I said in my testimony, the State must necessarily appeal to the experts at the Federal level. We're in over our heads on this. We recognize that. And we want to be sure the folks here get what they expect and deserve; they get an appropriate response. And so we're turning to the feds with ATSDR and EPA to provide us with some of the answers for us to go on from here.

Senator BAUCUS. Mark, could you maybe just tell us—maybe delineate a little bit more where—first of all, I have the utmost confidence in you, but you still use the words “in over our heads.” Where are some areas that we need some help? If you could just delineate those, as you see from it the public health perspective.

Dr. DAMROW. As was pointed out earlier, we need some timely results back to determine the impact of past activities on the health of the public. We need to assess the human health. That's why these medical screenings are so important. Perhaps Dr. Spence, our State medical officer, having interacted with physicians in the community and the specialists, could address that.

Senator BAUCUS. Okay.

Dr. SPENCE. I think two things are critically important. One is what Paul Peronard pointed out; is that the testing that we want done and is being done, the transmission electromicroscopic testing, that is the ultimate.

Asbestosis is a disease. It's caused by very minute fibers. You cannot conduct insensitive tests to determine the magnitude of fibers in samples, whether it's air samples or earth samples. Paul has prioritized, looking at the most dangerous areas first. He is looking at the air quality. That has been done. We do know that there is a health hazard here, but certainly not of major magnitude. It is something that needs to be addressed, and it is being addressed.

The other thing is to have an idea of how many people we're dealing with. The screening that is proposed will look at the overwhelming majority of residents in this immediate valley that are currently residing here and have resided here for the period of time in question. We want to determine what health effects they have suffered. We know, for example, that there are numerous people that worked in the plant that had exposures. Although we have identified many of those individuals, we want to identify more of them and their families. What we don't know and what we need to know is about those individuals that are neither plant workers or family members of plant workers and what degree of disease they may or may not have. We also want to know what are their sources of exposure. This is going to take medical screening on a timely scale right now and hopefully it will be accomplished in the not-too-distant future.

Senator BAUCUS. We're depending on ATSDR and EPA to get this data, and it's the Federal agencies that are getting—

Dr. SPENCE. EPA is the Agency that is capable of getting the screening. We do not have those resources. As Paul pointed out, there are very few laboratories in the country that even have the capability of doing that type of testing that needs to be done to get the information we need, that needs to be done, to address the medical issues. And they have very rigorous quality control measures that have to be in place, as Paul pointed out also. So we are highly dependent upon them.

Then with regard to medical screening, we have put together, and we are in the process, of initiating screening. Once we have an idea of the magnitude of people, we will get a denominator of the number of people we screen. And then we will get a numerator of the number of people that have evidence of the disease. And once we have an idea where they are, then we can focus more specifically. But we need to get that information first.

Senator BAUCUS. But is it true, then, that we don't have the facilities in our own State to do that. The State agencies do not have that—

Dr. SPENCE. We are heavily relying on the Federal agencies; that is a correct assumption. We are—

Senator BAUCUS. Okay. But, Mark, the DEQ has taken some tests. Is that more with respect to exposure and potential cleanup? Is that what that's about?

Mr. SIMONICH. Yes, Senator. DEQ's interest is, of course, from the standpoint of do we find any continuing sources that may be putting the people at risk. Are there sources of contamination, particularly out in the environment, potentially around the homes, that would cause the people to be at risk? So that we need to then determine what steps we can take to clean these up and eliminate

that risk. From that standpoint, I think the DEQ is in a very good position, and we do have a good relationship—working relationship with EPA to address those. We do that kind of work all the time on sites all across the State.

Senator BAUCUS. Let's say, under the best case scenario, there's no exposure. Worst case, we've got exposure problems. Maybe air, maybe ground or somewhere. Then, is it the EPA that does the cleanup and addresses that, or is it DEQ, or who does that?

Mr. SIMONICH. Senator Baucus, there's no one formula for that. That's something that I would anticipate we would work together with EPA to determine.

Right now, Mr. Peronard and those folks that are here under a particular area of authority under Superfund to do a removal action. They believe that there's an imminent threat, and they will come in and spend money, engage the EPA to potentially undertake a cost recovery from the responsible party that's there.

What we're looking at is, we're unsure whether or not what we will find up here will be of the magnitude that it will ultimately result in a Federal Superfund. It may be that the State will take it on under our own respective authorities. And in either case, the agencies would look to companies that may have been responsible to actually perform the work at our direction.

Senator BAUCUS. And be responsible, financially responsible?

Mr. SIMONICH. That's correct. We would anticipate, through all this—and I believe Grace has indicated a willingness to step up to the plate and do whatever is necessary—we would anticipate working with Grace once we determine levels of cleanup that may be done to, in fact, carry that out. Even if Grace does the work, and quite often the Federal agencies or State agencies look to the company to do the work directly, it is done under the guidance with the specific approval of the State and Federal agency. So there is that oversight.

Senator BAUCUS. Any thought been given to how to preserve land use restrictions, in the event that the solution is not removal but it's maybe capping or some conservation, to use a better term, some easement, some of the—some use restriction that makes—how use is maintained in the future, 10, 20, 30, 40 years from now when title transfers? How does that work out?

Mr. SIMONICH. That's a very good question. Because just last year with the Montana legislature, it took steps and amended the State Superfund law that allows us the ability to place institutional controls. It gives us greater ability to create an institutional control. That's what you're talking about.

If we want—for example, on a normal site, if we're going to create a repository where we're going to collect a bunch of waste and bury it on-site, we want to make sure it's not going to be disturbed; that we're not going to be digging in it for the basement of a home and drilling a well. We will now have the ability to create these institutional controls and, in fact, create, at the State and at the local level, an authority to place a specific restriction on how that property might be used. That restriction, then, could be enforced either by the State or by local government. So that in the future, as potentially a subdivision might be proposed in an area, the people that would need to be in place would be in place potentially looking

at that, making the decision, would be ware of that, looking at that to make sure that if it wasn't a complete cleanup, that there was some capping or something like that that would be in place, that it would not be disturbed.

Senator BAUCUS. Are there any State programs that address asbestos contamination from installation in residences?

Mr. SIMONICH. Senator Baucus, the areas that the State regulates asbestos from an indoor standpoint really gets to when you're in remodeling and removing it. And if the houses have been sampled, or if commercial buildings have been sampled and asbestos levels are found at certain levels, then it falls in an area that we regulate. And so the individuals during that work would have to be licensed individuals. Otherwise, generally the State does not get involved in directly working in individuals' homes.

And to me, I think you struck on probably one of the biggest questions that needs to be answered in terms of Libby. Because of the concern of the insulation—the vermiculite insulation that was used in many homes, not only in Libby but throughout Montana and around the country, questions have been raised about is there asbestos contamination and what needs to be done. Mr. Peronard explained very, very well the level of sampling and the analysis that's being done.

What I don't think any of us have been able to explain to the people of Libby, yet, is at what point in time, at what level do we really see that there is a specific risk that needs to be addressed and at that point in time then what should be done in the house. And who would be there to step in and assist the homeowners in that regard. And that might be a question that the folks on the Federal panel could better answer for you. The State—that's not an area that the State normally has ever been involved in.

Senator BAUCUS. Dr. Spence?

Dr. SPENCE. Senator, I'd like to clarify the last question that you asked. I don't think we can take a brush fire or SWAT team approach to this. This is a longstanding problem and may be a longstanding problem for years to come. We do not know that.

What we anticipate the Federal Government will provide us is not pulling up in a van dropping out people that will completely attack our problem, solve it, then get in the van and leave, and that's not what we're looking for. We're looking for them to come in and help us to make the decisions of how to set up the infrastructure and where to go from here; what type of screening, and help us leave that infrastructure and help us realize how much we need in the way of support, financial and otherwise, to get the job done or not only now but for years to come and also for possible similar types of episodes outside of Libby.

Senator BAUCUS. One question I have is, as I recall looking at the newspaper accounts, there are about 30-some homes that were tested for airborne insulation or problems—asbestos problems, and maybe there are two that had the concern. But all those homes were people who volunteered. And how do you deal with the question of, you know, if asbestos is in the community, either in the home or on land and the owner doesn't volunteer his property? So you may have asbestos there but nobody really knows. It affects other people in the community, I imagine, in some respect.

Mr. SIMONICH. Senator, that's a very good question. Again, it's one that the EPA may better be able to answer than we can. Although there have been three dozen or so homes that have been sampled so far, I understand the EPA has a much longer list that they're still working on that haven't. They've tried to prioritize that in some fashion. But, again, there's a fair likelihood that there will be many, many homes in Libby that wouldn't necessarily be sampled for a variety of reasons; the homeowners may have asked for them not to do that.

Again, I would anticipate that unless those homes that are sampled begin to show some real concerns that you're finding widespread contamination or widespread validated levels of asbestos, there may not be a need to try to go pursue that any further into the community. Whether or not there's any specific authority or ability to go further into the community if that contamination is found, I don't know that we have it at the State level. It may be something that will have to be done at the Federal level.

Senator BAUCUS. Has the department or anyone looked to see whether there's asbestos installation in other homes in Montana other than Libby?

Mr. SIMONICH. We can tell you for a certainty that the same material that was used throughout Libby, the vermiculite, has been used throughout the State of Montana.

In other words, one of the individuals who's our reclamation specialist who deals with the reclamation site of mining up here at this mine, he has two homes in Townsend that are both insulated with it, since this insulation was used throughout the United States.

Again, the real question is not whether or not there is insulation in the town but the condition that the insulation is in; whether or not it's something that would be open for exposure at this point in time, whether it's trapped in the walls or the ceilings. Those are the kinds of things that need to be addressed to determine whether or not whether, in fact, there might be a risk in the homes.

Senator BAUCUS. All right. Do you have anything you want to say either to the last panel or to the next one?

Mr. SIMONICH. I'll take this chance. To me, again, I made the point earlier that the removal team that the EPA has in here right now is normally a team that comes in, they clean up the site and leave. They do very good work. We've experienced their work in a variety of areas in Montana. But because of the uniqueness of the situation in Libby, it's more than just an abandoned mine site that needs to be cleaned up and then you're okay with it.

There is a question about ongoing concern within the community; whether there is additional contamination in people's homes; how the medical help will handle those things; the nature of the ongoing need for health screening in Montana. I think it really points to the need to ensure that there is a great deal of coordination done, particularly at the local level. To make sure that any of us that are participating, either at the State or Federal agencies, all the steps are taken humanly possible to make sure that is coordinated very closely with the local people that will be here for the very, very long term that will be involved and be responsible. I

think Ron Anderson said it very well, and I would certainly echo the sentiments.

Senator BAUCUS. Kind of institutionalize, systematize what you're talking about, so that it's not cut and dried or get running so it's followed up and followed through.

Mr. SIMONICH. As an example, and this is something we thought about at our department. The last panel talked a lot about health screening, the funding to do that, potential responsibility or liability with the hospitals and others being involved. And of course EPA is here now monitoring. We don't know whether there will be a need for EPA necessarily to be involved for the long-term. Locals certainly will need to be and I suspect State health will be as well.

It would seem to make sense to look to see if, and I believe there is some authority within Federal law, to begin to create some type of a trust where there can be a specific trustee established working with the local board that could help oversee those health screenings; to be able to set up the program, so you can have appropriate medical expertise like from a variety of areas, from State and Federal agencies as well as the local people, where they really have an ability to control that, to create the mechanism to do those health screenings and to direct the funding over the long term. I think those trusts are established. They're able to be done in a way that they can insulate the parties participating from liability so that local hospitals wouldn't suddenly be as concerned about potential liabilities.

Senator BAUCUS. That's an interesting thought. I'm glad you're thinking creatively like that. All right, good; I want to thank you very much.

We'll take a slight break here.

[Recess.]

Senator BAUCUS. Our next panel is going to be Bill Yellowtail, also Dr. Henry Falk. Would you both please come to the table? And we'll get started now. Probably one of the more important parts of this hearing.

Mr. Yellowtail is the EPA Regional Administrator of Region VIII. Max Dodson is the EPA assistant administrator of Region VIII. Paul Peronard is the on-scene coordinator. Dr. Chris Weis, toxicologist; Dr. Aubrey Miller, physician. John Wardel, director of Montana operations office; Wendy Thomi, community relations and program. Dr. Falk is the assistant administrator with ATSDR and will be accompanied by Dr. Jeff Lybarger.

Okay; folks, you may proceed. We'll first start with you first, Bill. We are very honored to have Bill Yellowtail here. As we all know, Bill is a Montanan, serving this region very well. And we're very honored, Bill, with the good work that you do for us as a Montanan in the Denver office, and I'm sure you heard the accolades.

Mr. YELLOWTAIL. Thank you, Senator Baucus, we very much appreciate it.

Senator BAUCUS. I give you all the credit since you took over as the regional manager.

Please proceed, Mr. Yellowtail.

**STATEMENT OF WILLIAM YELLOWTAIL, REGION VIII
ADMINISTRATOR, ENVIRONMENTAL PROTECTION AGENCY**

Mr. YELLOWTAIL. Thank you, Senator Baucus, Senator Burns. Thank you for inviting me the opportunity to offer testimony concerning the asbestos situation in Libby, Montana. EPA Region VIII will complete the investigation it is conducting within Libby with all due speed and thoroughness and as a top priority. Senators, you've already introduced the EPA team, and I very much appreciate that.

Senator BAUCUS. Why don't you reintroduce them?

Mr. YELLOWTAIL. If you don't mind.

Max Dodson is the Assistant Regional Administrator for, among all things, Superfund. Paul Peronard you've already met, is our on-scene coordinator. Dr. Chris Weis is a regional toxicologist. Can you stand up, Chris? Dr. Aubrey Miller, M.D., a physician. John Wardel is our director of our Montana operations office. Wendy Thomi is the community involvement coordinator. Matt Cohn is our senior enforcement legal counsel. And not here, but worth some mentioning because she's important to the community, is Linda Newstrom, who is our office manager out at our storefront office downtown on the corner of Fifth and Mineral.

I'm Bill Yellowtail. I'm regional administrator for the Environmental Protection Agency, Region VIII, in Denver. I've provided written text of my presentation for your record but, if you don't mind, in the interest of time, I'll hit the high spots and abbreviate my remarks somewhat today. And I want to speak, then, directly to the activities EPA has been involved in since November 1999 and where we're headed in the future.

First, the Agency's recent actions. On Monday, November 22, 1999, I made the decision to send to Libby an on-scene coordinator from my emergency response program, along with a team of scientists, toxicologists and a physician and a community involvement specialist, to investigate the situation. They arrived in Libby on November 23, 1999, the very next day.

This investigation confirmed two things. First, there is a large number of current and historic cases of asbestos-related diseases centered around Libby. A pulmonologist in Spokane was currently treating over 200 cases of asbestos-related diseases among folks who had either lived in Libby or worked at the mine. Further, he had provided care to dozens more who had already died. Of 33 incidents of apparently nonoccupational exposures, six had no family or other ties to anyone working at the mine.

The second thing our investigation confirmed was the likelihood that significant amounts of asbestos-contaminated vermiculite still remain in and around Libby such as at the former mine itself, at the former screening plant, the railroad loading station. And the base material of Rainy Creek Road appears to contain tailings and samplings of the mine. Residents have stated that piles of expanded and unexpanded vermiculite used to sit at the former expansion/export plant next to two former youth baseball fields. And they've indicated that children regularly played in and around these piles. Further, local residents used both expanded and unexpanded vermiculite from the mine site waste piles in their yards and gardens as a soil conditioner, and the expanded vermicu-

lite was used as wall and attic insulation in many homes. The descriptions of historic operations of the mine, mill and processing center show that large amounts of dust and other fugitive emissions were released into the environment when these operations were still running.

These findings led EPA to initiate a larger-scale investigation with three overall goals: First, to determine the current distribution of asbestos contamination in Libby. Second, more accurately to determine the extent of asbestos-related health impacts, in Libby. And finally, third, to distinguish the effects from past asbestos exposures from any that might be ongoing currently or may occur in the future.

In December 1999, EPA collected samples of air and dust from inside 32 homes and two businesses around Libby and conducted samples—or collected samples from yards, gardens, insulation and driveways at these same locations. Air and oil samples were collected from the former screening plant and railroad loading station, as well as at the former expansion/export plant. Samples were also collected from along Rainy Creek Road. To date, EPA has collected, in fact, over 600 samples. Seasonal sampling of ambient air around Libby and the former mine site began in January and will continue through this fall, as conditions are favorable.

In December we began planning a wide-scale community medical testing and exposure assessment. Chest x-rays, where indicated, follow-up pulmonary evaluations, will be given to residents and former residents of the Libby area. This effort should help determine the full scope of asbestos-related medical impacts in Libby and, in conjunction with the ongoing environmental sampling, help distinguish between past and current sources of exposure. The medical testing is planned for start-up this spring.

Let me move to what we know about asbestos-related health effects in Libby. It's very apparent that the asbestos-related health effects associated with the vermiculite mining and processing operations in Libby have been significant. The vast majority of cases that EPA and the Public Health Service have reviewed appear to be occupational in nature. But the next largest group appears to be family members of those involved in the mining operation.

Beyond the occupational and secondary exposures, that is exposures to workers' families, it is difficult to identify the sources for other asbestos-related diseases and whether they exist today. It is probable that people who played in the piles or lived near the former expansion plant when it was in operation are in greater risk. But this has not yet been confirmed by a rigorous investigation. EPA has not yet concluded whether or to what extent having this vermiculite in the home garden, in a yard or a wall or attic insulation, correlates to an increased incidence of asbestos-related disease. It is these latter two questions which form the crux of the ongoing investigation.

Let me move to the state of the environment in Libby today and what we know about it. The piles of vermiculite around the export/expansion plant are gone. Air emissions from the mill and processing operations no longer exist. And ambient air conditions in Libby have greatly improved over the last decade. The results from the air samples collected by EPA in December indicate that unsafe lev-

els of asbestos fibers still exist in some areas of the former screening plant and railroad loading station and the export/expansion plant.

EPA has already initiated discussions with W.R. Grace about conducting and/or paying for cleanup actions at those locations. One of the 32 homes sampled in Libby also showed unsafe levels of tremolite-actinolite fibers. EPA is currently trying to determine the source of those fibers, and then EPA will take steps to reduce those levels. We expect to have the results from the remainder of the samples collected in December by mid March and will announce our findings at that time.

Now, let me turn to next steps. The next step is the implementation of the community medical testing and exposure assessment that EPA and ATSDR will jointly conduct, with assistance from the Public Health Service. The outreach education efforts will begin in March 2000, next month. The actual medical evaluations will begin in April 2000. EPA and ATSDR have both committed to conduct this action under the above-mentioned time frames. If done successfully, this evaluation should also help to serve to develop the local medical infrastructure in Libby so that residents can receive proper diagnosis, treatment and care locally.

Senators I see that my time has expired. If you'll forgive me, I'd like to continue.

Senator BAUCUS. It's important that you're here. You traveled a long distance, and we want to hear what you have to say.

Mr. YELLOWTAIL. Thank you, Senator.

Montana EPA, along with Montana's DEQ, will continue to continue its investigations in and around Libby and will begin cleanup actions at the two former processing centers this spring. As more information is gathered and more information data become available, EPA will discuss its findings publicly and take action accordingly. It is EPA's intent to identify all areas where unacceptable exposure to tremolite and actinolite asbestos are occurring and remediate them. EPA plans to test an additional 75 to 100 homes starting in late February. Ambient air sampling will continue through next fall. Investigations as to the present physical condition of the mine and the area surrounding the mine will be started as soon as the snow melts this spring.

Finally, and I know this is of importance and interest to you, I want to address the matter of coordination of local, State and Federal efforts. Given the critical nature of the situation in Libby today, it is imperative that the efforts of all the agencies involved be well coordinated. I can and will take steps to ensure that the agencies work together in a coordinated manner. We have conducted several briefings and interviews with officials from the City of Libby and Lincoln County.

In addition EPA, ATSDR, Montana DEQ, Montana Department of Public Health and Human Services, and the Public Health Service have met extensively with the county medical officer, hospital officials and local physicians to exchange information about these investigations. Local medical resources will be used to a great extent in conducting the community medical screening and exposure assessment and have participated in the development of this project.

EPA and the other Federal agencies involved will continue to communicate with local officials and medical personnel as the investigations progress. EPA and Montana DEQ have helped to facilitate the formation of a community advisory group, which is a citizen-based group designed to better transmit, receive and evaluate the information collected during our investigations. The group will serve to act as a forum to discuss and debate publicly many of the inevitably controversial issues surrounding the investigations.

Montana DEQ has been participating jointly with the EPA in this investigation since it was begun. Montana DEQ personnel have been involved with the investigation, design and implementation and will participate with EPA when clean-up actions actually begin. Montana Department of Public Health and Human Services has been integrally involved in the current medical information and has participated in the design of the community medical testing and exposure test assessment. This relationship will continue as this project evolves.

Coordination among the Federal agencies involved is also paramount to the success of this project. Because of the overlap in authorities that's potential, and to eliminate any duplication of efforts, ATSDR and EPA are jointly conducting their investigations in Libby where that is appropriate. To this end, the two agencies are now in the process of finalizing an agreement on how the work will be conducted and ensuring a sharing of information and resources. As a result, EPA has agreed to fully fund the community medical testing and exposure assessment while relying on ATSDR's expertise in its design and implementation. In addition, the agencies have agreed to coordinate their enforcement and cost-recovery actions concerning W.R. Grace.

Senators I want to assure you that I personally have charged my on-scene coordinator with the directions discussed above. And he will, and I will, stand fully accountable to the success of their implementation.

Senator Baucus, Senator Burns, I want at this time to acknowledge and express EPA's appreciation for the generous compliments for the EPA team that Libby folks have delivered today. We will work hard to continue to earn your confidence. Thank you, Senators, for your attention and consideration.

Senator BAUCUS. Thank you very much, Bill. It's clear that conversations you and I had when I called you up when this issue broke, as well as Dr. Falk, when I encouraged you to be expeditious and also burn the midnight oil to make sure everybody works together and pays proper close attention and listens to the local folks, that you've done that. It's—whether through Paul or through your other people, it's clear you made that point very strongly. And I know from speaking for the people of Libby, we appreciate and know that you're going to continue in that regard. Thank you very much.

Dr. Falk?

STATEMENT OF DR. HENRY FALK, M.D., ASSISTANT ADMINISTRATOR, AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY

Dr. FALK. Senator Baucus, Senator Burns and members of the Libby community, thank you very much. My name is Dr. Henry Falk, and I'm the assistant administrator of the Agency for Toxic Substances and Disease Registry public health agency within the U.S. Department of Health and Human Services. Accompanying me is Dr. Jeffrey Lybarger who's the director of the Department of Health Studies and has been our lead coordinator for the project here, and Sharon Campolucci who has been working with Dr. Lybarger here in the community.

I'd like to start by saying we appreciate the opportunity to be here to address the public health issues. We have been listening to the concerns, and I'd like to assure you that we will do our utmost to provide whatever assistance we can.

Second, I know that the issue of coordination has been very critical and is very much on your mind. I've been listening to that all morning. And I'd like to echo Bill Yellowtail's comments that we will work very closely with the EPA. We always work very closely with the State and health community officials and, again, we will do our most on that score.

I just want to briefly summarize the areas that we can work in, in terms of public health, but I want to point out we share the desire to develop both the immediate as well as the long-term steps to address this issue. Among the activities ATSDR will pursue initially in Libby are, first, providing advice and consultation on environmental sampling; second, reviewing medical and vital records for residents already diagnosed with asbestos-related disease; third, developing protocols from the medical testing which will begin later this spring; and fourthly, developing and distributing health care provider and community education materials and providing relevant training to health care professionals who may need to provide services to residents and workers in the Libby area.

As you know, ATSDR was created by Congress in 1980 under the Superfund legislation. Our mandates derived from the Superfund legislation and they are to provide health assessments and health investigation in relation to sites where there are toxic chemicals or hazardous substances, and so we work in communities through our authorities that come from that legislation. Because of that, we work very closely with the EPA, as a part of the Superfund process and, again, the State health department, local health agencies and affected communities.

I'm a little bit in the Mo Udall situation you mentioned before, and I'll try to be quick. I don't want to repeat things that have been said before.

I do want to point out that we are in the Department of Health and Human Services. We are, at ATSDR, closely related to the sentence review for which is also a plaintiff and one of the closely related agencies, National Institute for Occupational Safety, or NIOSH, which, as part of CDC, carried out work in the Libby area in the 1980's; documented asbestos exposure and related health effects, including respiratory and lung ailments in workers at the Libby vermiculite facilities.

Senator BAUCUS. Dr. Falk, would you pull the microphone a little bit closer.

Dr. FALK. And that work conducted by NIOSH was critical to our understanding of the potential health impact of the situation.

ATSDR initiated site activities with a site visit to Libby from January 18 to January 21. We had a follow-up visit here February 2-9, during which time our staff and DHHS regional worked with State and local health officials to outline future public health activities. The key elements of the overall health response plan for Libby that were worked out are to: One, provide input and advice on environmental sampling;

Second, collect and analyze medical and epidemiologic data to better characterize the nature and extent of asbestos-related disease in the community. And this would involve review of medical, pathology and vital records data for the residents of the Libby area who have already been diagnosed with the disease. And that will be important for our understanding of the full picture of what the impact has been on the community;

Third, is the coordination of the medical testing for people in the community who have had past exposure to asbestos in order to identify people with asbestos-related conditions so they can be referred for further medical care as needed; and

Fourth, to provide the public health education program, as I noted.

I would like to amplify, briefly, some comments related to the medical screening. The desire to identify the extent of the site-related adverse health effects is a very key component to our work here. Planning by us to provide medical testing to persons through Federal, State and local agencies has been ongoing to develop this effort. The medical testing will provide screening services and advice on diagnosis and long-term care needs for people who were exposed to asbestos; it will also help us to estimate the prevalence of this condition for people who have been exposed; and assist the local health department and local physicians to estimate the magnitude of asbestos-related illnesses that must be addressed in the future by local physicians, a point which was brought out earlier by Dr. Black and others.

Under this plan, people who lived near the site, worked with vermiculite, lived in a household that had a vermiculite worker, or had some other activities which allowed them to have frequent contact with vermiculite in the Libby area, would be identified and included in the medical testing.

We are progressing on this plan. There is, as has been mentioned, a meeting coming up next week which will include local officials, State officials, Dr. Black, Dr. Spence, Dr. Whitehouse, ourselves, EPA, as well as outside asbestos experts to continue working on the details of the screening effort. We anticipate we will have a very large turnout, hopefully, from the Libby area for the medical testing.

As you mentioned, in the letter to you, DHHS noted that the Health Resources and Services Administration has already committed \$80,000. But as you said, you see that as indicative of the department's commitment to assess the appropriate way to see that.

We also want very much to participate in the community process and working with the community. We are working with local partners to plan a community meeting in Libby in preparation for the screening. The idea is to create an environment for individuals to take directly with scientific, environmental and health experts and about health-related questions and concerns. We hope this public availability session will be held within the next month and certainly well before the medical testing and screening begins so people have the opportunity to learn more about that and ask any questions they have.

I would like to reiterate that we share your concerns about the health impact in the community. I'm confident that all of us will do our utmost in working together to address both the short-term and long-term public health needs of the community.

Thank you very much. I'm be happy to answer any questions.

Senator BAUCUS. Thank you, Dr. Falk. And, again, thank you for traveling all the way from Atlanta; is that right? Appreciate it very much. Welcome to Montana.

The basic question is, how quickly can you provide sufficient resources and test results and expertise to enable us to put a plan together and to know how much we're going to have to spend, what resources we're going the need and so forth. I mean, you heard Dr. Damrow, for example, say We just need help, we're over our heads. We're dependent upon you, both agencies, the ATSDR as well as EPA, to help find solutions for us. So what can you tell us, hearing them say We're over our heads, we need this data, we need to get this put together.

To be honest, I was a bit struck by the first panel which was almost as much at sea as it was when I talked to them about a month ago. At least that was my impression. That they're asking the same kinds of questions today that they were asking about a month ago which, to me, indicates that they're still dependent upon the State to some degree but to you to a greater degree to get these answers quickly so that we can then put together a plan. What can you tell us about how—what you can provide, how quickly you can provide it and how much it's going to cost and when we're going to know how much it's going to cost so we can then ask ourselves where are we going to get the resources to do all this.

Mr. YELLOWTAIL. Dr. Falk, I'll let you begin and then I'll follow.

Dr. FALK. Let me begin by saying that I think this problem is devised into the short-term and the long-term. On the short-term, I think we are making very rapid progress. We are drawing up plans for the screening effort. We are, you know, assessing what the likely needs are to do that screening effort in terms of equipment, such as x-ray equipment and pulmonary function testing equipment that was mentioned earlier, in terms of, you know, what it takes to coordinate that effort. And I think we have made a lot of progress with EPA in terms of how to fund that short-term effort. And I think that is moving along. We are trying to get the best advice possible on what is the appropriate way to do the screening and set it up properly. And I think—and I think we are getting a handle on that.

I think the tougher question, really, is for the longer term. And I know this has come up before. And there are many questions that

will become clearer over the next 3 or 4 or 5 months. But it will be important to know how high the environmental samples are, different locations. It will be important to know what percentage of people who were not workers or family members turn up with any positive findings on the screening effort. And I think then we will have a better assessment, in terms of what the long-term leads are. We—if—you know, if there are ongoing environmental exposures, then one has to think about what are the long-term medical testing needs. If there are people who turn up with positive findings on any of the screening tests, then one has to think about what is appropriate follow-up activities. So I think it's difficult to say that exactly now too. We actually learn this process over the next few months.

Senator BAUCUS. What do you mean by short-term and what do you mean by long-term? What kinds of things are addressed in short-term and what in the long-term, just so I can get a sense—quantify. About the only way I can think is I have this phrase in my mind, bedevil my office with it; names, data and dates. I just need to know deadlines. Quantify as much as possible, you know, when we're going to get something done. Avoid the abstract wherever possible.

If you could give me something I can get my hands on, something specific, so people in the community can get their hands on something here. What are we talking about here? What's the short-term, specifically; what's the long-term, specifically?

Dr. FALK. In the short-term, as Mr. Yellowtail has noted, we have been aiming for something like the latter part of April to complete the screening process. And I think our efforts between now and then are devoted towards doing that, as well as organizing that as best we can.

Senator BAUCUS. In April; is that what you said?

Dr. FALK. Yes.

Senator BAUCUS. By April what will we know?

Dr. FALK. Between now and then, we will be developing the protocol for the screening process. We will be preparing locally with the physicians, hospital, State groups in terms of designing the screening process and arranging for how that will be implemented, meeting with people and making sure they are aware of how that will proceed. So I think we are in the process of over—between now and then, of organizing the screening effort, meaning communities working with the local health department physicians and so on. So that is between now and April. We then have the screening process, which will actually occur. And during that time we will be, you know, developing the information and understanding what the results of that process are. And over the next several months, we will have an understanding of what information we have learned from the screening process.

We will, simultaneously, on a separate track, also be doing some of the other things which I mentioned during that time period, such as trying to review the vital records, review medical information on people who have already been diagnosed. I think people who have already been sick and have been seeing a physician or have been diagnosed may not be the ones who come to a screening program. So we want to get a complete picture of what the impact

has been on the community. And that's our reason for wanting to do both of those.

But I think by summer, as these processes have gone on, we will have a much better understanding of what we have identified from the screening program; we'll have a better understanding of what has been coming up on the environmental effort, and then I think we will be better able to speak, you know, with more detail and clarity about what the long-term public health needs may be in terms of numbers of people who have positive findings on screening.

Senator BAUCUS. What tests or your tests or EPA's tests have yet to be taken or have been taken and we do not know the results of yet, are going to be most important for you in developing your protocol or developing your longer-term plan?

Dr. FALK. From our perspective, we most want to make sure that the people who have been potentially exposed are the ones who have the opportunity to participate in the screening programs or, you know, to be able to—

Senator BAUCUS. Speak up, please, Doctor.

Dr. FALK.—to be able to avail themselves of any screening tests. I think the environmental sampling efforts help in terms of understanding what is the scope of potential contamination; who might be. We want to make sure that people who have, you know, been potentially exposed, are the ones who are included. And to that end, the environmental sampling informs us as to who has been potentially exposed. So some of this stuff these people we'll know historically; people who may have worked or have had some relationship to the mine. But some of this also we clearly will learn as—

Senator BAUCUS. The very basic question here is—the community asked it, Senator Burns asked it. We need to know what resources are going to be needed here. And we just need to know when we're going to know what resources are going to be needed. I see Paul creeping up here. He obviously has something to say about it. And maybe you're the right person to call, but Senator Burns wants to know, I want to know, the community wants to know. What are the resources that are going to be needed? How much it's going to cost, when, from what source? And then we need some indications, some answers along those lines. Either Bill or—

Mr. YELLOWTAIL. Senator Baucus, as I indicated in my earlier remarks, EPA has committed to fully fund the screening, the health screening for community members. And as to costs, it's probably early to estimate that. But I'm going to turn to Paul who knows much more about the details of this than I, if you don't mind.

Senator BAUCUS. Great.

Mr. PERONARD. Just so we first get a sense of the scope, we've actually—government agencies have taken a first step at outlining the protocol and how the testing will be done. And we're pretty satisfied that we know what we want to do. Now the next step, then, is getting it out to the community to see if folks will accept it. That's one of the reasons why we're talking April instead of right now. And that is to take the idea out.

What's important to us is that if you set a screening that people come to and people trust the results they get from it. And that

takes the education component. We have to work out how we're going to fund it. We can answer some of the questions whether or not it's appropriate to use money from W.R. Grace or not. Those are the types of questions we want to resolve before we implement the study. We think we can do that by April.

The second thing is we want to shop this study out to some national experts. Next week we're meeting with some folks from as far away as Mount Sinai Hospital in New York. Folks at the University of Cincinnati have special expertise in asbestos-related medical diseases. So to make sure that our protocols—to make sure how we're doing so the testing stands up to more rigorous medical evaluations so the answers are good for the long haul.

We want to screen about 5,000 people in the first efforts, about a two and a half mile radius around downtown Libby, which is basically the valley proper. We've run down a list of all the former employees from W.R. Grace. So we're going to make that available to them—

Senator BAUCUS. Employees that you know.

Mr. PERONARD. Yes, sir, we have that now.

Senator BAUCUS. Including those that are not in the community.

Mr. PERONARD. Yes, sir. Now, we haven't found them all yet; that's a part of the rub. We actually have to go out, find these people, let them know the screening is available, figure out how we're going to get them here if they want to come. We're going to set up a dual screening where we actually come out and call everybody in Libby, call these former workers, ask them about 12 to 15 questions, try to set up the appointments for times for them to come in and do the screening.

In the meantime, I have estimated we'll have to buy about \$200,000 in equipment. Which right now, the plan is to house it at the local hospital. They have the ability, the space, the infrastructure. We'll need to bring in some trailers where we'll conduct the interviews and process the information. We have to hire—somebody talked earlier about the number of B readers. That's actually part of the study aspect of it. In order to get the protocols right, you do a comparative study. You have three people look at a single x-ray. There actually will be some subjective disagreement between the three. You might get two positives and one negative. That's the nature of how you read the x-rays. It's a quality control set. We hire these people to bring them on. Again, that should come on in April. We're running down folks to do that now.

How we do the screening and the information collection, this is one of the things we're working out now, is going to affect—who actually does the work is going to affect the cost. The order of magnitude is going to be around \$4 million or so for the overall screening plus the medical testing plus the infrastructure purchases. It's money right now that we have in hand—make sure my boss is nodding his head.

Senator BAUCUS. John will give it to you.

Mr. PERONARD. That we need to then funnel out how we divvy up the specific work. We want to work out do we fund the position for the local hospital, or do they want to provide that resource so they have control over that. Those are the details we're talking about working out now. Screening 5,000 people, if we get a 60 per-

cent turnout rate, we're planning to do x-rays for 3,000 people. A similar study was done in Duluth, Minnesota for 1,500 people. It took them about a month and a half to 2 months to do. So we figure this will take 3 months in implementation, give another month or two to actually start crunching through the data.

And in the meantime, the way we set up the protocol, any other obvious medical problems we fall out will be identified, will be notified directly back to the affected individuals directly so they don't have to wait to the end of the study to find out what's going on. All this flows out to sometime at the end of summer we should have the information back, we should have the evaluations in place and we'll be able to tell you Gosh, it looks to me that 30 percent population or some number to quantify that. That's the target for the end of summer, next fall. A whole bunch of things can happen between here and there, but that's how we're planning to do it.

Senator BAUCUS. Who all—are you staying here, Paul, through the interim? And my question is, who's going to be here, to be honest, to keep your enthusiasm and energy and make sure this thing continues to happen?

Mr. PERONARD. Well, that's actually an open question right now. Right now we're.

Senator BAUCUS. Well, what's the open answer?

Mr. PERONARD. I don't know.

Senator BAUCUS. I'm just kidding.

Mr. PERONARD. Decisions are certainly made up above my head. But the look we are taking—ATSDR will take the lead for doing the implementation. So they'll be responsible for the timing and how that happens. I don't stay up here full time. It's my daughter's birthday and I actually want to get home for that. But it's spending 78 percent of my time up here. So I'll make sure on our end, in terms of the environmental sampling, including the seasonal sampling, I'm looking to finish this up in sort of 8 months. That's sort of my long-term plan.

Senator BAUCUS. I hear you think the screening could cost roughly about \$4 million?

Mr. PERONARD. Yes, sir.

Senator BAUCUS. Did I hear you correctly that EPA is going to foot that bill?

Mr. YELLOWTAIL. Yes, sir.

Senator BAUCUS. What other costs—health-related costs, will there be? And when will we know them?

Mr. PERONARD. The crucial piece to that, and I'll turn it back over to the doctors in the house, if you will, is how many additional cases that the study identifies. That's really the crux of what we're trying to get at. Is it a fact that we already have the medical care of everybody affected, or is there another 200 people out there? If we then dump 200 more people on the medical system, you actually could come in, once you have that number, and figure out what their treatment costs are going to be, what facilities you need to still treat them. The other question to ask is the people who have to go to Spokane, what would it take to set up the infrastructure here in Libby, to set that up. And as far as the dollars per patient kind of thing, you'll have to talk to a doctor about that.

Senator BAUCUS. I can appreciate that. I'm trying to get a handle on—some advice as to when we might know the answer to some of those questions.

Mr. PERONARD. Summertime, in terms of the number of people we need to actually bring in to medical care.

Senator BAUCUS. Sometime this summer.

Mr. PERONARD. Yes, sir, in the summer.

Senator BAUCUS. Now, how much is the results of the data, the tests you're taking, going to affect all of this? As I understand, there are test results we don't have the results to yet, that there may be some other tests taken particularly, you know, if when the snow melts, we to have break up and it's a little dry so we can have a better idea of what the ambient problems might be.

Mr. PERONARD. I think in terms of answering the questions about the health effect, the crucial pieces of data deal inside people's homes and in their yards. The mine is a fixed facility and we know it's sitting there. And it can be a fairly conventional approach to how you management that. We're not moving that mine. We don't have to figure out how to take care of it there.

Figuring out what levels of asbestos in somebody's home, let's say in an insulation material or in a garden, is something that we don't have any experience with doing. We're figuring this out as—let me say that better. We're developing the science as we go, investigating this project.

Senator BAUCUS. So that's different from Duluth.

Mr. PERONARD. Well, Duluth was centered more around an occupational situation which differs from a fixed facility you can measure the air that they have. They weren't worrying about people using their gardens or insulation or somebody's house.

What we're going to try to do is marry up the environmental data that we collect, the air samples from people's houses to the medical information from the medical screening to see if, boy, is there a correlation. Is everybody who has it in their garden, do we see an increased incident of disease or is it not related because they don't seem to correlate. Or correlate the garden levels to indoor air levels. Do the same thing with the attic insulation. So you don't get the final pieces put together until all this short-term work is completed at the end of the summer. In the meantime, we'll have some obvious areas from fallout. For example, the screening plans. We're not going to wait until the end of the study. We'll start that cleanup now so that extra improvements are being made while we figure out the next level or next quantum of risk and while we're getting a handle on the overall program. That way you parallel task things.

Senator BAUCUS. Is there anything we can do to help speed this up in terms of resources or talking to agencies, telephone calls here and there? We want to help speed this along as quickly as possible. You're going to pass that up; okay.

Dr. FALK. Senator, I think a critical question is we have a sense for the approximately 5,000 people who want to be involved in the initial screening. Thinking further down the road is the question. How many of those people ought to be screened on a regular basis after this summer. How many people may have some signs of asbestos exposure which ought to be watched on a regular basis for

any progression. How many people, as had been noted by Dr. Black and others, have a real illness that requires regular attention. And I think we can estimate the cost of each one of those parts. Like what does it take to screen an individual yearly or what does it take to provide the medical care for an individual who needs an annual checkup or the care for somebody with an illness. What we can't provide to you yet are those actual numbers.

And I think what Paul has been saying is by the summer, having completed the first round of screening, we may be able to take those individualized costs and have a number attached to each of those, and then we can estimate what this will take to follow through in succeeding years. And I think that's the tougher part to really know at the moment.

Senator BAUCUS. Well, I might ask, you know, John or Rita or others, can you wait that long? What's your reaction to all that? Because you mentioned, John, earlier how, you know, you've got to get moving in the community.

Mr. KONZEN. I think Bill mentioned something that I've been wondering about, is the responsibility, economically, to take care of the medical, short-term, long-term, is who? I don't know. Are you in it for the long haul to take care of these people and then are we going back to W.R. Grace later or what's—that scenario is not clear to me.

Dr. FALK. Let me start on that and maybe Bill will be able to comment.

ATSDR does not have authority to provide medical care. We are not a medical care agency. We do have an ability to work on screening over a longer-term basis and I think, you know, we would certainly be willing to do that. We do not currently have the funding for a long-term screening effort and that's something we all have to work together on. And I think the best estimates we could provide you would be in the summer maybe there's some way of providing some initial estimates which could be refined. I wouldn't want to answer that myself at the moment but we could perhaps work on that, at least give you maybe some initial impressions. But I think the summertime would be when we would have the best estimate for that.

Mr. KONZEN. I guess along with that then, no medical coverage will come out of either one of these two Federal organizations.

I've heard it takes about \$250,000 for these folks to actually end up in—I guess, in death. And so I don't know if that's true or not. But you're trying to equate some kind of appropriations that would be long term. I think these victims that have been through this might be the best source of that information, of what it costs and where is that money is going to come from. I guess the other thing I mentioned about appropriations is that we are in above our head a lot further than the State is and we don't know where these variables are going to come into. So I think marking something in appropriations would be a wise thing to do for the future of this program, because we don't know where we're going to go. And the economic downsizing and downfall from this also has to be considered, because this thing has actually damaged the community along with its citizens. So I think appropriations need to be kind of looked at in those areas.

Mr. YELLOWTAIL. Senators, I delivered EPA's commitment to pay for the screening process, and I want to qualify that as saying up front, I think the question here about the long run is very important. And as to individual medical care, I don't know who has the answer to that question. But if you don't mind, I would like to expand—or ask my attorney to expand on who pays in the long run. The law provides that it should not be the burden of the taxpayers to pay for this kind of damage.

Senator BAUCUS. That's right.

Mr. YELLOWTAIL. And if you don't mind, I'd like to ask Matt Cohn to give you a perspective on the whole area of cost recovery here, because I think that's important to that whole issue.

Mr. COHN. Senators, certain statute under which we're operating allows us to recover costs from operators of facilities for two basic components that were mentioned here tonight. The first of that is in identifying exposure routes and taking response actions to cut off those exposure routes. The second is to do the health assessments that ATSDR will be needing and to recover those dollars. The third component that I haven't mentioned is the treatment of individuals who may have been affected by what happened here.

We can broker a deal with W.R. Grace and hope that we can work out some sort of consensual agreement whereby they will fund, perhaps in a trust, a mechanism to pay for such costs. I am not sure, however, that the statute gives us the authority to force them, at least under CERCLA money, to pay for those costs. And so to the degree you're asking what can Congress do in terms of appropriations, perhaps treatment is the best avenue.

Senator BAUCUS. Could you more precisely delineate the second course of action where you can compensate? I understand the cleanup and so forth, but you mentioned something with respect to ATSDR, and I didn't quite understand that.

Mr. COHN. The second component which we are allowed to cost recovery or to actually perform the work for is health assessment. And that is what ATSDR—

Senator BAUCUS. By "health assessment," you mean determining what needs to be done?

Mr. COHN. Determining what needs to be done and referring people who have been affected to appropriate physicians. That is the screening and testing.

Senator BAUCUS. Screening and testing as opposed to mediation, as opposed to cure.

Mr. COHN. Correct.

Senator BAUCUS. That's interesting. Has this been tested at all, or is there any other example where, under No. 3, you've gone back to a company to pay for the medical care?

Mr. COHN. I don't know the answer to that at this time. I'll have to check into that.

Mr. YELLOWTAIL. Obviously, the courts have a pretty full menu of cases before them to address individual medical costs.

Senator BAUCUS. So you said four million dollars. Is that general fund money, or is that four million you expect to go back and get out of Grace?

Mr. YELLOWTAIL. That's CERCLA money but with the potential for cost recovery. And, of course, it is always our going-in expectation that we will recover that investment.

Senator BAUCUS. Right.

Dr. FALK. I just wanted to add a little bit o that. The divide, really, I think, is in terms of providing health care. There are—in addition to screening and testing, there are related types of activities that can be done under CERCLA. For example, if there were signs where a number of people for whom we wanted to stay in touch with over a period of many years so that we could establish some register of all those people, stay in annual contact with them and be able to, you know, assist or initiate services for them, we can do that kind of a thing. And that's like an extension of the testing or screening. But it stops short of the actual provision of care.

I think the people who actually have moved from Libby is something maybe that hasn't been touched on today but may be another thing that we should think about. Because there are many people here that have relatives or friends or neighbors who may live in other parts of Montana, or maybe now live outside of Montana, who in the future ought to be included under some appropriate type of follow-up activities.

Senator BAUCUS. Right. Forgot about that. Somebody have an answer to that?

Dr. FALK. That might be included in the cost of a register for keeping track of everybody. But I think that would be—that is authorized under CERCLA.

Senator BAUCUS. Oh, it is. One question in y mind is, when's the next time for us to kind of sit down together and sort of take stock? This is mid-February. I'm a little nervous about waiting until summer, over August. Lots of things could slip and slide over that long a period of time. I'm tempted to—my inclination is that we should sit down again and talk about all this, see where we are and maybe take stock in a month or two, rather than wait until all the way until August.

Mr. YELLOWTAIL. Senator Baucus and Senator Burns, I appreciate your attention here and appreciate your support. I, frankly, think at your convenience. Certainly on an ongoing basis we need to keep you informed as to progress of our efforts here in Libby. But to have another hearing like this I think would be useful. Obviously by late summer we will have, if we're successful with our commitment to conduct all of the medical screening and so on on the time table we've set out, we will know a lot more by the end of summer. However, at your convenience, if in the interim at some point you would like to have another, basically, community-based check-in like this.

Senator BURNS. Can I interject one thing here? I think it's important here that it keys on you. It keys on Dr. Falk, on whenever we got ample enough information together that it becomes meaningful. And then we have to take—decide to take some steps at that time. I think it keys on you and how your work progresses for example. And I'm not saying hurry up and do it. I'm saying it takes a certain amount of time to do this. This is very painstakingly technical stuff.

And here this guy's—you need a haircut, by the way. And we've got to get on the town of Libby, too; they've got to fix their air conditioning here.

[Laughter.]

Senator BURNS. But I think it keys on you and when you think you're ready to present some information. Now, we can sort of work with you on a personal basis in a—not in an environment such as a formal hearing setting, but we can sure work with you in completion of your information. And then when it becomes meaningful, then I think the folks of Libby and the State of Montana will—the commissioners can make some plans, the Department of Health, environmental health can make some plans. I think the DEQ will know what to do, and I think our people will know what to do. But I think that's the way I look at it. Maybe that's looking at it backwards. And if it is, then you can tell me so. And thanks for coming today, I appreciate it. I don't have any formal questions.

Senator BAUCUS. I said I'd give the local folks a chance to respond, Tony Jorgenson and John and others, Brad, to what you've heard.

Mr. KONZEN. I, too, would like to thank both of you for showing up today. I think this solidarity is important to resolve this issue. I'm still not sure about the long-term care. I think you heard that, and I don't think these folks are either. If it falls back on W.R. Grace, I don't know who brokers that, I don't know who takes care of that. And we're kind of lost out here as far as device and how we go about doing that.

Senator BAUCUS. It's a good question, John, and it's one we have to keep thinking about and find the answer to in the several next weeks and months. But I'm definitely going to have another follow-up hearing, either committee hearing or some similar type of hearing. But I think it's very important for us to keep our eye on the ball and keep things going here.

I'd like, now, to give people in the audience a chance to speak.

Yes. And why don't you just—there's a microphone back there or whatever, just grab one anywhere. If you could give your name, please.

STATEMENT OF LLOYD WILLIAMSON, LIBBY, MONTANA

Mr. WILLIAMSON. My name is Lloyd Douglas Williamson, 643 Sheldon Flat Road, Libby, Montana, 59923. My phone number is 406-293-7079. My lineage goes back to 1895 in Lincoln County.

I just have two questions, and I probably have the solutions myself. The last point you made out here, is it easier for Senator Burns and Senator Baucus to sit down, or is it easier for you people to sit down for a progression, as far as a graph progression report, to the people of Libby, Montana?

Mr. YELLOWTAIL. Mr. Williams—

Mr. WILLIAMSON. Williamson, sir.

Mr. YELLOWTAIL. Sorry. We have our storefront office here. And on an ongoing basis our community involvement person, Wendy Thomi, here, makes it her business to provide information to members of the community on an individual basis and on a—you know, through the media and through the public medias and so forth. So that's an ongoing operation—

Mr. WILLIAMSON. I understand that.

Mr. YELLOWTAIL.—on a daily basis you're going to have access to.

Mr. WILLIAMSON. I understand that, sir.

Mr. YELLOWTAIL. We use the community advisory group as a means of providing information to the community.

Mr. WILLIAMSON. I understand that, sir.

Mr. YELLOWTAIL. And then I think as an appropriate milestone, I think we ought to accept the good offices of our Congressional delegation to hold this level of report back to the community. Now, to tell you the truth, I don't know, today, at what point it's appropriate to have another one of these.

Mr. WILLIAMSON. I wouldn't expect that.

Mr. YELLOWTAIL. But I think we ought to be able to publish for you very soon some at least rough time-table kind of a calendar as to what's going to happen here. And I think Paul probably does that already. We're going to have our agreement between EPA and ATSDR which—within a couple weeks, which should give us more information about that.

Mr. WILLIAMSON. I understand that.

Mr. YELLOWTAIL. Is that helpful?

Mr. WILLIAMSON. I'd like to sit at that table and you look across at my Senators and you answer to them. That's what I'd like to see. If it goes between you said late summer, I'd like to see you—I know how Mr. Baucus—I've seen his voting record, and also Senator Burns'. I'd like to see you talk to them. I understand publication and I really understand the news media. Now, if you can get with Mr. Baucus and Mr. Burns and sit down like you did today when you get 25 percent into this, I can figure out—I know math. I can figure out 25 percent, boom, we sit down again.

But I do believe it's when you two can get together, you two committees can get together and sit down and say we got a progress report to the people of Libby.

My second question is, Senator Burns and Senator Baucus, I'm well aware of dollars and cents in the Cat scales. I'm well acquainted with taxpayers' money being handed out and being held accountable for. If the trillions of dollars that went out to other countries, no interest, no pay back, is Libby, Montana worthy of that same kind of donation? Thank you.

Senator BAUCUS. Yes, Mr. Williamson, all I can tell you is I can speak for Conrad, I'm sure, we're devoting a tremendous amount of time to solving this problem here. We've come to Libby several times. We've had this follow-up meeting which is kind of a first, in my experience, in the State. And we're going to have another one. And Mr. Yellowtail and Dr. Falk and Marc Racicot and Rick Hill and I, we'll be talking about what we can do to make sure that the dollars are there as quickly as possible. Believe me, we're going to solve this problem.

When I sat in the living room of people here in Libby, people who are dying. They knew they were dying, I knew they were dying. I'm hard pressed for a more gut-wrenching, heart-wrenching experience I've ever encountered. Radicalized me. I'm going to do all I can to solve this problem. You have my pledge; I promise you that.

Mr. WILLIAMSON. Senator Baucus, I've been in the bedrooms of widows. I've stood by the death beds. I stand before you now and

I know whether I have asbestosis and I know that it's around here. I also know Libby doesn't—in years past didn't have sand boxes for kids to play in. We had zonolite boxes we played in. Thank you very much for your time and your expertise.

Senator BAUCUS. Thank you, sir.

We're going to have to leave in about 15, 20 minutes.

STATEMENT OF JIM ROSCOE, LIBBY, MONTANA

Mr. ROSCOE. I understand there's three aspects to this. One is the environmental cleanup, the other one is health and economics.

Senator BAUCUS. We need your name for the reporter.

Mr. ROSCOE. Jim Roscoe, common spelling, 6766 Pipe Creek Road, Libby.

There's three aspects that we're addressing is health, environmental cleanup and then economic. Anyone that's got zonolite in their homes is scared to death they won't be able to sell them. Anyone that's got zonolite in their lungs is scared to death they're not going to be able to live in their homes very long.

I think we should set up a database in Libby, whether it's through the EPA or some other agency, where all the questions and concerns of the residents can come into. When a person comes in, they're worried about health. You can access the database, see what's been done in that area. If it's environmental, what the timetable is. And economics, people here are scared to death about their property values, what's going to happen on that. And right now we have, as you've heard here, 15 different people all have the piece of the puzzle, and I as an individual don't know who to turn to the get the answer. But if we had a central point with a database I think would help. Thank you.

Senator BAUCUS. Yes, Tony.

Mayor Berget. I'd just like to address a little bit, that city home page, EPA is linked to that. So there is an ability, through the Internet, to ask some questions. And then the EPA's location downtown, I know they have that. And EPA has a web page up.

Senator BAUCUS. Is there a Libby web page?

Mr. YELLOWTAIL. It's a Libby web page.

Senator BAUCUS. EPA has a Libby web page.

Mr. YELLOWTAIL. Went on line yesterday. So pester Paul to find out the address.

Mayor Berget. It's linked to the city's home page.

Mr. YELLOWTAIL. It's linked to the city's home page, libbymontana.com, all one word, no spacing.

Senator Baucus, I hear Jim. I just wanted to relate, I sat in our storefront office about 30 minutes this morning doing some last-minute editing of my presentation for you. And during that very short space of time, I saw two property owners from Libby come in with questions. And they wanted to know what—one guy brought in a sample of material that he pulled from, I guess somewhere on his property. Says I want this stuff tested so I know what I've got. And, furthermore, he said, Sometime down the line, I might want to sell this property. I need to know, and my prospective purchaser deserves to know, what I'm going to get. Well, I watched Paul Peronard take the names and commit to a date spe-

cific when he's going to go out and conduct the necessary testing on their property to give them that assurance.

In the big picture and in the long run, I think we're going to have to figure out a mechanism to give a clean bill of health, some certificate or letter of assurance, to a property owner in Libby that they've got—they don't have a problem that they need to worry about.

[Applause.]

Senator BAUCUS. Yes.

STATEMENT OF TERRY BEASLEY, LIBBY, MONTANA

Ms. BEASLEY. My name is Terry Beasley, and I am chairperson of the Board of Directors at the hospital. I just need some further clarification, from probably Dr. Falk or Mr. Yellowtail, on the initial screening phase versus the long-term screening and ongoing treatment funding aspect of this situation. And you spoke a little bit up to it. And I—you know, Paul can say he can have his lab tests back by March 15 for this community. But we, as a hospital board in this community, need to have some sense of a time line and avenue of funding to address this situation.

Mr. YELLOWTAIL. Who can speak specifically to this?

Mr. PERONARD. The only thing that I know that we have funding for and we're committed to deliver is the initial screening process. To do the study, the 5,000 folks, and make that available here, purchase equipment, and that obviously would stay with the hospital. I can figure that out just in the next priority list of things to do.

And, frankly, working out the long-term issue is sort of second to your question. We have to get this up and running. So we haven't worked out the details on how we're going to bring through the infrastructure permits or how we're going to provide long-term care which is questions that probably we would do that anyway. It's on the list of things that I—obviously we don't know how—we really don't have the answers now.

Ms. BEASLEY. Well, if your intent is to begin screening by the end of the summer and then leave this community and this hospital to meet the health care needs of those who are affected, we need to know where that funding source is coming from.

Mr. PERONARD. The intent, then, is to figure that out as we're doing the screening. I just don't have the answer today. So that as we're doing the screening, we'll be able to better estimate what the long-term needs are going to be, start getting that funding lined up.

Senator BAUCUS. One other question. Where is that \$80,000 going to go?

Dr. FALK. I think that may be helpful in terms of the staffing that's needed for the screening process. But if I might speak to your question, one of the things that is very important to us as we are involved in the site is developing what we call a public health response plan. And I think what you're emphasizing is how critical that is. Because we can undertake activities that we see right in front of us now, but we really have to have a plan that will encompass these things that need to be done as we go forward. I think we have said that we're committed to working on such a plan. We work together with EPA, State, local community, and I think that's

where we need to elaborate what the needs are, and we need to give cost figures that Senators have asked for but also the elements of what need to be done, which I think is what you're particularly concerned about.

Ms. BEASLEY. Well, we already know that we need research if we're going to allow any hope in this disease process. So I don't think you need any more statistical studies.

Senator BAUCUS. I'm wondering if there is any way we—Dr. Falk and Bill and the right people at the end of this hearing, can just sit down in the corner of the room over there and try to work some of this out. In the meantime, you know, talk to us. We're going to be—we work for you, take your telephone calls, and we'll be talking back to Dr. Falk and Bill Yellowtail and others. And we'll put a list together. And that's the reason for—I put a little pressure on all of us to come up with this by having another sort of taking stock where we get together sooner, rather than later. Because that's going to make it easier for all of us. Maybe not easier, but we're going to get to the answers more questions.

STATEMENT OF ALAN STRINGER, W.R. GRACE

Mr. STRINGER. My name is Alan Stringer. I'm the Grace representative here in Libby. I have a written statement I've already provided to your assistants. I don't want to take the time right here to read that. I do want it to be made part of the record.

What I do want to address here, right now, is this conversation that's been going on here in the last few minutes with respect to the ongoing health care of this community. Mr. Cohn came up and made reference to it. And I think what everybody fails or seems to forget is Grace has made a commitment to take care of the medical needs for anybody in this community or anybody that's been associated with this organization or this town to cover their medical needs if they've been diagnosed with an asbestos-related disease. We said that, we're still committed to that, irrespective of what comes about out of the asbestos—out of the EPA's findings. We stand behind that. It will go on, irrespective.

The questions have been asked. The hospital has asked that question. Mr. Cohn addressed it. We made that announcement. And there's no top limit on the funding. There's no top limit on the people. It's the disease that these people have, if they're diagnosed with it, Grace is going to cover those costs, including medication.

[Applause.]

Senator BAUCUS. We've got to do this in an orderly basis.

Mr. STRINGER. It's a fair question. Right now we've been talking with the hospital, and you heard Mr. Cohn make the comment. They don't know whether they should even take other money. There has to be a sensible, rational layout of how this is going to get done. This is very complicated.

Senator BAUCUS. Mr. Stringer, may I ask a question? I'm a little confused. I read earlier in the press that Grace is making available \$250,000, I think it's a month.

Mr. STRINGER. A year. But ask the question.

Senator BAUCUS. Bad question; \$250,000 a month for as long as it takes.

Mr. STRINGER. A year.

Senator BAUCUS. It was a \$250,000 a year?

Mr. STRINGER. To initially make it \$250,000. Let me back up. When we originally—when this started, we wanted to get screening for the people in this community done as quickly as possible. You've heard that from a lot of people here today, Let's get this moving. Let's get this done as quickly as we can. Let's find out what the issues were. We felt that we could come in here and provide the hospital with the necessary resources to get a screening program set up. We were willing to provide the hospital initial \$250,000 to get going, as well as any capital costs might be associated with getting that done.

Furthermore, we were willing to provide that hospital as an ongoing means to provide ongoing screening and other issues, \$250,000 a year for the foreseeable future. That isn't 19—excuse me, that isn't 2010, that isn't 2020. It was open-ended for the foreseeable future. We made that commitment. We still stand by that commitment. It's \$250,000 a year. But that's—I mean, we have to determine what those costs are with respect to the health care. There's no number on that. It's what it is. But it's going to take a few months to get that set up and to get identified as to how the mechanism will be done.

The last thing I want is anybody in this town who has a problem with an asbestos disease to get caught up in some bureaucratic circle as to who's paying their bill. Is it Medicare, is it Medicaid, is it private care, is it Grace? It's Grace. And I want to assure the people here that it's Grace. But we've got to get that mechanism set up such that it gets done and it's facilitated so that the people of this community don't get caught in that circle of bureaucracy.

Senator BAUCUS. That's very interesting to hear, and I think people appreciate that. Has that statement been in writing? Has Grace committed in writing the amount that it's going to commit?

Mr. STRINGER. Absolutely. I made the announcement.

Senator BAUCUS. Is there a document signed by the Grace people?

Mr. STRINGER. There has been a press release that has been—

Senator BAUCUS. Not a press release. I'm talking about a document signed by the president of Grace.

Mr. STRINGER. No, there is not. I come here. I'm living in this community. I'm the representative here. I say that's what it's going to be, that's what it's going to be. I'm carrying that message from our community.

Senator BAUCUS. I hear you. I just tell you that from me, as a person, I'll have a lot more confidence, no disrespect from you but, a lot more confidence in that statement and in what Grace will or will not do when I see a document signed by the president of the company.

Mr. STRINGER. And I'll carry that message. Who should he give it to? Excuse me, Senator, who should that document be given to?

Senator BAUCUS. Me. I want to see it.

Mr. STRINGER. All right; thank you.

[Applause.]

Senator BAUCUS. One more and then we're going to have to wrap it up.

STATEMENT OF PAUL RUMELHART, LIBBY, MONTANA

Mr. RUMELHART. Just one last question then. Paul Rumelhart, Libby. How does the Fairness and Asbestos Compensation Bill affect the funding of the problem here, Senator?

Senator BURNS. How does what now?

Mr. RUMELHART. How does that Fairness and Asbestos Bill—how does that fit into the needs of the local residents and the needs of this community?

Senator BURNS. That's a separate issue altogether.

Senator BAUCUS. Yes. The answer to that question is it is related but it's not directly a subject of this hearing. I've decided not to address those issues at this hearing because that would add—get us too far afield from what I regard as the No. 1 focus today in February, and that is how to quickly as possible address the health problems people face and also the exposure problem that may or may not exist here in Libby. The liability issues will settle themselves out, and each of us is going to have a different view on how that should be resolved, but that's not today. We'll do that in a future date.

Thank you very much, everybody. It was very, very helpful.

[Whereupon, at 1:25 p.m., the committee was adjourned, to reconvene at the call of the chair.]

[Additional statements submitted for the record follow:]

STATEMENT OF RITA WINDOM, JOHN KONZEN, AND MARIANNE B. ROOSE, LINCOLN COUNTY, MONTANA, BOARD OF SUPERVISORS

Dear committee members: We want to thank you for taking time out of your busy schedules to hold a formal hearing on the asbestos problem we are faced with. This is a very important issue to all of us; especially those that have had their health adversely affected by this problem.

Credit also needs to be given to the EPA and ATSDR for their quick response to the concerns that have been raised. They have acted in a very professional and open manner. They have done an excellent job in earning the trust of our local citizens by being openly accessible to address concerns and answer all questions as well as keeping everyone fully informed on the progress of their testing. The on-scene coordinator, Paul Peronard, deserves to be personally thanked for managing his team in such a proficient method.

There are several issues that concern all of us. An immediate concern, of course, is the level of contamination within the Libby area, especially any risk in people's homes. Current testing by the EPA shows that two (2) homes out of the 32 tested have asbestos detected. One of the homes has termolite asbestos, the kind associated with the vermiculite mine. The other home shows chrysotile asbestos, used for years in insulation products as well as ceiling and floor tiles. In the other 30 (30) homes tested, the EPA did not detect asbestos fibers of the size immediately known to be a health risk.

The EPA testing has also discovered asbestos at the two former vermiculite processing locations. One is the old railroad loading area up the Kootenai River at the base of the Rainy Creek Road. The property is currently being used as a plant nursery. The other is in Libby at the old export site near the ballfields. Currently this property is owned by the City of Libby who has leased a portion of the property to a local business. We are sure that both of these businesses are concerned whether they will be able to remain in business during any cleanup efforts.

Many other areas of concern have been tested including soil sampling in garden areas, driveways, roads, and outside air quality in Libby and near the mine site. The test results from these locations should be available around the middle of March. With that information, a plan can be determined on how much and where further testing needs to be done.

Another major concern is the health of our residents, especially former workers and their families. It is important to follow through with developing a screening and treatment center here in Libby to reduce the fears of those who have not had an opportunity to be screened; but more importantly to lessen the financial and trauma

matic impact on those that have contracted asbestosis or related diseases. Those affected may not be financially nor physically able to travel long distances to seek treatment. In addition, local screening and treatment provides the emotional support of family and friends.

The local hospital has submitted a plan that they feel will meet those needs locally. We strongly support the effort of St. John's Lutheran Hospital to accomplish this. There are still many unknowns on how many people will need to be screened and treated. Asbestosis may take years to develop to a point where it is detectable. The need to offer screening and treatment locally will continue for years to come.

We are also concerned about the effects this has already had and will continue to have on our local economy. The Libby area, as well as the rest of our county, was already faced with economic challenges due to the major downturn in timber sales and other natural resource based industries the past several years. To survive this additional road block will require all of us working together to address and identify the Problem collectively, get it cleaned up, and identify ways to recover from the negative and sometimes exaggerated publicity this has drawn.

Our taxpayers are also worried. They understand that Lincoln County has been affected by major losses of revenue the past few years. Many county services have been reduced or eliminated because of the loss in tax valuation due to the closure of several major industries. We are aware that there will undoubtedly be a demand on many of our county departments for continuation of some services associated with this problem. Due to the long latency period associated with asbestos disease onset, the lengthy duration of the illness, and the likelihood of additional asbestos source discoveries, citizens will need to rebuild their confidence that the environment in which they live is currently safe, and continues to be, through extended sampling programs. We foresee additional funding requirements for our District Court, the Department of Environmental Health, our County Nurse's office, the Road Department, mental health services, and other areas of support needed by our constituents. As part of the partnership working to solve this problem, it would be beneficial for the Federal Government to help us defray the cost of these additional requirements rather than attempt to shoulder this additional burden by those most affected.

Again, we all wish to thank this committee for taking the time to visit Libby to address this problem and the uncertainties that are on the minds of all our residents. We appreciate this opportunity to appear before you today.

MARIANNE B. ROOSE, *Chair*
RITA R. WINDOM, *Member*
JOHN C. KONZEN, *Member*

STATEMENT OF BRAD BLACK, LIBBY, MONTANA

My name is Brad Black. I hold the position of Lincoln Co. Health officer and have lived and practiced medicine in Libby for over 22 years. As cases of asbestosis surfaced in the area that involved people with non-occupational exposure, our health department began the process of determining where they might have occurred. Communication with Dr. Alan Whitehouse gave indication of at least 23 cases of "non-occupationally" acquired asbestos-related lung disease. These cases included youth recreational exposure, service workers to the mine site, individuals that expanded the ore on their kitchen stoves, loggers who worked timber contracts around the mine site, and a report of one case who had lived in the central area of Libby with no other apparent exposure.

The EPA, led by their coordinator Paul Peronard, arrived and efficiently assessed the concerns. EPA toxicologist Chris Weis and Aubrey Miller, MD were professional in their approach to the situation. Their assessments supported the concerns of widespread asbestos exposure.

We discussed the immediate need to determine if there is current risk of significant asbestos exposure (environmental screen), if there was significant past exposure (medical screen) and the future need to develop the medical infrastructure to provide ongoing follow-up and care of persons with evidence of significant asbestos exposure.

In discussions with our medical providers, there was a consensus that we should take a lead role in providing medical evaluation and follow-up care for those affected with asbestos exposure. The Lincoln Co. Health Board was supportive of St. John's Hospital and medical staff taking an active role in developing the necessary infrastructure. Dr. Whitehouse was consulted and was supportive of us proceeding with this plan.

At this stage, our role appeared to be in assisting the EPA in the medical screening process and to proceed with securing the elements necessary to provide medical care and follow-up.

The ATSDR was engaged and with the direction of Jeff Lybarger, MD, we have continued to proceed with development of infrastructure. There was initially concern locally that the EPA and ATSDR might have some problems in developing a consensus on leadership in this project, however, both groups have demonstrated a level of professionalism that has allowed things to move along in a positive direction. They have come to fulfill their role, but have been listening and responding to State and local input quite well.

Development of the community advisory group is seen as an essential element. I would strongly recommend, in the initial phase of development of this interactive process, that the EPA take a more formal role in facilitation. This could help break down community tensions and help create an environment that participants see as comfortable and respectful of individual rights when discussing differing opinions. Then the group function can mature to a level that allows it to sustain an independent character.

As environmental screening and medical screening are in progress, we feel that it is essential to be developing a system to receive, evaluate, continue monitoring, and provide all aspects of care for those people with significant asbestos exposure. This would be accomplished with the assistance of expertise offered by Dr. Alan Whitehouse, a pulmonary specialist who is experienced in the clinical course of this tremolite exposure. In addition, it is our interest along with Dr. Whitehouse to investigate the possibility of finding a therapy for the fibrotic process caused by asbestos fibers. The ATSDR represented by Dr. Lybarger has indicated support for a research component.

As we receive the aid of the EPA in environmental screening and the ATSDR in developing a local program that would begin by being involved with the medical screening and continue the process and be ready to receive the identified population, I am concerned we are not going to be prepared. St. John Hospital is in serious need of operational capital in order to take an active role in hiring a local program coordinator, clerks, interviewers and pursuing education for health providers and respiratory therapists to mention a few immediate needs. As a health care community, we are ready and waiting to move ahead. With adequate capital and expertise from consultants, I'm certain we can construct a quality infrastructure.

Previously, Senator Baucus had indicated he would seek some monetary aid for helping our medical system prepare. I am hopeful that he will be successful in this venture.

Also, our role is to continue negotiation with W.R. Grace to address the long term health care needs of persons affected by asbestos-related disease. This would involve regular monitoring and care with appropriate interventions for those who have been impacted by asbestos exposure.

DEPARTMENT OF ENVIRONMENTAL HEALTH,
Lincoln, County, February 16, 2000

*Senate Committee on Environment and Public Works,
U.S. Senate,
Washington, DC 20510-6175*

DEAR COMMITTEE MEMBERS: I wish to express my appreciation for your consideration and efforts in evaluating the impacts on, and concerns of, the Libby community as we deal with the asbestos issue.

I echo the acknowledgments of others in regard to the Federal and State assistance rendered to date in evaluating conditions and assessing the problem. These efforts will result in public health risk assessments, health screening for asbestos disease presence, and cleanup of known asbestos sources. This process will go a long way toward alleviating the immediate health concerns and anxieties harbored by the community.

However, asbestos (and its impacts) presents a long term issue. Asbestos does not readily deteriorate in the environment, and exposure to its fibers can take many years to develop into a debilitating or deadly affliction. It is inconceivable to assume the efforts currently being expended in response to the asbestos conditions in Libby will result in a 100 percent cleanup of all asbestos risks. Long term planning is proceeding for personal health issues associated with asbestos presence in our community. These include: screening, long term care, and research efforts.

In order to rebuild, and maintain, citizen and visitor confidence in the Libby environment it will be necessary to maintain an ongoing environmental asbestos mon-

itoring program. This program must address ambient and indoor air quality, drinking water, and source sampling (dirt, insulation). As people remodel houses, dig up yards and gardens, and transfer real estate, new asbestos sources and concerns are going to be uncovered. People will need to have a local agency to assist them. The Lincoln County Environmental Health Department has experienced staff personnel that deal with air and water monitoring programs regularly. Asbestos training and appropriate monitoring equipment will allow our department to expand its role and provide this service. It is also logical that we'd assume the role as the educational outlet for asbestos related topics, when the EPA Libby "storefront" information center is phased out.

The scope of these long range community needs falls beyond the current EPA and State efforts. These needs will require extended funding, and that leads me to the basis of my request. The citizens of the Libby community need your assistance in providing a means for sustained and assured long term funding to provide these essential environmental programs. Assurance, and reassurance, that the local environment does not pose a public health risk is critical to the healing and rebuilding process facing the citizens of the Libby community.

I am appreciative of your efforts and concerns and again express my thanks to you.

Sincerely,

RONALD L. ANDERSON, *Director,*
Lincoln County Environmental Health.

STATEMENT OF TONY BERGET, MAYOR, CITY OF LIBBY, MONTANA

We are experiencing one of the most difficult times in Libby's history. The diagnosis of hundreds of Libby-area residents with asbestosis is devastating on many levels. I have lived in this community for almost my entire life. It is where I choose to raise my family, not because it is the most economically advantageous place for me to do so, but because this is where my heart is. Libby is beautiful, and it is a great place for kids, but the reason I choose to live here is because of the people.

It is only recently that I have become aware of just how many families have been affected by this debilitating and deadly disease. I, like many Libby citizens, knew of a few court cases, but I had no idea the scope of the problem until recently. The more I have talked with victims of this disease during the past few weeks and months, the more I realize how horrifying this diagnosis can be. My heart goes out to everyone affected. It is imperative now that we determine the extent of the problem and assess the steps necessary to remove any residual danger. It is clear that health care facilities need to be expanded and staffed so that testing and health care services can be received in Libby. I am encouraged that W.R. Grace has made a commitment to help St. John's Lutheran Hospital provide these services. It is still unclear how much money will be required to do what is necessary. There may also be environmental clean-up issues that surface as we continue the investigation. This community does not have the resources to face these economic challenges. We will need help.

I am also concerned about the effect the intense media attention will have on the future of Libby. This media coverage, aside from making us locally more aware of this situation, has only done damage. Not only to Libby as a community (and yes to the economic issues we have been striving to turn around), but also and most severely to the very individuals who have already suffered the most. The national exposure to this situation means that many more individuals are seeking legal recourse against Grace—including most recently a class action suit. I am concerned that the lawyers will fare far better than the victims of asbestosis. The publicity has already led to the delay of one pending court case as the Grace attorneys have filed for a change in venue. Should this change be granted, plaintiffs may have to travel to Eastern Montana (at their own expense) to have their day(s) in court. Meanwhile those individuals with asbestosis who are still able to work or who may need to sell their homes will be subject to the same economic hardships as the rest of the community as we continue to be labeled "the town left to die."

I am glad the EPA is here. I have been very impressed by their expertise and professionalism. They are very approachable. I am cautiously optimistic about the preliminary findings; I believe there is minimal risk of exposure to the citizens or visitors to Libby. I believe Libby is still a safe community in which to live. This in no way should diminish the fact that many people are suffering from past exposure. We must continue to work together on the local, State, and Federal levels to ensure the well being of Libby's future.

STATEMENT OF TODD DAMROW, STATE EPIDEMIOLOGIST, MONTANA DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES

Senator Baucus and members of the committee, for the record, my name is Todd Damrow. I am the State Epidemiologist for the Montana Department of Public Health and Human Services. I appreciate the opportunity to testify before your committee about our department's involvement in the various State and Federal activities underway here in Libby.

On behalf of the Montana Department of Public Health and Human Services, I wish to sincerely thank the Federal Government for the assistance which they have provided to our department on numerous occasions over the years.

As you might suspect, health care resources in this State are rather limited. Public health workers with the highly-specialized training and expertise needed in Libby are not available in this State. Thus, in these situations it becomes necessary for our department to appeal for help from Federal health authorities in order for our residents to be properly served.

Our department has enjoyed a long history of good working relationships in Montana with Federal health experts from the Agency for Toxic Substances and Disease Registry (ATSDR). Examples include health effect studies of environmental contamination in Livingston, Phillipsburg, Billings, Bozeman and communities along the Clark-Fork River Operable Unit, our nation's largest superfund site complex. Most recently, ATSDR workers provided invaluable assistance to local and State health workers in response to the train derailment and subsequent chlorine spill near Alberton.

The responsiveness of ATSDR to public health needs in Montana continues to this day, as evidenced by the strong showing of Federal health workers on-site in Libby. We are most appreciative for assistance in providing the residents of Libby with the care they expect and deserve.

Our department is currently involved in response activities in Libby in several different ways.

First, the State Medical Officer and the State Epidemiologist have been working closely together with local health officials to assist them in decisionmaking when requested.

Since the public health system in Montana is set up by statute such that local/county health agencies have primacy over health matters in their jurisdiction, the Lincoln County Health Department ultimately has the final decisionmaking authority with respect to public health actions in Libby. State and Federal health officials are careful to respect this right of the counties. Just as Federal health authorities are here at the request of the State, so State health workers are here at the request of the county.

It has been our experience that county health departments appreciate DPHHS's assistance in decisionmaking, especially when dealing with large Federal agencies such as EPA and ATSDR. County health departments are quite understandably nervous about becoming "out on a limb alone" by making decisions in isolation. They recognize the State's experience working with these agencies, and they value our input because of insight obtained from past situations in Montana. We are working closely with the Lincoln County Health Department to help ensure that the decisions made are logical, scientifically defensible, and cost effective.

Close cooperation between State and county health agencies is the norm in Montana. DPHHS has worked hard over the years to successfully establish good, collegial working relations with all of our county health departments, including Lincoln County.

Secondly, the Montana Department of Public Health & Human Services is working closely together with health officials from EPA and ATSDR to assist them in accomplishing their mission in Montana.

Since public health infrastructures and resources vary considerably among States in the nation, Federal health workers rely upon State health workers to help them transition to work in the locale. State health department workers are helping to facilitate their work here in every manner possible. We stand firmly united with EPA and ATSDR in efforts to protect the health of the public in Libby.

Thirdly, DPHHS has engaged all personnel and resources within the agency that are able to bear on the situation in Libby. Workers in the department's Bureau of Vital Statistics have provided death certificate data for analysis by State and Federal epidemiologists. Similarly, workers with the Montana Central Tumor Registry have supplied cancer incidence data on Libby area residents, and on residents in other areas of the State for comparison purposes.

In an unprecedented action, departmental administrators accessed medicaid claim databases for medical utilization review of current and former residents of Libby

that have received medicaid benefits. This action was undertaken in effort to help the Federal health workers in their assessment of the current state of the health of the public in Libby.

Lastly, DPHHS has created new partnerships and strengthened old partnerships with other State agencies in response to the incident in Libby.

Health professionals with DPHHS are currently 'on call' to meet with the DEQ incident managers as developments unfold. Face-to-face meetings of workers in DPHHS and DEQ are occurring on a frequent basis to help ensure that State response actions are coordinated and comprehensive.

The Montana Department of Public Health and Human Services is also collaborating with the Montana Office of Rural Health in Bozeman to evaluate and redress unmet needs regarding health care delivery in Libby.

The Montana Office is part of a national network of 50 State offices funded through the Federal Office of Rural Health Policy, under the Health Resources and Services Administration (HRSA). The office in Bozeman serves as the State single point of contact for the Federal Office of Rural Health Policy and HRSA.

The Montana Office of Rural Health and DPHHS gratefully acknowledge the efforts of Senator Baucus in getting the "Medicare Rural Hospital Flexibility Program", Section 4201 of the Balanced Budget Act of 1997 (PL 105-33), through the U.S. Congress.

In Libby, the Montana Office of Rural Health has been working with the County Health Officer, the Administrator of St. John's Lutheran Hospital, and with DPHHS in attempts to secure funding for two very critical unmet needs:

- 1). a clinical coordinator, locally-hired, to work out of the hospital to assist the County Health Officer with medical screening and follow-up of patients in Libby
- 2). telemedicine capabilities for the hospital to allow for teleradiology, pulmonary function telemetry and consulting on patient evaluations and follow-up care.

In closing, the Montana Department of Public Health and Human Services is committed to working closely together with local, State and Federal colleagues to ensure that the public health response to the situation in Libby is the best available anywhere.

Thank you Senator Baucus for the opportunity to present this testimony.

STATEMENT OF MARK SIMONICH, DIRECTOR, MONTANA DEPARTMENT OF ENVIRONMENTAL QUALITY

I appreciate the opportunity to explain to the committee the department's involvement the various local, State and Federal actions that are presently occurring in Libby, MT.

To understand the Department of Environmental Quality's (DEQ) involvement in the Libby investigation, it is helpful to know a little about the department. DEQ was created in 1993 by the Montana Legislature based on the recommendations of a Blue Ribbon Task Force appointed by (governor Marc Racicot.

The DEQ combined nearly all the environmental regulatory programs from the former Departments of State Lands (DSL) and Health and Environmental Sciences (DHES), and the energy programs in the Department of Natural Resources, and Conservation (DRC).

The DSL programs regulated the operation and reclamation of hard rock, coal and open cut mines throughout the State.

The environmental health programs formerly administered by DHES have a clear public health focus because of their ties to the Water Quality Act, Air Quality Act and other similar public health oriented laws.

At the time of reorganization, county health officers from throughout the State expressed concern that moving the environmental health programs out of the health department into an environmental regulatory alertly would result in the loss of their public health focus.

The Racicot Administration stressed then, as it does today that public health will remain a primary focus of the DEQ.

The DEQ's mission is to protect, sustain, and improve a clean and healthful environment to benefit present and future generations.

Today the DEQ administers more than 25 environmental laws. These laws address all facets of air quality and water quality (including regulating public water supplies and wastewater systems), as well as various laws relating to the development of natural resources (hard rock, coal, and open cut mining), disposal of solid and hazardous wastes, and cleaning up old areas of contamination (abandoned mines, petroleum contamination and Superfund.)

DEQ has an authorized staff of 400 persons and a biennial budget of approximately \$136.8 million. More than half of its budget comes from State special revenue accounts (including fees—59.5 percent), a little over a fourth from the Federal Government (26.6 percent), and lesser amounts from the State Resource Indemnity Trust (8.5 percent) and the State general fund (54 percent).

In forming the DEQ, I have tried to instill a new vision. While it is true, by our very nature we are a regulatory agency, I truly believe we can accomplish more by working together. My vision is that DEQ will work cooperatively with the public, including regulated entities, and other government agencies to find solutions to the environmental challenges we face, such as those challenges in Libby.

The DEQ is involved in the Libby investigations on several levels. The department is directly responsible for a request to release the final bond at the former mine site under the Montana Metal Mine Reclamation Act (MCA 82-4-101 et. seq) (MMRA). Additionally, the DEQ is responsible for enforcing federally delegated air quality, water quality, public water supply, and hazardous waste disposal laws. The department also is responsible for working cooperatively with local and Federal agencies to ensure the people of Libby have a clean and healthful place to live.

Vermiculite was discovered in 1881 at Vermiculite Mountain, approximately six miles northeast of Libby, in the Rainy Creek drainage, by miners hoping to discover gold. Its unique properties were recognized by Edward Alley in 1919, and in the 1920's the Zonolite Company was formed and began mining vermiculite. In 1963, W.R. Grace bought the mine. The mine closed in 1990.

At times during the operation, the vermiculite mine produced up to 80 percent of the world's supply of vermiculite. It has been used in building insulation and as a soil conditioner. Unfortunately, the vermiculite ore from the Libby mine contained an associated waste rock that included a particularly toxic form of naturally occurring asbestos referred to as tremolite.¹

Passed in 1971, the AURA acknowledges that mineral mining in Montana is a basic and essential activity that makes an important contribution to the State's economy, but at the same time, proper reclamation of sniped land and former exploration areas is necessary to prevent undesirable land and surface water conditions that would be detrimental to the general welfare, health, safety, ecology and property rights of the citizens of the State. At the time the act was passed, almost 320 acres of land at the vermiculite mine were already disturbed mine tailings were being discharged down the slopes of the mountain into the Rainy Creek drainage.

DEQ has been involved at the mine site since the early 1970's when the Clean Air Act of Montana was passed. A series of 10 air quality permits were issued to W. R. Grace over the years for various pieces of air pollution control equipment and operations, including milling, concentration, drying, screening, storage, loadout, and bagging. The permits regulated primarily particulate emission and opacity limitations. Asbestos is a particulate, but was not regulated separately from total particulate probably because there cans, and still is, no Federal or State ambient air quality standard for asbestos. The permits were revoked in 1992 after completion of operations. A file review of air quality inspections of the operation indicated general compliance in the exception of one minor opacity violation at the dryer stack.

W.R. Grace applied for a permit to discharge wastewater to Rainy Creek in February 1971. In 1973, the company changed from dry beneficiation of the ore to a wet process with a subsequent increase in the discharge of process water. It received a permit in March 1971, which was extended in November 1971. The permit expired in January 1972. At that time the company had completed construction of the tailings impoundment, which the department considered a discharge facility and no longer required a Montana Pollutant Discharge Elimination System (discharge) permit.

The impoundment does have an underdrain, which has been sampled. The level of pollutants is within water quality standards so a permit is not needed for the underdrain.

The impoundment has a spillway that discharges asbestiform fibers during high flows. The discharge over the spillway may require a discharge permit, but State Water Quality Bulletin-7 (WQB-7) limits for asbestos fibers may or may not apply. Sampling and health risk assessments in 2000 will evaluate the need for a permit and whether Rainy Creek needs to be diverted around the impoundment during high flows to prevent a discharge of asbestiform fibers.

The following is a brief summary of the mine's permitting, bonding and bond release history under the MMRA:

¹In the rest of this testimony, tremolite may also be referred to as tremolite-actinolite based on EPA's choice of definition for this project.

W.R. Grace applied for an operating permit from DSL in November 1971. Bond was set at \$100/acre on the original 320 acres of disturbance. Operating Permit 00010 was approved in January 1972.

In July 1977, December 1978, August 1979, July 1986 and September 1992? the operating permit was amended. The bond eventually increased to \$472,000 for 1,004 acres of disturbance in the 1,200-acre permit boundary.

As areas were mined out, concurrent reclamation commenced.

After legal notice was published requesting public comment, a partial bond release was approved on 14 acres in August 1988 and the bond was reduced to \$467,242 for 990 acres of disturbance in the 1,200-acre permit boundary.

Mining ceased in September 1990, and final reclamation commenced. A final closure plan for the impoundment area was approved in September 1992 after a legal notice and environmental assessment were published and a public meeting was held in Libby.

After a legal notice was published, a second partial bond release was approved in September 1994. Reclamation of the entire mine site, according to the approved plan, was completed. The bond was reduced from \$467,242 to \$66,700 for 740 acres of disturbance in the 1,025-acre permit boundary. The bond was held for maintenance of the reclaimed areas. The bond was no longer needed on the 160 acres released from Operating Permit 00010 for the tailings impoundment. These acres are now regulated under a Montana DNRC Dam Safety Section operating permit (Application No. 1470A) which was approved December 1994.

In December 1994, the Kootenai Development Corporation (KPC) purchased the property and assumed the operating permits and bond. KPC has continued to maintain the site since 1994.

After the public notice process was completed, a third bond release was approved in September 1997 reducing the bonded acreage in the permit area from to 125 acres because vegetation on reclaimed areas continued to improve. The bond for maintenance of the reclaimed acreage remained the same on the 125 acres at \$66,700.

DEQ's involvement in Libby continued through June 1999 when the current owners of the former vermiculite mine, KPC, requested a final bond release for the property. The department agreed to publish the bond release request, and after a public comment period, decide on whether the bond release was appropriate or whether more work and monitoring were needed. A second public notice process was approved by the legislature in 1999 requiring a legal notice published throughout the area and a press release for statewide media coverage. As a result, a request for public hearing from Lincoln County Commissioners was received. DEQ immediately agreed to conduct the hearing and coordinated all phases of the hearing with the local officials.

The DEQ held a public hearing in Libby to record comments on the proposed bond release on December 1, 1999. The department announced it would accept written comments to January 1, 2000.

The DEQ will respond to individuals who have raised concerns by mid-February. The responses address the entire 1,200-acre mine site, not just the 125 acres in the bond release request. The responses also address other possible health related issues resulting from vermiculite ore that left the mine site and was processed in Libby as well as in other locations throughout the country. A decision on the release will not be made until a thorough site review is completed by the department later this year.

While focused on the MMRA, the department's review will also ensure that the entire mine site, access roads and streams in the Rainy Creek drainage are in compliance with State environmental health laws. This review will be coordinated with local, State and Federal plans and include:

Air and water quality sampling will be done at the mine.

An air quality monitoring program will document the level of dust and fibers blowing off the entire site.

A tailings and waste rock sampling program will document the levels of asbestos in the materials at the mine site. DEQ knows the materials contain at least an average of 5-7 percent tremolite listed on a Montana Department of Commerce publication from 1990. Water in the mine area will be sampled to identify the level of asbestiform fibers. Based on the results of the materials sampling and the results of the air and water sampling programs, decisions will be made on the amount of reclamation still needed at the mine.

Data collected in the early 1990's and again in 1999 indicate Mat asbestos levels in road materials in parts of the Rainy Creek road were elevated. Although there is no air quality standard for asbestos fibers along the road, new information indicates that dust on the Rainy Creek road may produce a continuing health hazard.

Dust sampling by Lincoln County officials and W.R. Grace in 1991 and 1992 indicated that dust levels along Rainy Creek road did not exceed standards based on the sampling method used at the time. Rainy Creek road is a county road that passes through U.S. Forest Service land and sense land now owned by KDC. The DEQ will reevaluate sampling conducted along Rainy Creek road in the early 1990's and review the new data. Only a small portion of the road was within the old mine permit boundary. If there is a health risk, DEQ will coordinate with local and Federal officials to address the road issue.

The former DHES and W.R. Grace set up a water quality monitoring program in the early 1990's. Concerns were expressed again in 1999 about levels of milling reagents (diesel, fluoride) in the water in the impoundment as well as asbestiform mineral fibers in the impoundment water. The DEQ re-sampled some sites again in September 1999. The only exceedance of any water quality standard at any sampling station was asbestiform mineral fibers in the tailing impoundment. The department plans to re-sample Rainy Creek and its tributaries during high runoff in the spring when the spillway from the impoundment is flowing. If the level of fibers is above acceptable levels (the ambient water quality standard for drinking water is 7 million fibers per liter in WQB-7), the DEQ will work with the DNRC Dam Safety Program and local and Federal officials to address the issue.

The Rainy Creek drainage has been impacted by mine waste products since the 1920's. Rainy Creek downstream from the location of the drinking water intake for the mine/mill (lower Rainy Creek) was classified as an impaired (C-1) stream in 1971. Upstream of that point it is classified B-1. The other waters in the Rainy Creek watershed and He Kootenai River are classified B-1. While B-1 waters "are suitable for drinking, culinary and food processing purposes after conventional treatment; . . ." (ARM 17.30.623), C-1 waters are not suitable for drinking and should not be used for that purpose (17.30.626). As a result, no one uses the water in Rainy Creek or its tributaries for drinking water. The impoundment was constructed in 1971 to contain the mine wastes. Rainy Creek water quality is probably better today than it has been for more than 50 years. Risks from old tailings in the drainage below the impoundment will also be evaluated in 2000.

W.R. Grace and KDC were given permission to dispose of certain solid wastes on site in a landfill. This is allowed under the MMRA as long as the disposal meets Montana solid waste regulations. Materials Mat were allowed to be buried on site included inert wastes such as concrete. W. R. Grace was also allowed to bury steel and asbestos shingles. Concerns have been expressed about how deep it is to ground water and if that ground water is contaminated by anything that may have been dumped illegally, DEQ plans to sample an abandoned well on the site to address this issue. The depth to water in the well is more than 200 feet deep. More wells will be installed if the old well is not located in an appropriate monitoring location. Reclamation of the disposal site will be reevaluated.

Concerns have been expressed about future development of the Nine site. The concern is that new development will introduce more asbestiform mineral fibers in the air and water. DEQ will coordinate with Lincoln County and Federal officials to identify controls needed on the old mine site to limit potential problems in future development proposals.

Concerns have been expressed that because the bond has been released on the majority of the site and because the land has been sold to KDC, that W.R. Grace is not responsible if air or water quality problems are identified. W. R. Grace has been cooperating with local, State and Federal officials to address the issue. Any necessary cleanup will be conducted under the MMRA, Clean Air Act, Water Quality Act, (comprehensive Environmental Cleanup and Responsibility Act (State Superfund) and Comprehensive Environmental Response, Compensation, and Liability Act (Federal Superfund), as needed.

In response to the widespread concerns of possible asbestos contamination in Libby, the DEQ sampled five public and private wells to check for ground water contamination from asbestos. The samples revealed no contamination. The sites included mobile home courts and a plant nursed operating in a former vermiculite screening facility.

City personnel had previously sampled Libby's public water system and found no asbestos contamination. However, DEQ decided to sample the system again to verify the initial findings. The city gets its drinking water from Flower Creek, which is geographically in a different drainage from the vermiculite mine. No asbestos contamination has been reported in that drainage.

Earlier this month the DEQ announced the sample results revealed there was no asbestos in the samples taken from the city's water supply. One sample was taken from untreated water entering the treatment plant. A second sample was taken from the finished (filtered) water leaving the plant. Copies of the results were sent

to the Wiry of Libby, the Lincoln County Sanitariums Office, and the EPA Office in Libby.

Time and cooperation are the keys to answering the many environmental and public health questions in the Libby area.

Time is an important factor because it took time for the situation in Libby to develop and it will take time to identify and address any environmental and public health problems. Time is also a factor in determining the current investigation's impact on Libby's economy, tourism, business community and its citizens. If testing reveals environmental exposures still exist, it will take time to clean up or stabilize those sites. The result, however, will be an environment safe for people, in addition to being attractive for economic development, existing businesses and people visiting the area.

As for cooperation, when it became apparent that asbestos concerns ranged far beyond those associated with the request to release the bond at the mine, I immediately formed a group of DEQ employees to work on the proposed bond release and asbestos investigation. The group includes: the person in charge of reviewing the proposal to release the bond, a project coordinator to work with EPA on the environmental health investigation, the DEQ's media manager and a project coordinator from the Director's Office to work with EPA and local, State, and Federal public health officials. Additionally, these DEQ persons are drawing on the expertise of a number of persons throughout the department.

The DEQ and EPA investigation of possible asbestos contamination in the Libby area began with sampling in December 1999. The team collected air, soil (yard, garden and driveway samples), dust and vermiculite insulation samples. Samples were taken at 32 residences, as well as several potential areas of concern due to historic vermiculite-related activities.

To date, the State and Federal team's investigation includes:

Approximately 73 air sample results from 32 residences, two businesses' and two former processing areas there received and reviewed. Transmission electron microscopy analysis was used to count asbestos fibers (10-grid system count looking for fibers 5 microns or greater).

Results from the December air sampling event were released on January 31, 2000. Preliminary results indicate that two potential areas have relatively elevated levels of asbestos related fibers in the 5-10 micron range.

Two homes have elevated levels of asbestos fibers. Chrysotile (serpentine asbestos) was detected in one home and tremolite-actinolite fibers were detected in the other home. (The chrysotile is not related to the old vermiculite mine).

The two former processing areas with elevated levels of tremolite-actinolite asbestos fibers present are the lumber facility at the former export plant and the plant nursery (Parker business and residence) at the former screening facility.

Of the remaining homes, 24 have trace levels of tremolite fibers. However, to make sure nothing was missed, these same samples were sent back to the laboratory to be re-tested with a more stringent analysis (lower detection limit) looking at fibers from 5-10 microns in length using a 30 grid count system. Results are anticipated by the end of February or early March.

The other samples taken during the December sampling will be available in mid-March. These results, along with the air sampling results, will provide a better assessment of the extent of any contamination in residential homes and businesses. These data, along with Store residential and business sampling will allow the agencies to determine the best possible solutions.

The team also installed ambient air monitors at four locations in Libby to detect asbestos fibers in outdoor air.

EPA opened a field office (the Storefront, 501 Mineral) in Libby. The office is being shared with DEQ and other State and Federal agencies. The office is open from 8:30 a.m. to 5 p.m. every day except Tuesday. Tuesday it is open from 12 noon to 8 p.m.

The environmental and public health sampling and monitoring will determine if there are problems, and, if so, how severe. Based on that information appropriate local, State and Federal agencies will, after considering public review and comment, determine what needs to be done. It is at this point decisions will have to be made regarding my responsible parties and where the money should come from to pay the costs of any cleanup or stabilization activities.

The agencies involved with the investigation are still in the sampling and monitoring phase of the investigation.

So, where does the responsibility lie for the asbestos contamination and health problems in the Libby area? It will take time and patience to answer these questions. Based on the anticipated scientific, technical and medical investigation results, these questions must and will be answered carefully and thoughtfully. In the

meantime, the DEQ along with its local, State and Federal partners will do their best to administer their respective environmental and public health laws.

With respect to DEQ, if there are violations of the law and a responsible party can be identified, the department will expect the responsible party to take full responsibility for its actions. However, from the DEQ's perspective, the highest priority is identifying and eliminating sources of asbestos contamination that pose a health risk to the public.

Based on the sampling results, the health of finials involved will be preparing a health risk assessment to identify the risk of exposure from varying times and doses of exposure in the area Cat have created the levels of asbestosis observed in the Libby area. Areas exceeding the risk thresholds will be cleaned up. Other areas may simply need to have land use restrictions placed on them to limit risks to acceptable levels. These decisions must be made based on sound scientific data.

Thank you, Senator Baucus, for the opportunity to present this testimony.

STATEMENT OF WILLIAM YELLOWTAIL, REGIONAL ADMINISTRATOR, REGION VIII,
ENVIRONMENTAL PROTECTION AGENCY

I would like to thank the Senate Committee on Environment and Public Works for inviting me to offer testimony concerning the asbestos situation in Libby, Montana. This is a most serious matter. My staff and I have given it our utmost attention. EPA Region 8 will complete the investigation it is conducting in Libby with all due speed and thoroughness—as a top priority. After providing a brief background about the Site, I will discuss five topics:

1. The Agency's recent actions at the Site.
2. What we know of the extent of asbestos related health effects in Libby.
3. What we know of the current state of the environment in Libby.
4. The next step's to be taken by EPA and other Federal agencies at the Site.
5. Coordination of State, Local, and Federal efforts.

Background

Mr. Edward Alley began initial mining operations on a vermiculite ore body located approximately 7 miles northeast of Libby, Montana in the early 1920's. Full scale operations began later that decade under the name of the Universal Zonolite Insulation Company (Zonolite). Scientists didn't know the health ramifications at the time, but it was known that this ore body contained amphibole asbestos of the tremolite-actinolite series. Unlike, the commercially exploited chrysotile asbestos, the tremolite-actinolite material has never been used commercially, and was considered a contaminant. Uses of vermiculite include a variety of insulation products and construction materials, as a carrier for fertilizer and other agricultural chemicals, and as a soil conditioner.

Operations at the mine were fairly simple. Miners strip-mined the ore using conventional equipment and then processed (beneficiated) it in an on-site dry mill to remove waste rock and overburden. After beneficiation, workers trucked the processed ore down Rainey Creek Road to a screening plant, which separated the milled ore into five size ranges for use in various products. From there, shippers sent the material across the country, predominantly by rail, for either direct inclusion in products, or for expansion (also known as exfoliation). Heating the ore in a dry kiln to approximately 2000 degrees F boiled the water trapped in the crystalline matrix of the vermiculite and expanded the material by a factor of 10 to 15 fold.

In Libby, operations handling the beneficiated material occurred at four main locations: the Mine and Mill located on Rainey Creek Road; the Screening Plant and Railroad Loading Station located astride the Kootenai River at the intersection of Rainey Creek Road and Highway 37; the

Expansion/Export Plant located off Highway 37 where it crosses the Kootenai River; and an Expansion/Export Plant located at the end of Lincoln Road, near Fifth Street.

In 1963, the W.R. Grace Company bought the Zonolite Company and continued operations in a similar fashion. Grace added a wet milling process to the operation in 1975, which operated in tandem with the dry mill, until the dry mill was taken offline in 1985. Expansion Plant operations ceased in Libby sometime prior to 1981, although workers still used this area to bag and export milled ore until mining operations were stopped in 1990.

1. The Agency's Recent Actions

On Monday, November 22, 1999, I made the decision to send to Libby an On Scene Coordinator from my Emergency Response Program, along with a team of sci-

entists, toxicologists, and a physician from the Public Health Service (PHS) to investigate the situation. They arrived in Libby on November 23, 1999.

The initial investigation consisted of the following: a brief inspection of the former mine and processing facilities; interviews with local officials and some members of impacted families; an interview with a pulmonologist in Spokane, Washington who specializes in the treatment of asbestos related diseases; and the collection of a small set of environmental samples.

This investigation confirmed two things. First, there is a large number of current and historic cases of asbestos related diseases centered around Libby, Montana. The pulmonologist in Spokane was currently treating over 200 cases of asbestos related diseases among folks who had either lived in Libby or worked at the mine, and had provided care to dozens more who had already died. Most disturbing of this physician's cases were 33 incidents of apparently non-occupational exposures. Of these 33, six had no family or other ties to anyone working at the mine. The interviews conducted by the Team identified additional people who were either sick or had died from asbestos related diseases. The Team also obtained a number of court documents stemming from the large number of asbestos related lawsuits in Libby which provided background information about the Site.

The second thing our investigation confirmed was the high likelihood that significant amounts of asbestos contaminated vermiculite still remain in and around Libby. High concentrations of tremolite-actinolite asbestos remain in the ore body, tailings pile, and tailings pond at the former mine itself. In addition, visible piles of unexpanded vermiculite remain at the former screening plant/ railroad loading station, and the base material of Rainey Creek Road appears to contain tailings and sands from the mine. Residents stated that piles of expanded and unexpanded vermiculite used to sit at the former Expansion/Export Plant, next to two former youth baseball fields. They indicated that children regularly played in and around these piles, including the current Governor of Montana. Local residents commonly used both expanded and unexpanded vermiculite from waste piles around the mining operations in their yards and gardens as a soil conditioner, and the expanded vermiculite was used as wall and attic insulation in many homes. Descriptions of historic operations of the mine, mill, and processing centers indicate that large amounts of dust and other fugitive emissions were released into the environment when these operations were still running.

These findings led EPA to initiate a larger scale investigation with three overall goals:

1. Determine the current distribution of asbestos contamination in Libby.
2. More accurately determine (in conjunction with the Agency for Toxic Substance and Disease Registry (ATSDR), the Montana Departments of Environmental Quality (MDEQ) and Public Health and Human Services, and PHS) the extent of asbestos related health impacts in Libby.
3. Distinguish the effects from past asbestos exposures from any that might be on-going currently, or may occur in the future.

In December 1999 EPA collected samples of air and dust from inside 32 homes and 2 businesses around Libby, and collected samples from yards, gardens, insulation, and driveways at these same locations. In addition, air and soil samples were collected from the former screening plant and railroad loading station, as well as at the former expansion/export plant. Samples were also collected from along Rainey Creek Road. To date, EPA has collected over 600 samples. Seasonal sampling of ambient air around Libby and the former mine Site began in January, and will continue through this Fall.

In December, EPA contacted the ATSDR to begin planning a wide scale Community Medical Testing and Exposure Assessment. This effort will make chest x-rays, and where indicated, follow-up pulmonary evaluations available to residents and former residents of the Libby area, as well as to former mine workers and their families. This effort should help determine the full scope of the asbestos-related medical impacts in Libby and, in conjunction with the on-going environmental sampling, help distinguish between past and current sources of exposure. The medical testing is planned for start-up this Spring.

2. What We Know About Asbestos Related Health Effects in Libby

It is very apparent that the asbestos-related health effects associated with the vermiculite mining and processing operations in Libby have been significant. Although we will likely never be able to confirm the exact number of cases, it is probable that the number of cases and deaths reported in the media are in the right range. The vast majority, well over 80 percent of cases that EPA and PHS have reviewed, appear to be occupational in nature. The next largest group appears to be family members of those involved in the mining operations. Beyond the occupational

and secondary exposures (em, exposure to workers' families), it is difficult to identify the sources for other asbestos-related diseases, and whether they still exist today. It is probable that people who played in the piles or lived near the former expansion/export plant when it was in operation are at greater risk, but this has not yet been confirmed by a rigorous investigation. EPA has not yet concluded whether or to what extent having this vermiculite in a home garden, in a yard, or as wall or attic insulation correlates to an increased incidence of asbestos related disease. It is these latter two questions which form the crux of the on-going investigations.

3. What We know About the State of the Environment In Libby Today

It is clear that, relative to the levels of asbestos contamination, conditions in Libby today are much better than when the mine was in business. The piles of vermiculite around the export/expansion plant are gone, air emissions from the mill and processing operations no longer exist, and ambient air conditions in Libby have greatly improved over the last decade. However, conditions that need to be investigated and remedied still exist in Libby. The results from the air samples collected by EPA in December indicate that unsafe levels of asbestos fibers still exist in some areas of the former screening plant/railroad loading station and the export/expansion plant.

EPA has already initiated discussions with W.R. Grace about conducting and/or paying for these clean-up actions. One of the 32 homes sampled in Libby also showed unsafe levels of tremolite-actinolite fibers. EPA is currently trying to determine the source of these fibers. EPA will then take steps to reduce these levels. We expect to have the results from the remainder of the samples collected in December by mid-March, and will announce our findings at that time. In summary, while it appears that conditions are better in Libby today than in the past, there are apparently existing local source areas that need to be eliminated. It is still an open question as to the significance of vermiculite in people's homes, yards, and gardens.

4. The Next Steps to Be Taken by the Federal Agencies Involved

The next big step to be undertaken in Libby is the implementation of the Community Medical Testing and Exposure Assessment that EPA and ATSDR will jointly conduct with assistance from the PHS. The outreach and education effort for this will begin in March 2000, with the actual medical evaluations scheduled to begin in April 2000. This is the key piece of the investigation to date, and it is urgent that the Federal Agencies involved see to its proper implementation. EPA and ATSDR have both committed to conduct this action under the above mentioned time-frames. If done successfully, this evaluation should also serve to help develop the local medical infrastructure in Libby, so that residents can receive proper diagnosis, treatment, and care locally.

EPA, along with MDEQ, will continue to conduct its sampling investigations in and around Libby, and will begin clean up actions at the two former processing centers this Spring. As more information is gathered and more data becomes available, EPA will announce and discuss its findings publicly and take action accordingly. It is EPA's intent to identify all areas where unacceptable exposure to tremolite-actinolite asbestos are occurring and remediate them. EPA plans to test an additional 75 to 100 homes starting in late February. Ambient air sampling will continue through next Fall. Investigations as to the present physical condition of the mine and area surrounding the mine will be started as soon as the snow melts this Spring.

5. Coordination of Local, State, and Federal Efforts

Given the critical nature of the situation in Libby today it is imperative that the efforts of all the agencies involved be well coordinated. I can and will take steps to ensure that the agencies work together in a coordinated manner.

EPA and MDEQ have conducted several briefings and interviews with officials from the City of Libby and Lincoln County. In addition, EPA, ATSDR, MDEQ, the Montana Department of Public Health and Human Services, and PHS have met extensively with the County Medical Officer, hospital officials, and local physicians to exchange information about the investigations. Local medical resources will be used to a great extent in conducting the Community Medical Screening and Exposure Assessment, and have participated in the development of this project.

EPA and the other agencies involved will continue to communicate with local officials and medical personnel as the investigations progress.

EPA and MDEQ have helped to facilitate the formation of a Community Advisor Group (CAG), a citizen based group designed to better transmit, receive, and evaluate the information collected during these investigations. The group will serve to act as a forum to discuss and debate publicly many of the controversial issues surrounding the investigations.

The MDEQ has been participating jointly with EPA in this investigation since it was begun last November. MDEQ personnel have been involved with the investigation design and implementation, and will participate with EPA when clean up actions begin. The Montana Department of Public Health and Human Services has been integrally involved in the collection of current medical information, and has participated in the design of the Community Medical Testing and Exposure Assessment. This relationship will continue as this project evolves.

Coordination among the Federal Agencies involved is also paramount to the success of this project. The PHS has provided EPA a full-time physician to support our efforts, and has also provided other medical expertise. Because of the overlap in authorities, and to eliminate any duplication of efforts, ATSDR and EPA are jointly conducting their investigations in Libby when appropriate. To this end the two Agencies are now in the process of finalizing an Agreement on how the work will be conducted, and ensuring a sharing of information and resources. As a result, EPA has agreed to fully fund the Community Medical Testing and Exposure Assessment while relying on ATSDR's expertise in its design and implementation. In addition, the agencies have agreed to coordinate their enforcement and cost recovery actions concerning W.R. Grace.

This concludes my testimony on the matter today. I want to assure you that I have personally charged my On Scene Coordinator with the directions discussed above, and he and I will stand fully accountable for the success of their implementation. Thank you for your time and consideration.

STATEMENT OF HENRY FALK, M.D., ASSISTANT ADMINISTRATOR, AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY, PUBLIC HEALTH SERVICE, U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Good day. I am Dr. Henry Falk, Assistant Administrator of the Agency for Toxic Substances and Disease Registry (ATSDR), a public health agency within the U.S. Department of Health and Human Services (DHHS). Accompanying me is Dr. Jeffrey Lybarger, Director of the Division of Health Studies at ATSDR. ATSDR appreciates the opportunity to evaluate the public health issues in the Libby, Montana, area in response to concerns expressed by key elected officials such as you, community members and former mine workers. ATSDR, with the support of other Federal, State and local organizations, will carry out the activities to meet the public health needs of the community in Libby, Montana.

Dr. Lybarger and I, along with ATSDR and DHHS staff, share your concerns about the health issues being raised in Libby, and share your desire to develop immediate and long-term steps to address those issues. Among the activities ATSDR will pursue in Libby are providing advice and guidance on environmental sampling; reviewing medical and vital records for residents already diagnosed with asbestos-related disease; developing protocols for medical testing which will begin later this spring; developing and distributing health care provider and community education materials; and providing relevant training to health care professionals who may need to provide services to residents and workers in the Libby area.

ATSDR's mandated activities and expertise enables provision of these public health activities in the Libby area. ATSDR was created by Congress in 1980 under the

Comprehensive Environmental Response, Compensation, and Liability Act as amended (CERCLA), or what is more commonly known as Superfund legislation. CERCLA mandates of ATSDR a broad, national program of Superfund site health assessments, health investigations, surveillance and registries, applied research, emergency response, health education, and toxicological database development. Broadly speaking, ATSDR's responsibilities under Superfund, the Resource Conservation and Recovery Act (RCRA), and other Federal statutes are to assess the effects of toxic substances on community populations and to recommend interventions to protect public health where they are needed. This may include medical screening and epidemiologic investigations of health effects of community populations exposed to hazardous substances. We also conduct investigations to measure human exposure to toxic substances released from waste sites or other sources of release. Our work is conducted in close collaboration with the U.S. Environmental Protection Agency (EPA), State health departments, local health agencies, and affected communities.

ATSDR administers public health activities through: State partnerships; public health assessment and consultation activities; exposure investigations; health studies and registry activities; development of toxicological profiles and attendant research; emergency response; health education and health promotion; and community

involvement. In general, ATSDR organizes its site-related activities by developing Public Health Response Plans. A Public Health Response Plan identifies appropriate public health activities, designates who is responsible for the conduct of the activities, and provides an estimated time line for accomplishing those activities in the community. All stakeholders, including officials and the affected community, provide input throughout the Response Plan process.

Libby-area asbestos description and background: From 1920–1990 a vermiculite mine and two refining facilities were located in the Libby area. Natural vermiculite ore and its products can be contaminated with asbestos. The vermiculite ore mined at Libby has been shown to be contaminated with asbestos, and the degree of contamination is under investigation.

Reported health concerns: In the past, asbestos-contaminated dust may have been spread in the course of operations of the facilities through emissions from the refining process, via disposal operations, through product shipping and use and on miners' clothing. Studies published by the National Institute for Occupational Safety and Health (NIOSH) at the Centers for Disease Control and Prevention (CDC) in the mid 1980's documented asbestos exposure and related health effects, including respiratory and lung ailments, in workers at the Libby vermiculite facilities. Truck drivers, railroad workers, forestry service workers, and others who provided services and support to the mining operations may have been exposed to asbestos-contaminated dust during their daily work activities. ATSDR will consider other ways that residents in the area might have been exposed to asbestos including children playing with vermiculite, recreational activities near the mine, insulation in homes, or other activities and situations reported by the community.

ATSDR's primary objectives for public health activities in Libby, MT, are to: identify the people at health risk from exposures to asbestos, evaluate the association between exposures to asbestos and health effects in the community, conduct an epidemiologic investigation to assess the full scope of health effects in the past and present, and to intervene to eliminate exposures and prevent further adverse health effects in the community.

Health effects associated with asbestos: A significant potential health concern with vermiculite is the degree to which it may be contaminated with asbestos. Vermiculite alone can cause irritation to the respiratory system (nose and throat), but it does not represent the threat to health that it does when in combination with asbestos.

The amount and duration of exposure to asbestos determine the risk for adverse health effects. Breathing high levels of asbestos may cause several severe adverse health effects. Asbestosis is a serious disease that results in a slow build up of scar-like tissue within the lungs. People with asbestosis have shortness of breath, often along with a cough and sometimes heart enlargement. Less severe, but important in assessing exposure to asbestos are changes in the lining of the lung which are quite common in workers heavily exposed to asbestos. When exposure to asbestos causes scarring to the lining of the chest wall surrounding the lungs, these areas are called pleural plaques. They are often not associated with symptoms, but they do indicate that asbestos exposure has occurred and that the person can be at risk of other, more serious, asbestos related conditions.

Exposure to asbestos has been related to two types of cancer. The first is lung cancer. Studies of workers exposed to asbestos have demonstrated higher rates of lung cancer; interactions between cigarette smoke and asbestos increase the chances of getting lung cancer. The second type of cancer, which is highly associated with asbestos exposure is mesothelioma. This cancer is extremely severe, and is more common in workers, although it has also been reported in non-workers with apparently limited exposures. Smoking plays no role in risk for mesothelioma. Studies of workers suggest that breathing asbestos can also increase the chances of getting cancer in other parts of the body, although less frequently.

ATSDR involvement Since November 1999, ATSDR and DHHS Region VIII staff in Denver, CO, have consulted with EPA and county health officials on environmental sampling of mining waste and interpretation of the environmental data with respect to potential health effects.

ATSDR has worked with the Libby community and local, State and other Federal officials to identify key elements of a Public Health Response Plan to address the public health needs of the community.

ATSDR initiated site activities with a site visit from January 18 to January 21, 2000, in Libby, MT. The site visit by ATSDR and DHHS regional staff allowed the review of current public health environmental actions; gathering of environmental data, health data and community concerns; and meetings with relevant parties to formulate an action plan. ATSDR staff met with officials of EPA, the Montana Department of Public Health and Human Services (MDPHHS), the Lincoln County

Commissioners and Department of Health, St. John's Lutheran Hospital, and a key local physician who has seen and diagnosed individuals with asbestos-related illnesses. During this visit, ATSDR and the State and local health officials initiated discussions to address the public health needs of the community.

During a follow-up site visit February 2-9, 2000, DHHS regional and ATSDR staff worked with State and local health officials to outline future public health activities in a Public Health Response Plan. Key elements of the overall Public Health Response Plan for Libby, MT, are to: 1) provide input and advice on environmental sampling being done by EPA to better understand patterns of exposure;

2) collect and analyze medical and epidemiologic data to better characterize the nature and extent of asbestos-related disease in the community (this would involve review of medical, pathology, and vital records data for residents of the Libby area who have already been diagnosed with asbestos-related disease);

3) coordinate medical testing for people in the community who have had past exposures to asbestos in order to identify people with asbestos related conditions so they can be referred for medical care; and

4) provide a public health education program to assist residents and health care providers in obtaining full and up-to-date information on asbestos-related risks and diseases.

Medical testing and referral: Medical testing to identify the extent of the site-related adverse health effects is a key component of the Libby Public Health Response Plan. Planning to provide medical testing to persons who lived or worked in Libby during the time of highest exposure is ongoing. The medical testing will provide screening services and advice on diagnosis and long-term care needs, where appropriate, for people who were exposed to asbestos; estimate the prevalence of asbestos-related conditions in people who might have been exposed; and assist the local health department and local physicians to estimate the magnitude of asbestos-related illnesses that must be addressed by local physicians. Under this plan, people who lived near the site, worked with vermiculite, lived in a household with a vermiculite worker, or had some other activity which allowed them to have frequent contact with the vermiculite in the Libby area, would be identified and included in the medical testing plan. People who meet the designated criteria will be scheduled for a chest x-ray and will be asked to complete a detailed questionnaire. The x-rays will be reviewed by expert radiologists and the results will be provided back to the participants. People with abnormalities associated with asbestos will be notified, counseled and offered additional lung function tests and radiographic procedures, along with referral to their physician. People who do not have a physician will be referred through a system coordinated by the local health department. We currently estimate that as many as 3,000 people would meet the criteria for testing and desire to be tested.

A written project plan, as described above, is currently being formulated and will be submitted for independent review by a panel of physicians and health scientists with expertise in asbestos-related diseases. We anticipate this review will occur by the end of February 2000. We hope to begin medical testing within two to 3 months. The Health Resources and Services Administration (HRSA) has already committed \$80,000 toward the medical testing program.

Health education communication and community involvement: ATSDR's health education and promotion program encompasses the overall goals of educating individuals, communities, and health care providers about the health effects of hazardous substances in the environment; working with affected communities to develop and promote public health strategies to mitigate the health impact of hazardous substances; and disseminating environmental health education materials, training, and information.

To date, local public health professionals (physicians and nurses) have been contacted to enable ATSDR to better understand local health-related concerns; community involvement specialists in the various represented organizations (including EPA, ATSDR, and the State health department) have begun developing strategies for clear, effective message delivery; and contact lists are being developed to ensure that affected and interested parties in the Libby area receive information that is disseminated. Further, ATSDR is working with EPA to discuss mechanisms, such as a community-based group to obtain regular and consistent community input to the development and implementation of the Public Health Response Plan.

A key part of ATSDR's health promotion program is education and training for health care providers and other health professionals, to facilitate access to environmental medical services, and to establish the connection between environmental public health practice and long-term health care. An integrated health care provider education plan is being developed that will target primary care physicians as well as community health nurses, x-ray technicians, respiratory therapists, and other

health-related professionals who interact with people who may have been affected by Libby-area contamination.

ATSDR staff are currently working with local partners to plan a community meeting in Libby. The idea is to create an environment for individuals to talk directly with scientific, environmental and health experts at Information kiosks" about their health-related questions and concerns. The public availability session is expected to be held within in the next month and before the medical testing activities begin.

I would like to reiterate that ATSDR shares your concerns about the situation in Libby—both the environmental contamination and the health concerns. I am confident that the expertise of the ATSDR staff and its partners, working through the integrated Public Health Response Plan, can address both short- and long-term public health needs of the community

ATSDR continues to provide input and advice on environmental sampling; is reviewing medical and vital records for residents already diagnosed with asbestos-related disease; is developing protocols for medical testing to commence later this spring; and developing health care provider and community education materials for use in this response. Each of these activities are in collaboration with other Federal, State, and local agencies. Our efforts will result in an integrated program to address the health concerns of prior and current residents of Libby and the surrounding areas. The community's concerns about the environment and its impact on their health can be addressed only if we continue to work in the collaborative manner that staff of the Federal, State, and local agencies involved in this response have already begun.

STATEMENT OF ALAN STRINGER, W.R. GRACE

My name is Alan Stringer. From 1981 to 1994 I was site manager of the Grace operations in Libby. I have resumed to this community to live so that Grace can assure its obligations to the people of this community are met.

I have been asked by Paul Norris, CEO of W.R. Grace, to address three matters:

First, I want to include in the record a history of the Libby vermiculite mine from the time Grace purchased the property to the completion of its closure in 1994, a period of 30 years. That history will show what Grace did and when it did it so that you may draw whatever conclusions are appropriate with respect to how this company operated in the past.

Second, I want to discuss the dilemma in which W.R. Grace and similarly situated companies find themselves with respect to disposition of asbestos-related liability claims.

Third, I want to discuss what Grace has announced it intends to do for its former employees and their families and others who might be affected by asbestos-related illness.

And I want to tell you what we are considering in addition to that which we have announced.

Before I discuss each of those points, I want to make one thing clear: like everyone else here, we are concerned about the victims of asbestos-related disease. It is our responsibility and our commitment to provide the medical assistance necessary for those people who are identified as having an asbestos-related disease associated directly or indirectly with our corporate operations in the Libby area. We have made a down payment on that commitment through our announcement to invest a quarter of a million dollars a year in medical screening with St. John's Hospital.

W.R. Grace was a corporate citizen of Libby, Montana. While we no longer have economic operations here, we continue to believe that we have a responsibility to the community. We will keep that commitment to the people in this community.

ASBESTOS LIABILITY

I want to make very clear that W.R. Grace is not a member of any coalition seeking to pass Federal asbestos-related disease legislation through the Congress of the United States. We have not even taken a public position on the pending bills. This does not mean we do not believe legislation is needed. The Chief Justice of the Supreme Court, the AFL-CIO, even some trial lawyers, asbestos companies and victims all agree that the litigious process for settling asbestos claims is inefficient, uneconomic, unfair and simply will not deliver a fair response to victims of asbestos-related disease in a timely manner.

W.R. Grace believes Federal legislation is needed. We will work with the Montana Delegation and any other Members of Congress, irrespective of political affiliation, to try to develop legislation which meets the needs of the victims of asbestos disease, including the residents of Libby. We believe it is essential that settlement of

as many claims as possible should be achieved through negotiation rather than litigation. But we understand that in order to remove this issue from the courts alternative compensation mechanisms have to be fair and victims have to believe that they are receiving equity in whatever settlement process evolves. In no instance should an alternative settlement mechanism deprive claimants who meet simple medical criteria of their right to go to court.

W.R. Grace, under its new management, will not support any Federal or State legislation which fails to provide equitable relief for victims of asbestos-related disease.

W.R. Grace knows that we can provide more money to more victims, more quickly, if we do not have to pay enormous costs of lawyers and expert witnesses and be encumbered by the enormous delay that is associated with litigating each of these cases. W.R. Grace only asks that there be established some basis for determining if a claimant has an asbestos-related disease for which compensation is sought. If we can agree that there needs to be a means to establish asbestos-related disease criteria which are acceptable to the claimants and to the companies, the only remaining impediment is to establish a mechanism of compensation which allows companies which formerly used asbestos in their products business to remain economically viable so that claimants can receive compensation. We believe this last point is critically important. If Grace is not economically viable there will be no compensation for any one in Lincoln County.

Now, Mr. Chairman, I would like to discuss what we have proposed to do in Libby in response to the current crisis.

It is important for the record to reflect our commitment to this community.

Grace will provide the funds necessary to develop and establish an independent screening program for the people of Libby and Lincoln County, which will detect asbestos-related conditions. Initially, we stated that Grace would allocate \$250,000 annually for as long as necessary to address the screening needs in that area. However, Grace recognizes that this amount may need to be adjusted to fit the actual implementation of such a program. Grace officials have already met with Hospital officials, and we plan further discussions with the Hospital and the Federal agencies. Our goal is to put into operation an effective, independent asbestos screening program for the people of Libby, as soon as possible. We believe the hospital is trusted in the community and is the responsible place to do this work.

Grace will also implement a program to cover the medical expenses for any individual in Libby and Lincoln County who suffers from asbestos-related conditions. Specifically, an eligible resident of Libby or Lincoln County. This will be determined as a result of the screening program described above.

Once the Grace Medical Program covers the individual, all of his or her medical bills, including prescription drug bills that are incurred in the treatment of any asbestos-related condition, will be paid. We believe this program represents an effective and streamlined way of helping the people of Libby obtain treatment of asbestos-related conditions.

We have sent a contractor into the community to develop asbestos remediation plans for the buildings we previously owned and which have been identified by EPA. We will conduct the necessary remediation of those facilities once we reach agreement with EPA on what is needed, and we understand the basis for EPA's determination of the risk that exists.

The sampling and risk assessment methodologies EPA is using in Libby are unfamiliar to us. We want to have the opportunity to have our scientific and technical experts meet with their counterparts in EPA to fully understand these approaches.

There are two reasons we think it's important to understand the approaches being followed by EPA. First, for Grace, bad information could mean investments in remediation which is not warranted or properly focused. For the people of Libby, it could mean a disastrous loss of property values and devastating impact on future economic development. Sensational and misleading headlines may sell newspapers in Seattle, but it is the people in this room that have to live with the allegations. These reporters and self-described experts will quickly move on from Libby to other events. It is the people of Libby who will have to deal with what's left behind.

We cannot experiment with the future of this community. The people of Libby are entitled to a clean, safe environment. They are entitled to our company doing what is responsible to assure that clean, safe environment. The people of Grace are entitled to a scientific, rational and reliable analysis of what is and what isn't in need of remediation; what does and what does not pose a risk.

Given facts based on fully understood EPA procedures, W.R. Grace will respond quickly and completely. Government agencies—Federal, State and local—have a responsibility to make sure that their response to this threat is measured and ration-

al. We hope that EPA, the State and the community agencies will take this approach to this problem and, as they do, Grace will be right there working with them.

