Statement of F. Quinn Stepan,
President, Stepan Chemical Company,
Before the Subcommittee on Natural Resources,
Agricultural Research and the Environment of the
House Committee on Science and Technology, June 3, 1983

I appreciate very much the opportunity to testify here this morning. Stepan Chemical Company has owned the former Maywood Chemical Works in Maywood, New Jersey, since 1959, and has valued its close association with the citizens of that town and the surrounding communities through the years. Stepan has made every effort to ensure that its plant does not pollute the environment, and is a safe place to work. We have tried to be a company that Maywood can be proud of, and we believe that we have succeeded. In this spirit, we have been working closely with Maywood Mayor John Steuert, Congressman Torricelli, and various federal agencies which have expressed interest in the low-level thorium residues recently discovered in Maywood and Rochelle Park, in order to expedite a prompt resolution of the waste problem.

In assessing financial responsibility for clean-up costs, the source of these wastes must be kept in mind. Stepan Chemical Company is not responsible for the existence of these wastes. We have never used thorium in any of our work; we have never even processed the raw ore -- monazite -- from which...
thorium is extracted. Apparently, the source of these wastes was the old Maywood Chemical Works, which extracted thorium, lanthanum and other rare earths from monazite for many years prior to 1956. These operations ended long before Stepan came on the scene, were not a factor in our decision to buy the plant, and never contributed a dime to Stepan's profits.

One of the prime beneficiaries of Maywood Chemical's monazite operations was the U.S. government. During World War II, Maywood Chemical was seized by the United States because three German nationals owned a portion of Maywood's stock. Government control was exercised through the Alien Property Custodian, who changed Maywood Chemical's management and devoted virtually its entire production to the war effort. All the evidence is that these war-time activities are responsible for a large part of the current thorium waste problem.

In particular, the production of one of the most vital compounds made by Maywood Chemical during the war, lanthanum oxide, generated large amounts of thorium-bearing waste. Maywood's records show that in 1942 and 1943 alone, Maywood Chemical sold over 110,000 pounds of lanthanum oxide to Eastman Kodak, which needed the material for bombsites and military aerial cameras. Maywood was Kodak's only lanthanum supplier, and its lanthanum operation was described in the Alien Property Custodian's files as "very vital to the war effort." The lanthanum production generated radioactive wastes estimated to have contained over 30,000 pounds of thorium.
Maywood also did a great deal of work for the Atomic Energy Commission in the early days of the atomic energy program. This fact is reflected in the files of the AEC. From 1942 to 1956, Maywood sold at least 30,500 pounds of thorium and other rare earth compounds to agencies of the U.S. Government. Maywood also sold large quantities of lithium metal and lithium compounds to the Manhattan Project, the AEC, and the Navy during this period.

In 1947, Maywood was required by the AEC to segregate its thorium-bearing residues, in case the AEC decided to use Maywood's thorium in atomic weapons research and development. Maywood stockpiled these residues from 1947 until 1956, when it ceased to process monazite.

In light of the pervasive involvement of the federal government with the activities that led to the creation of the thorium wastes, it is appropriate that the government play an analogous role with respect to any necessary clean-up activities. We know that Congressman Torricelli shares this view, and has been instrumental in the development of an equitable combination of federal and private-sector assistance to clean-up Maywood and Rochelle Park. His efforts are a fine example of how the public and private sectors can work together to solve the problems of our modern society.

Primarily as a result of these actions, we understand that two million dollars of federal money will be available to begin
the clean-up work as of October 1, 1983, and that the Congress will direct the Department of Energy to include Maywood and Rochelle Park in its remedial action program as a top priority site. A major difficulty in any clean-up, however, is the present lack of a suitable place to dispose of the thorium wastes. Without a place to put the material which must be excavated, no clean-up can be undertaken. In order to remove this roadblock, and as part of our contribution to solve the problem, Stepan has volunteered to donate a portion of its plant property as a burial site for the wastes. Depending on how much is required, this land may have a market value of up to one million dollars. This combination of federal money and private land will enable the Department of Energy, which is the federal agency with the greatest experience and expertise in radiological clean-ups, to promptly relocate the wastes in Maywood and Rochelle Park to a safe place on Stepan's own property.

Stepan is currently working with the Nuclear Regulatory Commission to determine what clean-up activities are necessary to ensure that additional waste-materials, discovered in a field on Stepan's property, do not affect the environment. Stepan is committed to resolving whatever problems are presented by the material in the field. Indeed, we have agreed to conduct a comprehensive environmental assessment, at our own expense, to analyze these problems. In the final analysis,
however, we believe very strongly that this, too, is primarily a federal responsibility.

We are interested, as the citizens of Maywood and Rochelle Park are interested, in seeing the clean-up begin as soon as possible and seeing it completed at the earliest possible time. The top priority must go to the residences and commercial areas which are now contaminated. To this end, Stepan is making this commitment. Should expenditures beyond the two million dollars be required prior to the appropriation of additional federal funds, we are prepared to advance up to $3 million so that clean-up activities will not be halted pending the availability of funds to complete the job. We have so advised Congressman Torricelli. We will not walk away from our obligations as a good corporate citizen of one of the finest communities in our country.

Thank you.