



## Cosmetic Supply Chain Transparency Act of 2021 HR 5539

Rep. Schakowsky (D-IL)

### SUMMARY

The Cosmetic Supply Chain Transparency Act of 2021 would require upstream suppliers (including fragrance houses; formulating labs; and suppliers of ingredients, finished products, and raw materials) to provide brand owners with the ingredient disclosure, toxicity and safety data, and the certificate of analyses they need to make safer beauty and personal care products.

### BACKGROUND

Thousands of synthetic and natural chemical ingredients make up the beauty and personal care products we use every day. Some of these chemicals have been linked to negative health impacts ranging from allergic reactions to reproductive harm, brain damage, respiratory harm, endocrine disruption, and breast cancer.

The presence of unknown, undisclosed toxicants and contaminants is cause for serious concern because scientific evidence suggests that unsafe chemical exposures in our everyday lives can harm human and environmental health.

As consumer awareness about the safety of the ingredients in personal care and beauty products has grown, the need for cosmetic brand owners to obtain reliable information from and exert quality control over their supply chains has become more and more important.

### PROBLEM

The cosmetic supply chain is made up of multiple entities ranging from suppliers of raw materials, formulating laboratories responsible for manufacturing private label products, suppliers of fragrance and flavor formulations, packagers and chemical companies to the brand owner who puts its name on the product label. Not surprisingly, transparency, ingredient disclosure and quality control within the cosmetic supply chain varies enormously. However, regardless of whether the flow of information along the cosmetic supply chain is accurate or not, it is the brand owner who carries the ultimate liability for the safety of the constituent ingredients and final product. Conversely, upstream contract manufacturers and ingredient suppliers are hidden from public scrutiny, review, and accountability, even from the FDA.

No federal law currently requires the disclosure of ingredients or any other kind of transparency between entities in the cosmetic industry supply chain. Both large and small brand owners also carry reputational risk in the marketplace when they cannot obtain the accurate and reliable information they need from their suppliers to ensure they are making and selling the safest beauty and personal care products possible.

### SOLUTION

H.R. 5539 requires that upstream suppliers including fragrance houses, formulating laboratories, contract manufacturers, and suppliers of ingredients, raw materials, and finished products provide to cosmetic companies upon request:

- Full ingredient disclosure including ingredient names and chemical identity numbers (Chemical Abstract Service or CAS)
- Toxicity and safety data for each chemical ingredient
- Certificate of analysis for raw materials
- Contaminant testing results

### FULL INGREDIENT DISCLOSURE

- Suppliers of fragrance or flavor or preservative systems or other ingredient formulations to provide full ingredient disclosure to brand owners.
- Formulating laboratories and contract manufacturers to provide full ingredient disclosure and contaminant reports for private label, finished cosmetic products sold to retailers and other cosmetic companies.

### CERTIFICATE OF ANALYSIS & CONTAMINANT REPORTS

- Suppliers of raw materials to provide certificate of analyses and contaminant testing reports for the raw materials they sell to cosmetic companies. Examples include talc, which can be contaminated with cancer-causing asbestos; colorants and mica, which can be contaminated with brain-damaging lead and other heavy metals; petrolatum, which can be contaminated with cancer-causing PAHs (polycyclic aromatic hydrocarbons). The bill also requires suppliers to identify the analytical testing method used and limits of detection.

## TOXICITY & SAFETY DATA

- Suppliers of cosmetic ingredients and finished cosmetic products to test for contaminants that the supplier suspects might be present. When selling the ingredient or finished product, suppliers must provide that toxicity and safety data to cosmetic companies.

## PENALTIES

- Levies penalties on suppliers who do not provide within 90 days the required data and information to brand owners who request it.

## CONTACT

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