

HF3571 - 1E - PFAS in Juvenile Products Prohibited

Chief Author: **Carlie Kotyza-Witthuhn**
 Committee: **Environment And Natural Resources Finance And Policy**
 Date Completed: **3/2/2022 1:06:28 PM**
 Lead Agency: **Pollution Control Agency**
 Other Agencies:
 Commerce Dept Health Dept

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings) Dollars in Thousands	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
Health Dept					
General Fund	-	-	33	33	33
Pollution Control Agency					
Environmental	-	-	112	178	178
State Total					
General Fund	-	-	33	33	33
Environmental	-	-	112	178	178
	Total	-	145	211	211
	Biennial Total		145		422

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
Health Dept					
General Fund	-	-	.25	.25	.25
Pollution Control Agency					
Environmental	-	-	.5	1	1
	Total	-	.75	1.25	1.25

Lead LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Jim Carlson **Date:** 3/2/2022 1:06:28 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2021	FY2022	FY2023	FY2024	FY2025
Health Dept						
General Fund		-	-	33	33	33
Pollution Control Agency						
Environmental		-	-	112	178	178
Total		-	-	145	211	211
Biennial Total				145		422
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Health Dept						
General Fund		-	-	33	33	33
Pollution Control Agency						
Environmental		-	-	112	178	178
Total		-	-	145	211	211
Biennial Total				145		422
2 - Revenues, Transfers In*						
Health Dept						
General Fund		-	-	-	-	-
Pollution Control Agency						
Environmental		-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-

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 Committee: **Environment And Natural Resources Finance And Policy**
 Date Completed: **3/2/2022 1:06:28 PM**
 Agency: **Pollution Control Agency**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
Environmental	-	-	112	178	178	
Total	-	-	112	178	178	
Biennial Total			112		356	

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
Environmental	-	-	.5	1	1
Total	-	-	.5	1	1

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Jim Carlson **Date:** 3/2/2022 1:06:19 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2021	FY2022	FY2023	FY2024	FY2025
Environmental	-	-	-	112	178	178
Total	-	-	-	112	178	178
	Biennial Total			112		356
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Environmental	-	-	-	112	178	178
Total	-	-	-	112	178	178
	Biennial Total			112		356
2 - Revenues, Transfers In*						
Environmental	-	-	-	-	-	-
Total	-	-	-	-	-	-
	Biennial Total			-		-

Bill Description

This bill establishes Minnesota Stat. section 116.943, which would prohibit the manufacture, sales, or distribution for sale of any new juvenile product that contains perfluoroalkyl and polyfluoroalkyl substances. It does not apply to the sale or resale of used juvenile products. Under subdivision 3, the Minnesota Pollution Control Agency is also provided enforcement authority under sections 115.071 and 116.072; and may consult with Departments of Commerce and Health. When requested by the commissioner, a person must furnish any information the person may have or may reasonably obtain that is relevant to show compliance with this section. This section is effective January 1, 2024.

Assumptions

Work to prepare for the implementation of this bill will start in January 2023. One FTE will be needed for outreach and education, technical assistance, coordination with other state agencies, random purchasing and sampling of products, and when violations are found, engaging responsible persons for voluntary correction where MN enforcement authority does not exist, and where it does, conducting any necessary enforcement follow-up and complaint response. MPCA will need to purchase some products for testing; due to the breadth of products covered by this bill, the agency anticipates sampling up to 75 products annually. The agency will also need to contract with a laboratory to screen and analyze samples.

Expenditure and/or Revenue Formula

Sample purchases \$100/product x 75 products = \$7,500

Lab tests \$500/sample x 75 tests = \$37,500

1.0 FTE = \$133,000 0.50 FTE = \$66,500 (FY23)

*The annual cost of 1.0 FTE is \$133,000 in FY2021-2025. Annual costs for 1.0 FTE include salary, fringe, and non-specialized employee support costs (work space, computer and office supplies, office equipment, local travel, etc.)

Long-Term Fiscal Considerations

This program would be expected to continue

Local Fiscal Impact

No costs to local government is expected.

References/Sources

Staff familiar with similar work were consulted on developing the costs.

Agency Contact: Pam Anderson (651-757-2190)

Agency Fiscal Note Coordinator Signature: John Allen

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HF3571 - 1E - PFAS in Juvenile Products Prohibited

Chief Author: **Carlie Kotyza-Witthuhn**
 Committee: **Environment And Natural Resources Finance And Policy**
 Date Completed: **3/2/2022 1:06:28 PM**
 Agency: **Commerce Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2021	FY2022	FY2023	FY2024	FY2025
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Darren Sheets **Date:** 3/1/2022 4:47:45 PM
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State Cost (Savings) Calculation Details

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*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2021	FY2022	FY2023	FY2024	FY2025
Total		-	-	-	-	-
Biennial Total				-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total		-	-	-	-	-
Biennial Total				-		-
2 - Revenues, Transfers In*						
Total		-	-	-	-	-
Biennial Total				-		-

Bill Description

HF3571-1E prohibits PFAS in juvenile products.

Assumptions

HF3571-1E identifies the Minnesota Pollution Control Agency (PCA) as the agency of primary responsibility and allows for collaboration with the Department of Commerce in enforcement actions. The Department of Commerce can perform these tasks as part of its regular collaborative activity with the PCA. Commerce assumes no additional resources are required.

Expenditure and/or Revenue Formula

N/A

Long-Term Fiscal Considerations

N/A

Local Fiscal Impact

N/A

References/Sources

Agency Contact:

Agency Fiscal Note Coordinator Signature: Amy Trumper

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Chief Author: **Carlie Kotyza-Witthuhn**
 Committee: **Environment And Natural Resources Finance And Policy**
 Date Completed: **3/2/2022 1:06:28 PM**
 Agency: **Health Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
General Fund	-	-	33	33	33	33
Total	-	-	33	33	33	33
Biennial Total			33			66

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
General Fund	-	-	.25	.25	.25
Total	-	-	.25	.25	.25

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Carlos Guereca **Date:** 3/2/2022 11:41:45 AM
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State Cost (Savings) Calculation Details

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*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2 Dollars in Thousands	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
General Fund	-	-	33	33	33
Total	-	-	33	33	33
Biennial Total			33		66
1 - Expenditures, Absorbed Costs*, Transfers Out*					
General Fund	-	-	33	33	33
Total	-	-	33	33	33
Biennial Total			33		66
2 - Revenues, Transfers In*					
General Fund	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-

Bill Description

The bill bans the sale or distribution in commerce in the state of any new juvenile product that contains perfluoroalkyl and polyfluoroalkyl substances (PFAS), effective January 1, 2024.

The 1A amendment updates the definition of juvenile product and clarifies the prohibition in subdivision 2 of the original bill.

Assumptions

The bill states “The commissioner [of MPCA] may coordinate with the commissioners of commerce and health in enforcing this section.” MDH assumes that multiple enforcement cases will be brought per fiscal year, requiring MDH to evaluate products to see if they meet the ban definitions, help with consumer and retailer education on the health risks of PFAS, and assess replacement products. MDH partners with MPCA and commerce on similar initiatives and assumes that certain activities, such as development of education materials and notifications to retailers, will take place the year before date of implementation. The department requires a 0.25 FTE Research Scientist 2 for these activities.

Expenditure and/or Revenue Formula

Expenditure (Actual Dollars)	Amount	FY 2022	FY 2023	FY 2024	FY 2025
Salary & Fringe:		FTE	FTE	FTE	FTE
Research Scientist 2	109,994		0.25	0.25	0.25
	FTE	0.00	0.25	0.25	0.25
	Subtotal	0	27,499	27,499	27,499
Information Technology:					
	Subtotal	0	0	0	0
Other Operating Costs:					

	Subtotal	0	0	0	0
Grants, Aids & Subsidies:					
	Subtotal	0	0	0	0
Indirect (21.7% Eligible Costs)	Subtotal	0	5,967	5,967	5,967
Expenditure	Total	0	33,466	33,466	33,466
Fiscal Tracking (Dollars in Thousands)		FY 2022	FY 2023	FY 2024	FY 2025
Health Improvement BACT 03		0	33	33	33
Administration		0	33	33	33
Grants		0	0	0	0

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact:

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