

HF2906 - 0 - PFAS in Cosmetics Prohibited

Chief Author: **Ami Wazlawik**
 Committee: **Environment And Natural Resources Finance And Policy**
 Date Completed: **2/17/2022 10:59:55 AM**
 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)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
Health Dept						
General Fund	-	-	33	33	33	33
Pollution Control Agency						
Environmental	-	-	80	146	146	146
State Total						
General Fund	-	-	33	33	33	33
Environmental	-	-	80	146	146	146
Total	-	-	113	179	179	179
Biennial Total			113			358

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:** 2/17/2022 10:59:55 AM
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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		-	-	80	146	146
	Total	-	-	113	179	179
	Biennial Total			113		358
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Health Dept						
General Fund		-	-	33	33	33
Pollution Control Agency						
Environmental		-	-	80	146	146
	Total	-	-	113	179	179
	Biennial Total			113		358
2 - Revenues, Transfers In*						
Health Dept						
General Fund		-	-	-	-	-
Pollution Control Agency						
Environmental		-	-	-	-	-
	Total	-	-	-	-	-
	Biennial Total			-		-

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Chief Author: **Ami Wazlawik**
 Committee: **Environment And Natural Resources Finance And Policy**
 Date Completed: **2/17/2022 10:59:55 AM**
 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	-	-	80	146	146	
Total	-	-	80	146	146	
Biennial Total			80			292

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:** 2/14/2022 2:59:48 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	-	-	80	146	146	
Total	-	-	80	146	146	
Biennial Total			80		292	
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Environmental	-	-	80	146	146	
Total	-	-	80	146	146	
Biennial Total			80		292	
2 - Revenues, Transfers In*						
Environmental	-	-	-	-	-	
Total	-	-	-	-	-	
Biennial Total			-		-	

Bill Description

This bill establishes Minnesota Stat. section 116.943, which would prohibit the manufacture, distribution, selling or offering for sale of any cosmetic product that contains PFAS in Minnesota. 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.

Assumptions

Work would begin January 1, 2023, halfway into FY23. One FTE will be needed for outreach and education, technical assistance, coordination with other state agencies, random purchasing and sampling and screening 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. and supplies/equipment or contract with a laboratory to deliver PFAS screening, extraction and/or analytical techniques appropriate for the covered products and materials. If the screening indicates the presence of PFAS, samples will be tested in an accredited lab.

Expenditure and/or Revenue Formula

Sample purchases \$35/product x 25 products = \$875

Lab tests \$500/sample x 25 tests = \$12,500

1.0 FTE = \$133,000

*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 would be an ongoing program.

Local Fiscal Impact

No costs are expected for local governments.

References/Sources

Costs for implementation based on staff familiar with similar programs.

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

Agency Fiscal Note Coordinator Signature: John Allen

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HF2906 - 0 - PFAS in Cosmetics Prohibited

Chief Author: **Ami Wazlawik**
 Committee: **Environment And Natural Resources Finance And Policy**
 Date Completed: **2/17/2022 10:59:55 AM**
 Agency: **Commerce 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
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:** 2/15/2022 1:40:27 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
	Total	-	-	-	-	-
	Biennial Total			-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
	Total	-	-	-	-	-
	Biennial Total			-		-
2 - Revenues, Transfers In*						
	Total	-	-	-	-	-
	Biennial Total			-		-

Bill Description

HF2906 proposes that no person may manufacture, sell, offer for sale or distribute cosmetic products that contain PFAS.

Assumptions

HF2906 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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HF2906 - 0 - PFAS in Cosmetics Prohibited

Chief Author: **Ami Wazlawik**
 Committee: **Environment And Natural Resources Finance And Policy**
 Date Completed: **2/17/2022 10:59:55 AM**
 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:** 2/16/2022 5:25:25 PM
Phone: 651-284-6541 **Email:** carlos.guereca@lbo.mn.gov

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
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 manufacture, distribution, sale, or offer for sale in the state of any cosmetic product that contains perfluoroalkyl and polyfluoroalkyl substances (PFAS), effective January 1, 2024.

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 final date of implementation.

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 Protection	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:

Agency Fiscal Note Coordinator Signature: Brian Awsumb

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