

HF359 - 1E - "Flame-retardant Chemical Use Prohibited"

Chief Author: **Jamie Becker-Finn**
 Committee: **Environment & Natural Resources Finance Division**
 Date Completed: **03/26/2019**
 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	
	FY2019	FY2020	FY2021	FY2022	FY2023
Health Dept					
General Fund	-	115	115	115	115
Pollution Control Agency					
Environmental	-	76	76	76	76
State Total					
General Fund	-	115	115	115	115
Environmental	-	76	76	76	76
Total	-	191	191	191	191
Biennial Total			382		382

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2019	FY2020	FY2021	FY2022	FY2023
Health Dept					
General Fund	-	1	1	1	1
Pollution Control Agency					
Environmental	-	.5	.5	.5	.5
Total	-	1.5	1.5	1.5	1.5

Lead Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Sean Fahnhorst Date: 03/26/2019
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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		FY2019	FY2020	FY2021	FY2022	FY2023
Health Dept						
General Fund	-	115	115	115	115	115
Pollution Control Agency						
Environmental	-	76	76	76	76	76
Total	-	191	191	191	191	191
	Biennial Total		382		382	382
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Health Dept						
General Fund	-	115	115	115	115	115
Pollution Control Agency						
Environmental	-	76	76	76	76	76
Total	-	191	191	191	191	191
	Biennial Total		382		382	382
2 - Revenues, Transfers In*						
Health Dept						
General Fund	-	-	-	-	-	-
Pollution Control Agency						
Environmental	-	-	-	-	-	-
Total	-	-	-	-	-	-
	Biennial Total		-		-	-

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 Committee: **Environment & Natural Resources Finance Division**
 Date Completed: **03/26/2019**
 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	FY2019	FY2020	FY2021	FY2022	FY2023
Environmental	-	76	76	76	76	76
Total	-	76	76	76	76	76
Biennial Total			152			152

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2019	FY2020	FY2021	FY2022	FY2023
Environmental	-	.5	.5	.5	.5
Total	-	.5	.5	.5	.5

Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Sean Fahnhorst Date: 3/26/2019 12:31:31 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		FY2019	FY2020	FY2021	FY2022	FY2023
Environmental	-	76	76	76	76	76
Total		-	76	76	76	76
Biennial Total				152		152
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Environmental	-	76	76	76	76	76
Total		-	76	76	76	76
Biennial Total				152		152
2 - Revenues, Transfers In*						
Environmental	-	-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-

Bill Description

This bill expands the prohibition on the use of flame-retardant chemicals to additional types of upholstered furniture and to residential or business textiles; modifies the flame-retardant chemicals that are prohibited; prohibits the sale of certain firefighting foam; and authorizes the commissioner of the pollution control agency to enforce this section.

Assumptions

MPCA will need 0.5 FTE each year to undertake outreach and education efforts to notify stakeholders of the prohibited chemicals and products, as well as assess compliance and undertake enforcement action, as necessary.

Expenditure and/or Revenue Formula

0.5 FTE for each year x \$121,000 = \$60,500/year

Product testing = \$15,000/year

Long-Term Fiscal Considerations

Costs and ongoing

Local Fiscal Impact

N/A

References/Sources

N/A

Agency Contact: Katie Smith 651-757-2499

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HF359 - 1E - "Flame-retardant Chemical Use Prohibited"

Chief Author: **Jamie Becker-Finn**
 Committee: **Environment & Natural Resources Finance Division**
 Date Completed: **03/26/2019**
 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	FY2019	FY2020	FY2021	FY2022	FY2023
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2019	FY2020	FY2021	FY2022	FY2023
Total	-	-	-	-	-

Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

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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	FY2019	FY2020	FY2021	FY2022	FY2023	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

HF359-1E amends Minn. Stat. Sec. 325F.071 by expanding the types of products that manufacturers and wholesalers are prohibited from manufacturing, offering, selling, or distributing for use in Minnesota to include children’s products, upholstered furniture, residential or business textile, or mattresses containing certain flame retardants in amounts greater than 1,000 parts per million, on or after July 1, 2020. As of the same date, class B firefighting foam containing added PFC is also prohibited.

Assumptions

The Minnesota Pollution Control Agency (MPCA) will have primary enforcement authority. The bill directs the MPCA to coordinate with the Department of Commerce and the Department of Health in enforcement matters. As the bill is written, Commerce assumes any coordination would be handled with current resources.

Expenditure and/or Revenue Formula

N/A

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact:

Agency Fiscal Note Coordinator Signature: Amy Trumper

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HF359 - 1E - "Flame-retardant Chemical Use Prohibited"

Chief Author: **Jamie Becker-Finn**
 Committee: **Environment & Natural Resources Finance Division**
 Date Completed: **03/26/2019**
 Agency: **Health 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	FY2019	FY2020	FY2021	FY2022	FY2023
General Fund	-	115	115	115	115	115
Total	-	115	115	115	115	115
Biennial Total			230			230

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2019	FY2020	FY2021	FY2022	FY2023
General Fund	-	1	1	1	1
Total	-	1	1	1	1

Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Chardae Kimber Date: 3/26/2019 12:26:54 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		FY2019	FY2020	FY2021	FY2022	FY2023
General Fund	-	115	115	115	115	115
Total		-	115	115	115	115
Biennial Total				230		230
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	115	115	115	115	115
Total		-	115	115	115	115
Biennial Total				230		230
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-

Bill Description

This bill expands the prohibition of the use of flame retardants to additional furniture/household items, as well as expanding the definition of flame retardants to include whole classes of chemicals. It also prohibits the sale of certain firefighting foams that contain polyfluoroalkyl substances (PFAS) chemicals. The MPCA commissioner is responsible for enforcement, in coordination with the commissioners of Commerce and Health.

Assumptions

MDH and PCA maintain a common working relationship around chemicals of concern. PCA is responsible for enforcement, while MDH provides guidance on health impacts when environmental contamination or human exposure has occurred. When these instances happen, MDH is called upon to provide a health risk assessment of the situation, provide educational materials including fact sheets and websites regarding the incident, and possibly review existing or establish new health risk limits (HRL). The Health Department is also asked to review material developed by PCA and assist with community meetings and other outreach, when health questions or concerns are involved. We assume the agency will require 0.5 FTE Planner Principal State for communications, review and creation of educational materials, and community engagement. MDH also assumes the agency will require 0.5 FTE Environmental Research Scientist to assist with health risk assessments and to aid in the review of HRLs for exiting compounds and establishing HRLs for new compounds used as substitutes for banned chemicals.

Expenditure and/or Revenue Formula

Full-time Equivalent (FTE) Staff	Annual Salary & Fringe	FY20	FY21	FY22	FY23
Environmental Research Scientist	\$95,425	0.50	0.50	0.50	0.50
Planner Principal State	\$85,653	0.50	0.50	0.50	0.50
Total Salary & FTE units	\$181,078	1.00	1.00	1.00	1.00

Expenditure	FY20	FY21	FY22	FY23

Subtotal, Salary & Fringe	\$90,539	\$90,539	\$90,539	\$90,539
Information Technology:				
Computer, phone, software, support (\$2,252*FTE)	\$2,252	\$2,252	\$2,252	\$2,252
Subtotal, IT	\$2,252	\$2,252	\$2,252	\$2,252
Other Operating Expenditures:				
Materials, supplies & training (\$600*FTE)	\$600	\$600	\$600	\$600
Other Operating, Subtotal	\$600	\$600	\$600	\$600
Subtotal, Admin. Indirect (23.16% of eligible costs)	\$21,629	\$21,629	\$21,629	\$21,629
Total	\$115,020	\$115,020	\$115,020	\$115,020

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Fiscal Tracking (dollars in thousands)						
FUND	BACT	Description	FY20	FY21	FY22	FY23
1000	03	Health Protection - Administration	\$115	\$115	\$115	\$115
		Total	\$115	\$115	\$115	\$115

Agency Contact:

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