

Fiscal Note

State of Alaska
2013 Legislative Session

Bill Version: HB 96
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB096-DEC-SWM-04-08-13
Title: CHEMICALS IN CHILDREN'S PRODUCTS
Sponsor: TARR
Requester: House Labor and Commerce Committee

Department: Department of Environmental Conservation
Appropriation: Environmental Health
Allocation: Solid Waste Management
OMB Component Number: 2344

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2014	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2014 Request	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
OPERATING EXPENDITURES	FY 2014	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Personal Services	490.2		588.5	588.5	588.5	588.5	588.5
Travel	25.0		15.0	15.0	15.0	15.0	15.0
Services	411.8		267.7	161.5	161.5	161.5	311.5
Commodities	45.0		5.0	5.0	5.0	5.0	5.0
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	972.0	0.0	876.2	770.0	770.0	770.0	920.0

Fund Source (Operating Only)

1004 Gen Fund	972.0		851.2	745.0	745.0	745.0	895.0
1005 GF/Prgm			25.0	25.0	25.0	25.0	25.0
Total	972.0	0.0	876.2	770.0	770.0	770.0	920.0

Positions

Full-time	6.0		6.0	6.0	6.0	6.0	6.0
Part-time							
Temporary							

Change in Revenues

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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/16

Why this fiscal note differs from previous version:

Not applicable, initial version.

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Division	Environmental Health	Date:	02/06/2013 01:05 PM
Approved By:	Lynn Kent, Deputy Commissioner	Date:	04/08/13
	Department of Environmental Conservation		

FISCAL NOTE ANALYSIS

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Analysis

Analysis/Assumptions:

This legislation would require the Department of Environmental Conservation (DEC) to review data compiled by several federal and international organizations regarding chemicals of high concern, known carcinogens, or those that are persistent, biocumulative, and toxic. Based on that data, DEC would revise regulations to prohibit the manufacture, distribution, or sale in the state of a children's product containing a banned priority chemical.

The Department will make toxicology determinations and prepare a list of chemicals of concern in children's products sold in Alaska, and will update this list every three years. Manufacturers or distributors of a children's product that is sold in the state and contains a priority chemical must notify the Department in writing and must provide specific information. The restrictions will need to be communicated to the retailers and manufacturers of products sold in Alaska. This will require significant outreach because the state does not currently regulate or interact with these businesses. A reasonable fee will be charged to cover the costs to review the information collected.

Limited testing would be necessary to verify claims made by manufacturers, and assistance would be required by the Department of Law to review regulations or defend appeals. The Department will develop a program to educate and assist consumers and retailers in identifying children's products that may contain priority chemicals. Outreach and education is key to the successful implementation of this program.

Personal Services:

The Department will create a Toxins Program within this component that will include six new positions. The positions are budgeted for ten months for the first year to allow for classification and recruitment time, and for twelve months each year thereafter. Administrative support for this program will be provided by existing staff.

- 1) Environmental Program Manager I to lead the Toxins Program.
- 2) Environmental Program Specialist IV (Toxicologist) to evaluate the data and develop the list of priority chemicals.
- 3) Environmental Program Specialist III to perform inspections of and provide technical assistance to local distributors and manufacturers.
- 4) Environmental Program Technician to assist with inspections of and provide technical assistance to local distributors and manufacturers.
- 5) Research Analyst III to maintain statewide statistical information on those chemical carcinogens and persistent, biocumulative toxins.
- 6) Publications Specialist III to handle the outreach and publication development for the public.

Travel:

Travel will occur frequently in the first year in order to conduct outreach and training, then reduced in subsequent years.

Services:

Membership in the Interstate Chemicals Clearinghouse will be required, as well as the creation of an in-house data management system to track chemicals, manufacturers, and distributors in the state.

Collaborative strategy sessions with experts, principal stakeholders, and other members of the community who are worried about chemicals of high concern will take place the first year, and then again every five years. Database development costs are included in the first two years only.

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Analysis Continued

Services (continued):

Testing would be necessary to verify claims made by manufacturers, and assistance would be required by the Department of Law to review regulations or defend appeals.

Commodities:

New employee costs in the first year. Outreach materials for the first year and subsequent years thereafter.