

Consolidated Fiscal Note

2023-2024 Legislative Session

HF552 - 0 - PFAS in Juvenile Products Prohibited

Chief Author: **Carlie Kotyza-Witthuhn**
 Committee: **Environment and Natural Resources Finance And Policy**
 Date Completed: **1/30/2023 12:10:53 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)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
Health Dept						
General Fund	-	39	39	39	39	39
Pollution Control Agency						
Environmental	-	-	185	185	185	185
State Total						
General Fund	-	39	39	39	39	39
Environmental	-	-	185	185	185	185
	Total	-	39	224	224	224
	Biennial Total		263			448

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Health Dept					
General Fund	-	.25	.25	.25	.25
Pollution Control Agency					
Environmental	-	-	1	1	1
	Total	-	.25	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: Shannon Zila **Date:** 1/30/2023 12:10:53 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	FY2023	FY2024	FY2025	FY2026	FY2027
Health Dept					
General Fund	-	39	39	39	39
Pollution Control Agency					
Environmental	-	-	185	185	185
Total	-	39	224	224	224
Biennial Total			263		448
1 - Expenditures, Absorbed Costs*, Transfers Out*					
Health Dept					
General Fund	-	39	39	39	39
Pollution Control Agency					
Environmental	-	-	185	185	185
Total	-	39	224	224	224
Biennial Total			263		448
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: **1/30/2023 12:10:53 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	FY2023	FY2024	FY2025	FY2026	FY2027
Environmental	-	-	185	185	185	185
Total	-	-	185	185	185	185
Biennial Total			185			370

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Environmental	-	-	1	1	1
Total	-	-	1	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:** 1/25/2023 2:31:29 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	FY2023	FY2024	FY2025	FY2026	FY2027	
Environmental	-	-	185	185	185	
Total	-	-	185	185	185	
Biennial Total			185			370
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Environmental	-	-	185	185	185	
Total	-	-	185	185	185	
Biennial Total			185			370
2 - Revenues, Transfers In*						
Environmental	-	-	-	-	-	
Total	-	-	-	-	-	
Biennial Total			-			-

Bill Description

This bill establishes Minnesota Stat. section 116.943, which would prohibit the manufacture, sale, or distribution for sale of select new juvenile products that contain perfluoroalkyl and polyfluoroalkyl substances. It does not apply to the sale or resale of used juvenile products or electronic products, medical devices, or adjust mattresses. 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, 2025.

Assumptions

Work to prepare for the implementation of this bill will start in July 2024. 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 = \$140,000

*The annual cost of 1.0 FTE is \$140,000 in FY2023-2027. 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 cost to local government is expected.

References/Sources

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

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

Agency Fiscal Note Coordinator Signature: John Allen

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Fiscal Note

2023-2024 Legislative Session

HF552 - 0 - PFAS in Juvenile Products Prohibited

Chief Author: **Carlie Kotyza-Witthuhn**
 Committee: **Environment and Natural Resources Finance And Policy**
 Date Completed: **1/30/2023 12:10:53 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	FY2023	FY2024	FY2025	FY2026	FY2027
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2023	FY2024	FY2025	FY2026	FY2027
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.

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

LBO Signature: Shannon Zila **Date:** 1/23/2023 12:25:03 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	FY2023	FY2024	FY2025	FY2026	FY2027	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

HF552-0 prohibits the manufacturing, selling, and distributing of juvenile products (products designed or marketed to children under 12 years of age) which contain perfluoroalkyl and polyfluoroalkyl substances.

Assumptions

Enforcement of the bill rests with the Minnesota Pollution Control Agency (MPCA). MPCA may coordinate with Commerce for help with enforcement. Commerce is currently a member of the Chemical Products Interagency Team (CPIT) which coordinates on this type of work with MPCA and the Minnesota Department of Health on this type of consumer protection work. Commerce has an existing, dedicated investigator assigned to CPIT; Commerce assumes that the agency will have no additional costs associated with any coordination work that may result from the passage of this bill.

Expenditure and/or Revenue Formula

None.

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact:

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Fiscal Note

2023-2024 Legislative Session

HF552 - 0 - PFAS in Juvenile Products Prohibited

Chief Author: **Carlie Kotyza-Witthuhn**
 Committee: **Environment and Natural Resources Finance And Policy**
 Date Completed: **1/30/2023 12:10:53 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	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	39	39	39	39	39
Total	-	39	39	39	39	39
Biennial Total			78			78

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	.25	.25	.25	.25
Total	-	.25	.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: Kate Schiller **Date:** 1/27/2023 8:51:32 AM
Phone: 651-296-6052 **Email:** kate.schiller@lbo.mn.gov

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		FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	39	39	39	39	39
Total	-	39	39	39	39	39
	Biennial Total		78			78
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	39	39	39	39	39
Total	-	39	39	39	39	39
	Biennial Total		78			78
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Total	-	-	-	-	-	-
	Biennial Total		-			-

Bill Description

The bill bans the manufacture, distribution, sale, or offer for sale, or distribute in the state of any new juvenile product that contains perfluoroalkyl and polyfluoroalkyl substances (PFAS), effective January 1, 2025. The ban does not apply to the sale or resale of used juvenile products.

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 the development of education materials and notifications to retailers, will take place the year before the effective date of implementation on January 1, 2025.

Expenditure and/or Revenue Formula

Expenditure (Actual Dollars)	Amount	FY 2024	FY 2025	FY 2026	FY 2027
Salary & Fringe:		FTE	FTE	FTE	FTE
Research Scientist 2	129,602	0.25	0.25	0.25	0.25
	FTE	0.25	0.25	0.25	0.25
	Subtotal	32,401	32,401	32,401	32,401
Information Technology:					
	Subtotal	0	0	0	0
Other Operating Costs:					

	Subtotal	0	0	0	0
Grants, Aids & Subsidies:					
	Subtotal	0	0	0	0
Indirect (20.3% Eligible Costs)	Subtotal	6,577	6,577	6,577	6,577
Expenditure	Total	38,978	38,978	38,978	38,978
Fiscal Tracking (Dollars in Thousands)		FY 2024	FY 2025	FY 2026	FY 2027
Health Protection BACT 03		39	39	39	39
Administration		39	39	39	39
Grants		0	0	0	0

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact:

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