

CONFIDENTIAL
LEGISLATIVE BILL REVIEW FORM: 2014

Bill Number: S. 239 (Version AS PASSED BY HOUSE AND SENATE)
Products

Name of Bill: Toxics in Children's

Agency/ Dept: Joint Bill Review from Dept of Health and Agency of Natural Resources

Authors of Bill Review: Sarah Vose, Lori Cragin and David Englander (VDH) , Harry Chen, M.D.

Date of Bill Review: 5/29/2014

Status of Bill: (check one): ☐ Upon Introduction ☐ As passed by 1st body ☒ As passed by both
bodies ☐ Fiscal

Recommended Position:

☒ Support ☐ Oppose ☐ Remain Neutral ☐ Support with modifications identified in #8 below

Analysis of Bill

1. Summary of bill and issue it addresses. *Describe what the bill is intended to accomplish and why.*

As passed, the bill requires the Department of Health (Department) to list 66 chemicals of high concern to children enumerated in the bill. Additional chemicals may be added to the list by means of rulemaking, in consultation with the ANR Secretary, based (a) on credible scientific evidence that listed chemicals are harmful to human health or persistent, bioaccumulative and toxic, and (b) the presence or persistence of listed chemicals in human tissues, the household or natural environment. Beginning July 1, 2016 , the bill requires manufacturers of children's products containing chemicals of high concern to notify the Department disclosing the presence of chemicals of high concern in products sold in Vermont. Manufacturers will be charged a fee of \$200 per chemical disclosed biannually.

The Department will adopt rules laying out a process by which a chemical could be required to be labeled or restricted from sale. As written, the designation of a chemical for labeling or banning is based on the recommendation of the Chemicals of High Concern Working Group, and on weight of evidence of scientific studies, toxicity of the chemical, and exposure from the consumer product that constitutes a health risk.

Exemptions for products include tobacco products, food and beverages, electronics, ammunition and hunting and fishing equipment, drugs regulated by the FDA, and products purchased for industrial or business use.

The bill requires the Department to report to the General Assembly on what resources will be needed to run a robust program as could be created under the bill.

2. Is there a need for this bill? *Please explain why or why not.*

There is a potential for significant resource demands. The Department recognizes that some chemicals found in children's products are associated with harmful health effects. Some of these health effects are well

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documented in animal and human studies. We know from CDC's National Health and Nutritional Examination Survey (NHANES) that most people in the US have in their bodies detectable amounts of chemicals found in consumer products. The Department agrees that preventing potential exposure to toxic chemicals is the best way to protect people and the environment. The first step in prevention and the point of this bill is to make people aware of toxic chemicals in children's products.

3. What are likely to be the fiscal and programmatic implications of this bill for this Department?

In the long-term, the bill would require additional staffing at the Department, but it does not create or authorize new positions. Although the bill creates a fund and fee to support the administration of new regulations, there is no initial funding for up-front costs. Fiscal costs to the Department include staff time for rule development; review of submittals for notices, disclosure or waivers; outreach and education; analytical support; and web design and development to maintain the required database of disclosures.

4. What might be the fiscal and programmatic implications of this bill for other departments in state government, and what is likely to be their perspective on it?

The Department is most directly affected including rulemaking and administering a consumer-friendly website. Although only in an advisory role, the ANR will expend staff and leadership time in consultation with the Department to revise the list of chemicals of high concern to children.

5. What might be the fiscal and programmatic implications of this bill for others, and what is likely to be their perspective on it? (for example, public, municipalities, organizations, business, regulated entities, etc)

Manufacturers will be directly impacted because by fees for disclosure, as well as costs associated with identifying replacement chemicals or processes.

This may affect retailers' decisions to carry certain products or product lines. Some retailers and manufacturers opposed passage.

The public is likely to benefit from an increase in awareness and ultimately, possibly, a reduction of toxics in commerce. The bill has the potential to increase the cost of children's products, at least in the short term, and there is nothing in the bill to prevent or limit the transfer of these costs to the public.

6. Other Stakeholders:

6.1 Who else is likely to support the proposal and why? Public interest groups, consumer advocates, and environmental groups. The bill may also gain grass roots support from advocates for underrepresented and/or vulnerable populations, as well as concerned citizens and parents.

6.2 Who else is likely to oppose the proposal and why? Manufacturers and retailers argue that the costs of the program will outweigh the benefits. They argue this bill is not only unnecessary, but will cost Vermonters relative to their regional neighbors and places a burden on local businesses.

7. Rationale for recommendation: *Justify recommendation stated above.*

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Thousands of unregulated chemicals are in consumer and children's products. This initiative would increase awareness to the public of these potentially harmful chemicals.

8. Specific modifications that would be needed to recommend support of this bill: *Not meant to rewrite bill, but rather, an opportunity to identify simple modifications that would change recommended position.*

The required report will allow the Department to outline resource needs as well as to potentially provide suggested legislative emendations.

Secretary/Commissioner has reviewed this document: _____ **Date:** _____