

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 3162 - A**

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session  
Legislative Fiscal Office

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

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**Measure Description:**

Requires Oregon Health Authority to maintain list of designated high priority chemicals of concern for children's health used in children's products.

**Government Unit(s) Affected:**

Oregon Health Authority (OHA), Department of Environmental Quality (DEQ), Oregon Judicial Department (OJD)

**Local Government Mandate:**

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

| <b>Summary of Expenditure Impact - Oregon Health Authority</b> |                         |                         |
|--|-------------------------|-------------------------|
|  | <b>2013-15 Biennium</b> | <b>2015-17 Biennium</b> |
| Other Funds  | 57,046                  | 189,280                 |
| <b>Total Funds</b>   | <b>\$57,046</b>         | <b>\$189,280</b>        |
| Positions  | 1                       | 1                       |
| FTE  | 0.25                    | 1.00                    |
| <b>Summary of Revenue Impact - Oregon Health Authority</b>     |                         |                         |
|  | <b>2013-15 Biennium</b> | <b>2015-17 Biennium</b> |
| Other Funds - Fees   | 57,046                  | 189,280                 |
| <b>Total Funds</b>   | <b>\$57,046</b>         | <b>\$189,280</b>        |

**Analysis:**

House Bill 3162 requires the Oregon Health Authority to maintain a list of high priority chemicals of concern for children's health used in children's products. This list (which must include information regarding the known health impacts associated with exposure to these chemicals) must be maintained on the agency's website. OHA must review and revise this list every three years, removing and adding chemicals as necessary. In addition, the bill requires manufacturers of children's products sold or offered for sale in Oregon to provide notice, every two years, to OHA if these products contain a chemical on this list. The first notice must be provided to OHA no later than July 1, 2015. The bill allows OHA to enter into data-sharing agreements with other states. The bill also authorizes OHA to conduct testing of children's products sold or offered for sale in Oregon to ensure manufacturer's compliance with the provisions of this bill. OHA may establish fees paid by manufacturers to administer this program. OHA may establish civil penalty for violation of any provisions of this bill. The bill allows OHA to participate in the Interstate Chemicals Clearinghouse in cooperation with other states and government entities to assist the agency in carrying out the provisions of this bill. The bill establishes the High Priority Chemicals of Concern for Children's Health Fund and continuously appropriated to OHA to carry out the provisions of this bill. OHA must report to a Legislative Assembly once every two years

regarding the implementation of this bill. The bill contains an emergency clause and takes effect on passage.

Oregon Health Authority (OHA)

If this bill passes, the Oregon Health Authority will implement this bill in stages. First, the agency will reprioritize the work of existing staff in the Public Health division and use existing resources to compile and post the list of high priority chemicals of concern. Then, OHA anticipates establishing one Program Analyst position starting January 2015 to manage manufacturer notices, assessments and waiver requests. The Personal Services, and related Services and Supplies costs is estimated at \$57,046 Other Funds [0.25 FTE] for six months of the 2013-15 biennium; and \$189,280 Other Funds [1.00 FTE] for the full 24 months of the 2015-17 biennium. These costs will be covered by the establishment of the schedule of fees for manufacturers appropriated through the High Priority Chemicals of Concern for Children's Health Fund.

Department of Environmental Quality (DEQ)

This bill is anticipated to have minimal impact on the Department of Environmental Quality. The bill requires the list of high priority chemicals of concern to include chemicals that are listed on the existing DEQ's Toxics Focus List. DEQ anticipates using existing staff and resources to coordinate with OHA regarding the Toxics Focus List and future changes to the list, as well as to consult with OHA on the required biennial report concerning the implementation of this bill.

Oregon Judicial Department (OJD)

Passage of this bill is anticipated to have minimal impact on the Oregon Judicial Department. The bill authorizes any person who contests the imposition of a civil penalty to seek judicial review by the Court of Appeals. The department anticipates passage of this bill will increase the number of cases filed with the Court of Appeals.

This bill requires budgetary action for Other Funds expenditure limitation and position establishment.