SB 1569-1 (LC 231) 2/3/14 (MAM/ps)

PROPOSED AMENDMENTS TO SENATE BILL 1569

1	On page 1 of the printed bill, delete lines 12 through 20 and delete pages
2	2 through 10 and insert:
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4	"DEFINITIONS
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6	"SECTION 1. As used in sections 1 to 13 of this 2014 Act:
7	"(1) 'Children's cosmetics' includes cosmetics that are made for,
8	marketed for use by or marketed to children under 12 years of age and
9	that are:
10	"(a) Represented in the packaging, display or advertising of the
11	cosmetics as appropriate for use by children;
12	"(b) Sold in conjunction with, attached to or packaged together
13	with other products that are packaged, displayed or advertised as ap-
14	propriate for use by children; or
15	"(c) Sold in:
16	"(A) A retail store, catalog or website that exclusively offers for
17	sale products that are packaged, displayed or advertised as appropriate
18	for use by children; or
19	"(B) A discrete portion of a retail store, catalog or website that of-
20	fers for sale products that are packaged, displayed or advertised as

"(2) 'Children's jewelry' includes jewelry that is made for, marketed

appropriate for use by children.

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- 1 for use by or marketed to children under 12 years of age and that is:
- "(a) Represented in the packaging, display or advertising of the jewelry as appropriate for use by children;
- "(b) Sold in conjunction with, attached to or packaged together
 with other products that are packaged, displayed or advertised as appropriate for use by children;
- "(c) Sized for children and not intended by the manufacturer to be used by adults; or
- 9 **"(d) Sold in:**
- 10 "(A) A vending machine;
- "(B) A retail store, catalog or website that exclusively offers for sale products that are packaged, displayed or advertised as appropriate for use by children; or
- "(C) A discrete portion of a retail store, catalog or website that offers for sale products that are packaged, displayed or advertised as appropriate for use by children.
- "(3)(a) 'Children's product' means:
- 18 "(A) A product designed or intended by the manufacturer to:
- 19 "(i) Help a child with sucking or teething;
- 20 "(ii) Facilitate the sleep, relaxation or feeding of a child; or
- 21 "(iii) Be worn as clothing by children.
- 22 "(B) Car seats.
- 23 "(C) Children's cosmetics.
- 24 "(D) Children's jewelry.
- 25 **"(E) Toys.**
- 26 "(b) 'Children's product' does not mean:
- 27 "(A) Athletic shoes with cleats or spikes.
- 28 "(B) Batteries.
- 29 "(C) BB guns, pellet guns and air rifles.
- 30 "(D) Bicycles and tricycles.

- 1 "(E) Chemistry sets.
- "(F) Consumer electronic products, including personal computers, audio and video equipment, calculators, wireless telephones and game consoles, handheld devices that incorporate a video screen and are used to access interactive software, and the associated peripherals.
- "(G) Interactive software intended for leisure and entertainment, such as computer games, and their storage media, such as compact discs.
- 9 "(H) Model rockets.
- 10 "(I) Pocketknives and multitools.
- 11 "(J) Roller skates.
- 12 "(K) Scooters.

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- 13 "(L) Darts with metallic points.
- 14 "(M) Slings and catapults.
- 15 "(N) Snow sporting equipment, including skis, poles, boots, 16 snowboards, sleds and bindings.
- 17 "(O) Sporting equipment, including bats, balls, gloves, sticks, pucks 18 and pads.
- 19 "(P) Video toys that can be connected to a video screen and are 20 operated at a nominal voltage exceeding 24 volts.
 - "(Q) Food and food packaging regulated by the United States Food and Drug Administration.
 - "(4)(a) 'Cosmetics' means products or components of products that are intended to be rubbed, poured, sprinkled or sprayed on, introduced into or otherwise applied to the human body or any part thereof for cleansing, beautifying, promoting attractiveness or altering the appearance.
- "(b) 'Cosmetics' does not mean soap, dietary supplements or food and drugs approved by the United States Food and Drug Administration.

- "(5) 'High priority chemical' means a chemical that has been identified by a state or federal agency or an accredited research university, or by scientific evidence deemed credible and authoritative by the
- of by scientific evidence decined creatible and authoritative by the
- 4 Oregon Health Authority, as known to do one or more of the follow-5 ing:
- 6 "(a) Harm the normal development of a fetus or child or cause 7 other developmental toxicity;
- 8 "(b) Cause cancer, genetic damage or reproductive harm;
- 9 "(c) Disrupt the endocrine system;
- 10 "(d) Damage the nervous system, immune system or organs or 11 cause other systemic toxicity;
 - "(e) Be persistent, bioaccumulative and toxic; or
 - "(f) Be very persistent and very bioaccumulative.
 - "(6) 'Manufacturer' means any person that produces a children's product or an importer or domestic distributor of a children's product. For the purposes of this subsection, 'importer' means the owner of the children's product.
 - "(7) 'Trade association' means a membership organization of persons engaging in the same or a similar or related line of commerce, organized to promote and improve business conditions in that line of commerce and not to engage in regular business activities that ordinarily are carried on for profit.
 - "(8) 'Very bioaccumulative' means having a bioconcentration factor or bioaccumulation factor greater than or equal to 5,000, or if neither are available, having a log $K_{\rm OW}$ value greater than 5.0.
- 26 "(9) 'Very persistent' means having a half-life greater than or equal to:
 - "(a) In soil or sediment, 180 days; or
- 29 "(b) In water or evidence of long-range transport, 60 days.

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"HIGH PRIORITY CHEMICALS OF CONCERN FOR CHILDREN'S HEALTH USED IN CHILDREN'S PRODUCTS

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- "SECTION 2. (1) The Oregon Health Authority shall establish and maintain a list of high priority chemicals of concern for children's health when used in children's products. The authority shall include on the list chemicals that are listed on the Washington State Department of Ecology's Reporting List of Chemicals of High Concern to Children on the effective date of this 2014 Act.
- "(2) The authority shall post the list of high priority chemicals on its website. For each high priority chemical on the list, the authority shall post:
 - "(a) Information regarding the known health impacts associated with exposure to the chemical; and
 - "(b) Data collected under section 4 of this 2014 Act in a format that is searchable and accessible to the public.
 - "(3)(a) The authority shall review and revise the list of high priority chemicals every three years.
 - "(b) In completing the revisions under this subsection, the authority shall consider adding or removing a chemical from the list of high priority chemicals if, after the effective date of this 2014 Act:
 - "(A) The chemical is added to or removed from the Washington State Department of Ecology's Reporting List of Chemicals of High Concern to Children or another list maintained by a state agency, another state or a federal agency that the authority has identified by rule as a list intended to identify high priority chemicals; or
- "(B) A person has petitioned the authority, as described in paragraph (c) of this subsection, to consider adding or removing the chemical from the list of high priority chemicals.
 - "(c) A person may petition the authority to consider adding or re-

1	moving a chemical from the list of high priority chemicals by provid
2	ing the following information about a chemical to the authority:

- "(A) The prime chemical name and the Chemical Abstracts Service
 Registry Number; and
- "(B) Credible peer-reviewed scientific information documenting why the chemical meets or fails to meet the criteria required for inclusion on the authority's list of high priority chemicals.
 - "(d) In completing the revisions under this subsection, the authority may remove a chemical from the list of high priority chemicals if the authority determines that the chemical is no longer being used in children's products.
 - "(4) The authority shall update the list of high priority chemicals on its website within one year of the date on which a chemical is added to or removed from the list.
- "SECTION 3. (1) Section 2 of this 2014 Act becomes operative on July 1, 2014.
 - "(2) The Oregon Health Authority shall first post on its website the list of high priority chemicals established under section 2 of this 2014 Act not later than January 1, 2015.

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"MANUFACTURER DISCLOSURE OF HIGH PRIORITY CHEMICALS OF CONCERN FOR CHILDREN'S HEALTH USED IN CHILDREN'S PRODUCTS

"(Manufacturer Notice Requirements)

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"SECTION 4. (1) A manufacturer of a children's product sold or offered for sale in this state that contains a chemical included on the list established and maintained under section 2 of this 2014 Act shall provide notice to the Oregon Health Authority that the manufacturer's product contains a high priority chemical. The notice

- must be filed annually with the authority and must contain:
- 2 "(a) The prime chemical name and Chemical Abstracts Service
- 3 Registry Number of the chemical contained in the children's product;
- "(b) A brief description of the children's product that contains the chemical;
- "(c) A description of the function of the chemical in the children's
 product;
- "(d) The amount of the chemical used in each unit of the children's
 product, reported in ranges rather than exact amounts;
- "(e) The name and address of the manufacturer and the name, address and telephone number of a contact person for the manufacturer; and
 - "(f) Any other information that the manufacturer deems relevant to the appropriate use of the children's product.
- "(2)(a) The authority may enter into reciprocal data-sharing agree-15 ments with other states in which manufacturers of children's products 16 are required to disclose information related to high priority chemicals. 17 The authority must use the GS1 Global Product Classification system 18 to identify and specify product categories subject to the data-sharing 19 agreements. If the authority has entered into a data-sharing agree-20 ment with another state, and a manufacturer has reported the infor-21 mation required in the notice described in subsection (1) of this section 22 to that state, the manufacturer may request that the other state pro-23 vide the authority with the information in lieu of the manufacturer's 24 direct reporting of the information to the authority. 25
 - "(b) A manufacturer fulfills the notice requirement of subsection
 (1) of this section when the authority receives the information from
 the other state and the authority determines that the information received satisfies the requirements for the notice.
 - "(3) In lieu of the manufacturer's providing notice to the authority

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1	under subsection (1) or (2) of this section, the authority may require
2	that the notice described in subsection (1) of this section be submitted
3	to the Interstate Chemicals Clearinghouse. The authority by rule shall
4	specify procedures for the provision of such notice by manufacturers
5	to the Interstate Chemicals Clearinghouse.

- "(4) Manufacturers of children's products with annual worldwide gross sales of less than \$5 million, as reported on the most recent tax return filed by the manufacturer before the notice required by this section, are exempt from the requirements of this section but may provide notice voluntarily.
- "(5) A trade association may provide required notices on behalf of its member manufacturers under the provisions of this section.

"(Oregon Health Authority Compliance Testing)

"SECTION 5. The Oregon Health Authority may conduct testing of children's products sold or offered for sale in this state in order to determine compliance with section 4 of this 2014 Act.

"(Oregon Health Authority Schedule of Fees)

"SECTION 6. The Oregon Health Authority may establish by rule a schedule of fees for manufacturers that are based on the costs to the authority for administering sections 1 to 13 of this 2014 Act. Fees collected by the authority under this section shall be deposited in the High Priority Chemicals of Concern for Children's Health Fund established under section 11 of this 2014 Act.

"(Operative Date for Sections 4 to 6 of this 2014 Act)

- "SECTION 7. (1) Sections 4 to 6 of this 2014 Act become operative on January 1, 2016.
- "(2) The first notice under section 4 of this 2014 Act must be provided to the Oregon Health Authority not later than July 1, 2016.

"(Interstate Chemicals Clearinghouse)

"SECTION 8. The Oregon Health Authority is authorized to participate in the Interstate Chemicals Clearinghouse in cooperation with other states and government entities to assist the authority in carrying out sections 1 to 13 of this 2014 Act.

"(Civil Penalties)

- "SECTION 9. (1) If the Oregon Health Authority has reason to believe that a person has violated or is in violation of section 4 of this 2014 Act, the authority shall provide the person with written notice informing the person of the suspected violation and stating that the person may avoid a civil penalty by, no later than 90 days after the date on the written notice, providing the authority with:
 - "(a) The proper notice required under section 4 of this 2014 Act;
- "(b) Proof that the person is already in compliance with section 4 of this 2014 Act; or
- "(c) Proof that the person is not a manufacturer subject to section 4 of this 2014 Act.
- "(2) If a person fails to respond to a written notice under subsection
 (1) of this section within 90 days, the authority may impose a civil
 penalty not to exceed \$2,500. Each 90-day period that the violation
 continues after the preceding imposition of a civil penalty is a separate
 offense subject to a separate civil penalty not to exceed \$5,000. The

- authority is not required to provide the person with an opportunity to cure the continuing violation before imposing a civil penalty for the 2 continuing violation. 3
- "(3) The authority shall adopt by rule a schedule of civil penalties 4 for violations of this section and section 4 of this 2014 Act. 5
- "(4) In imposing a civil penalty under this section, the authority 6 shall consider the following factors:
- "(a) The past history of the person incurring a civil penalty in 8 taking all feasible steps or procedures necessary or appropriate to 9 correct any violation. 10
 - "(b) Any prior violations of statutes, rules, orders or permits pertaining to high priority chemicals.
 - "(c) The gravity and magnitude of the violation.
 - "(d) Whether the violation was a sole event, repeated or continuous.
 - "(e) Whether the violation was a result of an unavoidable accident, negligence or an intentional act.
- "(f) The person's cooperativeness and efforts to correct the vio-17 lation. 18
- "(g) The economic and financial conditions of the person incurring 19 a civil penalty. 20
 - "(5) Civil penalties described in this section shall be imposed in the manner provided in ORS 183.745.
 - "(6) All civil penalties recovered under this section shall be paid into the High Priority Chemicals of Concern for Children's Health Fund established under section 11 of this 2014 Act.
- "SECTION 10. Section 9 of this 2014 Act becomes operative on Jan-26 uary 1, 2016. 27

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"HIGH PRIORITY CHEMICALS OF CONCERN FOR CHILDREN'S HEALTH FUND

1	"SECTION 11. (1) The High Priority Chemicals of Concern for
2	Children's Health Fund is established in the State Treasury, separate
3	and distinct from the General Fund. Interest earned by the High Pri-
4	ority Chemicals of Concern for Children's Health Fund shall be cred-
5	ited to the fund. Moneys in the fund are continuously appropriated to
6	the Oregon Health Authority to administer sections 1 to 13 of this 2014
7	Act.

- "(2) The authority may accept gifts, grants or contributions from any public or private source for the purpose of carrying out sections 10 1 to 13 of this 2014 Act.
 - "(3) The High Priority Chemicals of Concern for Children's Health Fund shall consist of:
 - "(a) Moneys accepted by the authority pursuant to subsection (2) of this section.
 - "(b) Fees collected under section 5 of this 2014 Act.
 - "(c) Civil penalties imposed under section 9 of this 2014 Act.

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"RULES

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"SECTION 12. In accordance with applicable provisions of ORS chapter 183, the Oregon Health Authority may adopt rules necessary for the administration of sections 1 to 13 of this 2014 Act.

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"REPORTS TO LEGISLATIVE ASSEMBLY

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"SECTION 13. Not later than the first day of each odd-numbered year regular session, the Oregon Health Authority shall submit to the Legislative Assembly in the manner provided in ORS 192.245 a report that details:

"(1) Any revisions made to the list of high priority chemicals es-

- tablished and maintained under section 2 of this 2014 Act. 1
- "(2) The number of manufacturers in compliance with section 4 of 2 this 2014 Act. 3
- "(3) An analysis of the information collected pursuant to section 4 4 of this 2014 Act, specifying: 5
- "(a) The number and types of children's products sold or offered for 6 sale in this state that contain one or more high priority chemicals on 7 the list established and maintained under section 2 of this 2014 Act. 8
- "(b) The range of amounts of listed high priority chemicals, and an 9 analysis of the levels of the listed high priority chemicals, present in various categories of children's products.
 - "(c) Information on the potential for exposure to high priority chemicals based on the number of children's products sold or offered for sale in this state that contain one or more chemicals on the list established and maintained under section 2 of this 2014 Act, the likely exposure routes of those chemicals and the typical use patterns for the children's products that contain the chemicals.
 - "(4)(a) Recommendations on:

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- "(A) Limiting, reducing or preventing exposure to listed high priority chemicals based on an analysis of the information collected;
- "(B) Opportunities to provide technical assistance, award grants, promote public-private partnerships and take other actions to encourage manufacturers to produce children's products that do not contain high priority chemicals;
- "(C) Policy options to promote and provide incentives for the use 25 of chemical alternatives assessments and principles of green chemis-26 try; and 27
- "(D) Additional or improved methods for informing consumers 28 about high priority chemicals in children's products. 29
- "(b) In developing the recommendations described in paragraph (a) 30

of this subsection, the authority may consult with the Department of Environmental Quality, the Oregon Business Development Department and other state agencies.

"SECTION 14. The Oregon Health Authority shall submit the first biennial report required under section 13 of this 2014 Act no later than February 1, 2017.

"EXPENDITURE LIMITATION

"SECTION 15. Notwithstanding any other law limiting expenditures, the amount of \$57,046 is established for the biennium beginning July 1, 2013, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Health Authority for carrying out the duties of the authority under sections 1 to 13 of this 2014 Act.

"MISCELLANEOUS

"SECTION 16. The unit captions used in this 2014 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2014 Act.

"EMERGENCY CLAUSE

"SECTION 17. This 2014 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2014 Act takes effect on its passage."