SB 1569-2 (LC 231) 2/4/14 (MAM/ps)

PROPOSED AMENDMENTS TO SENATE BILL 1569

1	On <u>page 1</u> of the printed bill, delete lines 12 through 20 and delete <u>pages</u>
2	<u>2 through 10</u> and insert:
3	
4	"DEFINITIONS
5	
6	"SECTION 1. As used in sections 1 to 12 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
21	appropriate for use by children.
22	"(2) 'Children's jewelry' includes jewelry that is made for, marketed

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 of fers for sale products that are packaged, displayed or advertised as
 appropriate for use by children.

17 **"(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.

SB 1569-2 2/4/14 Proposed Amendments to SB 1569

Page 2

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.**

13 "(L) Darts with metallic points.

14 "(M) Slings and catapults.

"(N) Snow sporting equipment, including skis, poles, boots,
 snowboards, sleds and bindings.

"(O) Sporting equipment, including bats, balls, gloves, sticks, pucks
 and pads.

"(P) Video toys that can be connected to a video screen and are
 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 Adminis tration.

"(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 Oregon Health Authority, as known to do one or more of the following:

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;

"(d) Damage the nervous system, immune system or organs or
 cause other systemic toxicity;

12 "(e) Be persistent, bioaccumulative and toxic; or

13 "(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.

18 "(7) 'Trade association' means a membership organization of per-19 sons engaging in the same or a similar or related line of commerce, 20 organized to promote and improve business conditions in that line of 21 commerce and not to engage in regular business activities that ordi-22 narily 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_{ow} value greater than 5.0.

"(9) 'Very persistent' means having a half-life greater than or equal
 to:

28 "(a) In soil or sediment, 180 days; or

²⁹ "(b) In water or evidence of long-range transport, 60 days.

30

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

 $\frac{2}{3}$

1

"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.

30 "(c) A person may petition the authority to consider adding or re-

moving a chemical from the list of high priority chemicals by providing 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.

20

21	"MANUFACTURER DISCLOSURE OF HIGH PRIORITY CHEMICALS
22	OF CONCERN FOR CHILDREN'S HEALTH USED IN
23	CHILDREN'S PRODUCTS
24	"(Manufacturer Notice Requirements)

25

"SECTION 4. (1) A manufacturer of a children's product sold or 26offered for sale in this state that contains a chemical included on the 27list established and maintained under section 2 of this 2014 Act shall 28provide notice to the Oregon Health Authority that 29 the manufacturer's product contains a high priority chemical. The notice 30

1 must be filed annually with the authority and must contain:

"(a) The prime chemical name and Chemical Abstracts Service
Registry Number of the chemical contained in the children's product;
"(b) A brief description of the children's product that contains the
chemical;

6 "(c) A description of the function of the chemical in the children's
7 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, ad dress 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-15ments 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-20ment with another state, and a manufacturer has reported the infor-21mation required in the notice described in subsection (1) of this section 22to that state, the manufacturer may request that the other state pro-23vide the authority with the information in lieu of the manufacturer's 24direct 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.

30 "(3) In lieu of the manufacturer's providing notice to the authority

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

6 "(4) Manufacturers of children's products with annual worldwide 7 gross sales of less than \$5 million, as reported on the most recent tax 8 return filed by the manufacturer before the notice required by this 9 section, are exempt from the requirements of this section but may 10 provide notice voluntarily.

"(5) A trade association may provide required notices on behalf of
 its member manufacturers under the provisions of this section.

- 13
- 14

"(Oregon Health Authority Compliance Testing)

15

"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.

19

20

21

"(Operative Date for Sections 4 and 5 of this 2014 Act)

²² "<u>SECTION 6.</u> (1) Sections 4 and 5 of this 2014 Act become operative ²³ 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.

26 27

"(Interstate Chemicals Clearinghouse)

28

29 "<u>SECTION 7.</u> The Oregon Health Authority is authorized to partic 30 ipate in the Interstate Chemicals Clearinghouse in cooperation with

other states and government entities to assist the authority in carrying out sections 1 to 12 of this 2014 Act.

"(Civil Penalties)

6 "SECTION 8. (1) If the Oregon Health Authority has reason to be-7 lieve that a person has violated or is in violation of section 4 of this 8 2014 Act, the authority shall provide the person with written notice 9 informing the person of the suspected violation and stating that the 10 person may avoid a civil penalty by, no later than 90 days after the 11 date on the written notice, providing the authority with:

12 "(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 17 (1) of this section within 90 days, the authority may impose a civil 18 penalty not to exceed \$2,500. Each 90-day period that the violation 19 continues after the preceding imposition of a civil penalty is a separate 20offense subject to a separate civil penalty not to exceed \$5,000. The 21authority is not required to provide the person with an opportunity to 22cure the continuing violation before imposing a civil penalty for the 23continuing violation. 24

"(3) The authority shall adopt by rule a schedule of civil penalties
for violations of this section and section 4 of this 2014 Act.

"(4) In imposing a civil penalty under this section, the authority
 shall consider the following factors:

"(a) The past history of the person incurring a civil penalty in
 taking all feasible steps or procedures necessary or appropriate to

3

4

 $\mathbf{5}$

1 correct any violation.

"(b) Any prior violations of statutes, rules, orders or permits pertaining to high priority chemicals.

4 "(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.

8 "(f) The person's cooperativeness and efforts to correct the vio9 lation.

"(g) The economic and financial conditions of the person incurring
 a civil penalty.

"(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 10 of this 2014 Act.

"SECTION 9. Section 8 of this 2014 Act becomes operative on January 1, 2016.

- 19
- 20
- 21

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

22

23 "SECTION 10. (1) The High Priority Chemicals of Concern for 24 Children's Health Fund is established in the State Treasury, separate 25 and distinct from the General Fund. Interest earned by the High Pri-26 ority Chemicals of Concern for Children's Health Fund shall be cred-27 ited to the fund. Moneys in the fund are continuously appropriated to 28 the Oregon Health Authority to administer sections 1 to 12 of this 2014 29 Act.

30 "(2) The authority may accept gifts, grants or contributions from

1	any public or private source for the purpose of carrying out sections
2	1 to 12 of this 2014 Act.
3	"(3) The High Priority Chemicals of Concern for Children's Health
4	Fund shall consist of:
5	"(a) Moneys accepted by the authority pursuant to subsection (2)
6	of this section.
7	"(b) Civil penalties imposed under section 8 of this 2014 Act.
8	
9	"RULES
10	
11	"SECTION 11. In accordance with applicable provisions of ORS
12	chapter 183, the Oregon Health Authority may adopt rules necessary
13	for the administration of sections 1 to 12 of this 2014 Act.
14	
15	"REPORTS TO LEGISLATIVE ASSEMBLY
16	
17	"SECTION 12. Not later than the first day of each odd-numbered
18	year regular session, the Oregon Health Authority shall submit to the
19	Legislative Assembly in the manner provided in ORS 192.245 a report
20	that details:
21	"(1) Any revisions made to the list of high priority chemicals es-
22	tablished and maintained under section 2 of this 2014 Act.
23	"(2) The number of manufacturers in compliance with section 4 of
24	this 2014 Act.
25	"(3) An analysis of the information collected pursuant to section 4
26	of this 2014 Act, specifying:
27	"(a) The number and types of children's products sold or offered for
28	sale in this state that contain one or more high priority chemicals on
29	the list established and maintained under section 2 of this 2014 Act.
30	"(b) The range of amounts of listed high priority chemicals, and an

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.

9 "(4)(a) Recommendations on:

"(A) Limiting, reducing or preventing exposure to listed high pri ority chemicals based on an analysis of the information collected;

12 "(B) Opportunities to provide technical assistance, award grants, 13 promote public-private partnerships and take other actions to en-14 courage manufacturers to produce children's products that do not 15 contain high priority chemicals;

"(C) Policy options to promote and provide incentives for the use
 of chemical alternatives assessments and principles of green chemis try; and

"(D) Additional or improved methods for informing consumers
 about high priority chemicals in children's products.

"(b) In developing the recommendations described in paragraph (a)
 of this subsection, the authority may consult with the Department of
 Environmental Quality, the Oregon Business Development Department
 and other state agencies.

"<u>SECTION 13.</u> The Oregon Health Authority shall submit the first
 biennial report required under section 12 of this 2014 Act no later than
 February 1, 2017.

- 28
- 29

"EXPENDITURE LIMITATION

30

"SECTION 14. 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, 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 12 of this 2014 Act.

"MISCELLANEOUS

"SECTION 15. 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

17

15

16

8

9

10

"SECTION 16. 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.".

21