

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 478 - A**Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session
Legislative Fiscal Office***Only Impacts on Original or Engrossed
Versions are Considered Official***Prepared by: Kim To
Reviewed by: Linda Ames, Paul Siebert, Steve Bender, John Borden
Date: 6/8/2015**Measure Description:**

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

Government Unit(s) Affected:

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

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.

Analysis:

Senate Bill 478 establishes the "Toxic-Free Kids Act" requiring the Oregon Health Authority to establish and maintain on its website a list of designated high priority chemicals of concern for children's health used in children's products and to periodically review and revise the list. The bill allocates an unspecified amount of Other Funds to the Oregon Health Authority for this purpose.

Oregon Health Authority (OHA)

Summary of Expenditures		
	2015-17 Biennium	2017-19 Biennium
Personal Services	57,718	171,523
Services & Supplies	29,955	79,854
Special Payments		157,958
Total General Fund	\$87,673	\$409,335
Positions	1	3
FTE	0.38	1.25

Passage of this bill is anticipated to have a fiscal impact of \$87,673 General Fund and 0.38 FTE for the Public Health Division of OHA for the 2015-17 biennium; and \$409,335 General Fund and 1.25 FTE for the 2017-19 biennium. Implementation of this measure would mean establishing an entirely new program within the Oregon Health Authority (OHA). The expenditure estimates for 2015-17 include salary and related costs for a Program Analyst 2 position to coordinate this program including establishing and building relationships with manufacturers. For the 2017-19 biennium, OHA anticipates phasing in two additional positions:

1. One part-time Research Analyst 1 position to work with the agency's Office of Information Services (OIS) to develop and maintain a new searchable database and website as well as to produce data analysis reports.
2. One part-time Toxicologist to establish quantitative limits for priority chemicals, provide expert advice on rule writing and review waiver requests.

This pricing also includes \$10,000 in Attorney General fees for the 2015-17 biennium, and \$20,000 for 2017-19 biennium. These are conservative estimates for Department of Justice expenses; OHA may need to return to the legislature for additional funding if the agency experience more than anticipated legal challenges in maintaining this program.

This fiscal analysis assumes the fund source for these expenditures to be General Fund because although the bill permits OHA to assess a fee to manufacturers of children's products, based on the experience of other states which have passed similar legislation, there is significant concern regarding the ability to collect enough revenue to support the cost of this work. The manufacturers of children's products include those out of state and out of the country, making revenue collection difficult.

Passage of this bill is anticipated to have minimal fiscal impact on the Department of Environmental Quality (DEQ), the Department of Justice (DOJ), and the Oregon Judicial Department (OJD).