

101ST GENERAL ASSEMBLY State of Illinois 2019 and 2020 SB3378

Introduced 2/14/2020, by Sen. Laura Fine

SYNOPSIS AS INTRODUCED:

New Act 30 ILCS 105/5.930 new

Creates the Toxic-Free Kids Act. Requires the Department of Public Health to establish, maintain, post on its website, review, revise, and update a list of high priority chemicals of concern for children's health when used in children's products. Provides that a manufacturer of a children's product that contains a chemical included on the list in an amount at or above a de minimis level shall provide notice to the Department. Allows the Department to enter into reciprocal data sharing agreements with other states. Provides that if manufacturers of children's products substitute a chemical on the list for another chemical, the manufacturer must submit a hazard assessment to the Department that explains how the children's product is inherently less hazardous than before the substitution was made. Provides waivers and exemptions from the Act's requirements. Except for notice violations, establishes a civil penalty not to exceed \$5,000 for a first violation or \$10,000 for a subsequent violation. For notice violations, establishes a civil penalty of \$2,500 for a first violation and \$5,000 for a subsequent violation. Contains other provisions. Amends the State Finance Act. Creates the High Priority Chemicals of Concern for Children's Health Fund as a special fund in the State treasury.

LRB101 16556 CPF 65940 b

FISCAL NOTE ACT MAY APPLY

1 AN ACT concerning health.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 1. Short title. This Act may be cited as the Toxic-Free Kids Act.
- 6 Section 5. Definitions. In this Act:
- 7 "Chemical" means:
- 8 (1) a substance with a distinct molecular composition 9 and the breakdown products of the substance that form 10 through decomposition, degradation, or metabolism; or
- 12 (2) a group of structurally related substances and the 12 breakdown products of the substances that form through 13 decomposition, degradation, or metabolism.
- "Children's cosmetics" means 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, moisturizing, beautifying, promoting
 attractiveness, or altering the appearance.
- "Children's cosmetics" does not mean soap, dietary supplements, or food or drugs approved by the United States Food and Drug Administration.
- "Children's product" means any of the following products, or any component part of the following products, that are made

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| 1 | for, marketed for use by, or marketed to children under 12 |
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| 2 | years of age: |
| 3 | (1) a product designed or intended by the manufacturer |
| 4 | to facilitate sucking, teething, sleep, relaxation, |
| 5 | feeding, or drinking; |
| 6 | (2) children's clothing and footwear; |
| 7 | (3) car seats; |
| 8 | (4) children's cosmetics; |
| 9 | (5) children's jewelry; or |
| 10 | (6) toys. |
| 11 | "Children's product" does not mean: |
| 12 | (1) athletic shoes with cleats or spikes; |
| 13 | (2) batteries; |
| 14 | (3) BB guns, pellet guns, or air rifles; |
| 15 | (4) bicycles or tricycles; |
| 16 | (5) chemistry sets; |
| 17 | (6) consumer electronic products, including, but not |
| 18 | limited to, personal computers, audio and video equipment, |
| 19 | calculators, wireless telephones and game consoles, |
| 20 | handheld devices that incorporate a video screen and are |
| 21 | used to access interactive software, and the associated |
| 22 | peripherals of those consumer electronic products; |
| 23 | (7) interactive software intended for leisure and |
| 24 | entertainment, such as computer games, and their storage |

media, such as compact discs;

(8) model rockets;

1 (9) pocketknives and multitools; 2 (10) roller skates; 3 (11) scooters; (12) sets of darts with metallic points; (13) slings and catapults; (14) snow sporting equipment, including skis, poles, 6 7 boots, snowboards, sleds, or bindings; 8 (15) sporting equipment and accessories, including, 9 but not limited to, bats, balls, gloves, sticks, pucks, 10 pads, helmets and other protective equipment, weight 11 training and exercise aids, protective eyewear, backpacks, 12 tents, rain gear, sport bags and luggage, and golf 13 equipment; (16) video toys that can be connected to a video screen 14 15 and are operated at a nominal voltage exceeding 24 volts; 16 or 17 (17) food or beverages or food or beverage packaging regulated by the United States Food and Drug Administration 18 19 or the United States Department of Agriculture. "Contaminant" means trace amounts of chemicals that are 20 21 incidental to manufacturing and that serve no intended function 22 in the product component, including, but not limited to: 23 unintended by-products of chemical reactions (1)24 during the manufacture of the product component; 25 (2) trace impurities in feedstock;

(3) incompletely reacted chemical mixtures; and

- 1 (4) degradation products.
- 2 "De minimis level" means:
- 3 (1) for a chemical that is an intentionally added 4 chemical, the practical quantification limit; or
- 5 (2) for a chemical that is a contaminant, a concentration of 100 parts per million.
- 7 "Department" means the Department of Public Health.
- 8 "Fund" means the High Priority Chemicals of Concern for 9 Children's Health Fund.
- "Importer" means the owner of a children's product.
- "Intentionally added chemical" means a chemical in a product that serves an intended function in the product component.
- "Manufacturer" means any person that produces a children's product or an importer or domestic distributor of a children's product.
- 17 "Mouthable" means, in describing a children's product or any part of a children's product, that the product or part may 18 19 be brought into the mouth and placed in the mouth so that the 20 product or part can be sucked or chewed. If a children's product or part of a children's product in one dimension is 21 22 smaller than 5 centimeters, the product or part can be placed 23 in the mouth. "Mouthable" does not mean, in describing a children's product or any part of a children's product, that 24 25 the product or part may only be licked, but not placed in the 26 mouth.

"Practical quantification limit" means the lowest concentration of a chemical that can be reliably measured within specified limits of precision, accuracy, representation, completeness, and comparability during routine laboratory operating conditions.

"Product model" means the specific product name used by a retailer or assembler to place a product into the stream of commerce.

"Trade association" means a membership organization of persons engaging in the same, 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.

14 Section 10. List of high priority chemicals of concern.

- (a) The Department shall establish and maintain a list of high priority chemicals of concern for children's health when used in children's products. The list shall include 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 Act.
- (b) In establishing by rule the practical quantification limits for chemicals on the list of high priority chemicals, the Department shall consider guidance developed by the State of Washington and other federal, State, and nongovernmental organizations with the applicable expertise.

- (c) The Department shall post the list of high priority chemicals on its website. For each high priority chemical on the list, the Department shall post:
 - (1) information regarding the known health impacts associated with exposure to the chemical; and
 - (2) data collected under Section 15 in a format that is searchable and accessible to the public.
 - (d) The Department shall review and revise the list of high priority chemicals every 2 years. In completing the revisions under this subsection, the Department:
 - (1) shall consider adding or removing a chemical from the list of high priority chemicals if, after the effective date of this Act, 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 a list maintained by another State agency, another state, or a federal agency that the Department has identified by rule as a list intended to identify high priority chemicals; and
 - (2) may remove a chemical from the list of high priority chemicals if the Department determines that the chemical is no longer being used in children's products.
 - (e) The Department shall update the list of high priority chemicals on its website within one year after the date on which a chemical is added to or removed from the list.

- (a) 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 10 in an amount at or above a de minimis level shall provide a biennial notice as described under subsection (b) to the Department by January 1 of each applicable notice year.
- (b) The first biennial notice required under this Section shall be submitted to the Department by January 1 of the year following the year that the chemical contained in the children's product sold or offered for sale in this State is added to the list. Notwithstanding anything in this subsection to the contrary, the first biennial notices required to be submitted to the Department under this subsection for chemicals contained in children's products that are included on the list created under Section 10 shall be submitted to the Department no later than January 1, 2023.
 - (c) The notice required under this Section must contain:
 - (1) the name and Chemical Abstracts Service Registry
 Number of the chemical contained in the children's product;
 - (2) the product category of the children's product that contains the chemical;
 - (3) the product model and brand name of the children's product that contains the chemical;
 - (4) a description of the function of the chemical in the children's product;
 - (5) the amount of the chemical used in each unit of the

children's product, reported as a range rather than an exact amount;

- (6) the name and address of the manufacturer and the name, address, and telephone number of a contact person for the manufacturer; and
- (7) any other information that the manufacturer deems relevant to the appropriate use of the children's product.
- (d) The Department may enter into reciprocal data sharing agreements with other states in which manufacturers of children's products are required to disclose information related to high priority chemicals of concern for children's health used in children's products. The Department must use the GS1 Global Product Classification system to identify and specify product categories subject to the data sharing agreements. If the Department enters or has entered into a data sharing agreement with another state, and a manufacturer reports or has reported the information required in the notice described under subsection (c) to that state, the manufacturer may request that the other state provide the Department with the information in lieu of the manufacturer's direct reporting of the information to the Department.
- (e) A manufacturer fulfills the notice requirement under this Section when the Department receives the information from the other state and the Department determines that the information received satisfies the requirements for the notice specified under subsection (c).

- (f) In lieu of the manufacturer's providing notice to the Department under subsection (a) or (d), the Department may require that the notice be submitted to the Interstate Chemicals Clearinghouse. The Department by rule shall specify procedures for the provision of such notice by manufacturers to the Interstate Chemicals Clearinghouse.
- (g) The Department shall grant an exemption to a manufacturer of children's products that applies for an exemption from the notice requirements of this Section if the application demonstrates that:
 - (1) the high priority chemical of concern for children's health used in children's products is present in the children's product only as a contaminant;
 - (2) the manufacturer conducts a manufacturing control program for the contaminant; and
 - (3) the manufacturing control program meets minimum standards for a manufacturing control program as set forth by the Department by rule.
- (h) The Department shall approve or disapprove an exemption application within 180 days after its submission. If the Department fails to act within 180 days, the exemption application shall be deemed approved. If the Department disapproves an exemption application, the manufacturer may submit a revised exemption application for consideration within 180 days after the Department's disapproval.
 - (i) A trade association may provide the required notices on

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- 1 behalf of its member manufacturers under this Section.
- 2 (j) When a manufacturer provides notice to the Department 3 under this Section, the manufacturer may recommendations to the Department regarding technical, 5 financial, or logistical support deemed necessary innovation and green chemistry solutions related to high 6 7 priority chemicals of concern for children's health used in 8 children's products.
- 9 Section 20. Removal or substitution of chemicals.
 - (a) On or before the date on which a manufacturer of a children's product submits the third biennial notice required under Section 15 for a chemical that is present in a children's product, the manufacturer must remove or make a substitution for the chemical and submit a hazard assessment under Section 25, or seek a waiver under Section 30, if the chemical is present in a children's product that is:
 - (1) mouthable;
 - (2) a children's cosmetic; or
- 19 (3) made for, marketed for use by, or marketed to children under 3 years of age.
- (b) A manufacturer with 25 or fewer employees may apply for a 2-year extension of the date specified under subsection (a) of this Section to meet the requirements of this Section.
- 24 (c) Manufacturers are exempt from meeting the requirements 25 of this Section for children's products described under

- subsection (a) that contain high priority chemicals of concern for children's health used in children's products at levels that are at or below allowable levels for children's products as established by the federal Consumer Product Safety Improvement Act of 2008 in effect on the effective date of this Act.
 - (d) For purposes of this Section, any consumer product safety standard adopted under federal law that establishes allowable levels for children's products of a high priority chemical of concern for children's health used in children's products is presumed to establish the maximum allowable level of the chemical that may be used in children's products that are sold or offered for sale in this State. The Department may not require a manufacturer in compliance with the federal standard to also comply with this Section unless the Department establishes in the rulemaking process that a lower maximum allowable level for children's products of a high priority chemical of concern for children's health used in children's products than the allowable level set by the federal standard is necessary to protect human health and welfare.
- 21 Section 25. Hazard assessment.
 - (a) When a manufacturer of children's products sold or offered for sale in this State removes a high priority chemical of concern for children's health used in children's products from a children's product sold or offered for sale in this

- State that substitutes another chemical under Section 20, the manufacturer must submit a hazard assessment to the Department that explains how the children's product, and any substitute chemical the children's product contains, is inherently less hazardous than before the substitution was made.
 - (b) When a manufacturer of children's products sold or offered for sale in this State removes a high priority chemical of concern for children's health used in children's products from a children's product as described in subsection (a) and does not substitute another chemical, the manufacturer must submit notice to the Department that the manufacturer is no longer using the chemical or a substitute chemical.
 - (c) The Department shall establish by rule the methodology that a manufacturer must use and the standards that a children's product must meet in order to comply with the hazard assessment requirements described in subsection (a).
 - (d) The Department shall approve or disapprove a hazard assessment within 180 days after its submission. If the Department fails to act within 180 days, the hazard assessment shall be deemed approved, and the manufacturer may continue to sell or offer for sale in this State the children's product for which the manufacturer submitted a hazard assessment. If the Department disapproves a hazard assessment, the manufacturer may submit a revised hazard assessment for consideration within 180 days after the Department's disapproval.

- 1 Section 30. Waiver; alternatives assessment.
- 2 (a) The Department shall grant a waiver to a manufacturer
 3 of children's products that applies for a waiver in order to
 4 comply with Section 20 if the application includes an
 5 alternatives assessment demonstrating that removal of the high
 6 priority chemical of concern for children's health used in
 7 children's products is not financially or technically
 8 feasible.
 - (b) An alternatives assessment submitted under subsection

 (a) must be conducted in a manner consistent with the guidance and frameworks for such assessments in effect on the effective date of this Act and as established by the United States Environmental Protection Agency, the Interstate Chemicals Clearinghouse, the State of California, as part of that state's program for reducing toxic chemicals in consumer products, or other states or nongovernmental organizations with the applicable expertise, or as developed by the Department by rule. The Department may recommend or require that a manufacturer follow particular guidance or frameworks in order to meet the requirements of this Section.
 - (c) If the Department determines that an alternatives assessment is incomplete, the Department may obtain the assessment from another party. The manufacturer that submitted the incomplete assessment must pay for the assessment performed by the other party.
 - (d) The Department shall approve or disapprove a waiver

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application within 180 days after its submission. If the Department fails to act within 180 days, the waiver application shall be deemed approved, and the manufacturer may continue to sell or offer for sale in this State the children's product for which the manufacturer submitted a waiver application. If the Department disapproves a waiver application, the manufacturer may submit a revised waiver application for consideration within 180 days after the Department's disapproval.

Section 35. Exemptions. 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 under subsection (a) of Section 15, are exempt from the requirements of Sections 15, 20, 25, and 30.

Section 40. Testing; fees.

- (a) The Department may conduct testing of children's products sold or offered for sale in this State in order to determine compliance with Sections 15, 20, and 25 of this Act.
- (b) The Department may establish by rule a schedule of fees for manufacturers of children's products that are based on the costs to the Department for administering this Act. Fees collected by the Department under this subsection shall be deposited in the High Priority Chemicals of Concern for Children's Health Fund established under Section 55.

this Act.

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- Section 45. Interstate Chemicals Clearinghouse. The
 Department is authorized to participate in the Interstate
 Chemicals Clearinghouse in cooperation with other states and
 government entities to assist the Department in carrying out
- 6 Section 50. Civil penalties.
- 7 (a) Except as provided under subsection (e), the Department
 8 may impose a civil penalty on a manufacturer of children's
 9 products for a violation of any provision under Section 20 or
 10 25.
- 11 (b) For purposes of assessing civil penalties under this
 12 Section, a violation consists of a single course of conduct
 13 with regard to an entire children's product line that is sold
 14 or offered for sale in this State.
 - (c) The Department shall adopt by rule a schedule of civil penalties under subsection (a). A civil penalty may not exceed \$5,000 for the first violation or \$10,000 for a second or subsequent violation.
- 19 (d) In imposing a penalty under subsection (a) or (e) of 20 this Section, the Department shall consider the following 21 factors:
- 22 (1) the past history of the manufacturer in taking all 23 feasible steps or following all feasible procedures 24 necessary or appropriate to correct any violation;

| (2) | any prior | viola | ations | of statu | tes, | rules, | or | ders, | or |
|----------|-------------|--------|--------|-----------|-------|--------|----|-------|-----|
| permits | pertainin | g to | high | priority | chem | icals | of | conce | ∍rn |
| for chil | ldren's hea | alth ı | ısed i | n childre | n's p | roduct | s; | | |

- (3) the gravity and magnitude of the violation;
- (4) whether the violation was a sole, repeated, or continuous event;
- (5) whether the violation was a result of an unavoidable accident, negligence, or an intentional act;
- (6) the violator's cooperation, and efforts to correct the violation;
- (7) the economic and financial conditions of the manufacturer incurring a penalty; and
- (8) if a manufacturer asserts that a high priority chemical of concern for children's health used in children's products is present in a children's product only as a contaminant, evidence that the manufacturer conducted a manufacturing control program for the contaminant and exercised due diligence.
- (e) If a manufacturer violates the notice requirements described under Section 15 or subsection (a) of Section 25, the Department shall provide the manufacturer with written notice informing the manufacturer of the violation and stating that the manufacturer may avoid a civil penalty for the violation by providing the proper notice required under Section 15 or subsection (a) of Section 25 within 90 days.
 - If the manufacturer fails to cure the violation within 90

days after receiving notice from the Department, the Department may impose a civil penalty not to exceed \$2,500 on the manufacturer. For a continuing violation, 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 Department is not required to provide the manufacturer with an opportunity to cure the continuing violation before imposing a civil penalty for the continuing violation.

- (f) If the Department has reason to believe that a children's product that contains a high priority chemical of concern for children's health used in children's products is being sold or offered for sale in this State in violation of Section 15, 20, or 25, the Department may request that the manufacturer provide a statement of compliance on a form provided by the Department. The manufacturer must submit the statement of compliance within 10 days after receipt of a request. To prove compliance with Sections 15, 20, or 25 the manufacturer must:
 - (1) show that the children's product does not contain the high priority chemical of concern for children's health used in children's products;
 - (2) show that the manufacturer has previously provided the Department with notice as required under Section 15;
 - (3) provide the Department with notice as required under Section 15 or subsection (a) of Section 25, as

- 1 applicable; or
- 2 (4) provide the Department with documentation that the
- 3 manufacturer has previously complied with subsection (a)
- 4 of Section 25.
- 5 (g) All civil penalties recovered under this Section shall
- 6 be paid into the High Priority Chemicals of Concern for
- 7 Children's Health Fund established under Section 55 of this
- 8 Act.
- 9 Section 55. High Priority Chemicals of Concern for
- 10 Children's Health Fund.
- 11 (a) The High Priority Chemicals of Concern for Children's
- Health Fund is created as a special fund in the State treasury
- 13 to be used by the Department for the administration and
- 14 enforcement of this Act. Interest earned by the High Priority
- 15 Chemicals of Concern for Children's Health Fund shall be
- 16 credited to the Fund.
- 17 (b) The Department may accept gifts, grants, or
- 18 contributions from any public or private source for the purpose
- 19 of carrying out this Act.
- 20 (c) The Fund shall consist of:
- 21 (1) Moneys accepted by the Department under subsection
- 22 (b) of this Section.
- 23 (2) Payments and fees collected under this Act.
- 24 (3) Civil penalties imposed under Section 50.

| Section 60. Reports. The Department shall issue a report to |
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| the General Assembly by no later than February 15 of each |
| odd-numbered year. The report shall include the following |
| information: |

- (1) Any revisions made under Section 10 to the list of high priority chemicals of concern for children's health used in children's products.
- (2) The number of manufacturers of children's products in compliance with Section 15 and an analysis of the information collected under Section 15 specifying:
- (A) the number and types of children's products sold or offered for sale in this State that contain high priority chemicals of concern for children's health used in children's products;
- (B) the range of amounts of high priority chemicals of concern for children's health used in children's products, by product category, and the total number of and most frequently disclosed high priority chemicals of concern for children's health used in children's products;
- (C) the potential for exposure to high priority chemicals of concern for children's health used in children's products based on the number of children's products sold or offered for sale in this State that contain chemicals on the list established under Section 10, likely exposure routes, and the typical use patterns for the children's products that contain chemicals on the list

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established under Section 10; and

- (D) recommendations to limit, reduce, or prevent exposure to high priority chemicals of concern for children's health used in children's products based on an analysis of the information collected.
- (3) Details about the implementation of Sections 25 and 30 regarding hazard assessments and waivers. In cases where the Department grants waivers for the continued use of high priority chemicals of concern for children's health used in children's products and the waiver application includes an alternatives assessment, the Department may recommendations for opportunities to provide technical assistance, provide grants, promote public-private partnerships, and other actions to encourage manufacturers to produce children's products through green chemistry and that do not contain high priority chemicals of concern for children's health used in children's products.
- (4) A summary of compliance testing results obtained under Section 40.
- (5) Any recommendations submitted to the Department by manufacturers under Section 15.

In developing the recommendations described in this subsection, the Department may consult with the Department of Labor, the Environmental Protection Agency, or any other State agency.

- 1 Section 95. The State Finance Act is amended by adding
- 2 Section 5.930 as follows:
- 3 (30 ILCS 105/5.930 new)
- 4 Sec. 5.930. The High Priority Chemicals of Concern for
- 5 <u>Children's Health Fund.</u>