


Government of the District of Columbia
Office of the Chief Financial Officer



Jeffrey S. DeWitt
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Jeffrey S. DeWitt
Chief Financial Officer 

DATE: January 13, 2016

SUBJECT: Fiscal Impact Statement – Carcinogenic Flame Retardant Prohibition
Amendment Act of 2016

REFERENCE: Bill 21-143, Draft Committee Print as shared with the Office of Revenue
Analysis on January 12, 2016

Conclusion

Funds are not sufficient in the fiscal year 2016 through fiscal year 2019 budget and financial plan to implement the bill. The bill will cost \$227,000 over the four-year financial plan period.

The bill's implementation is subject to its inclusion in an approved budget and financial plan.

Background

The bill bans the manufacturing, distribution or sale of any children's products¹ or residential furniture treated with certain fire retardants beginning 2018, and extends the ban to all products² manufactured or sold in the District beginning 2019.³ The bill also prohibits a manufacturer from replacing these chemicals with other carcinogenic or harmful chemicals.⁴

¹ Children's products are those marketed for use or substantially used by a child under 12 years of age.

² Exemptions from the ban include products purchased or acquired by a retailer prior to the prohibition date; used products recycled, donated or resold; motor vehicles or replacement parts; District code compliant building insulation; certain electronic equipment and software.

³ Specifically, no sample taken from a product can include of TDCPP and TCEP greater than 0.1 percent by mass. TDCPP (Tris (1, 3-dichloro-2-prpyl) phosphate) and TCEP (tris (2-chloroethyl) phosphate) are chemicals used as flame retardants in various consumer products.

⁴ Potentially carcinogenic chemicals as identified by the U.S. Department of Health and Human Services or the U.S. Environmental Protection Agency and harmful chemicals identified by the Environmental Protection Agency or National Institutes of Health.

The Honorable Phil Mendelson

FIS: Bill 21-143, "Carcinogenic Flame Retardant Prohibition Amendment Act of 2016," Draft Committee Print as shared with the Office of Revenue Analysis on January 12, 2016

The Mayor may request that any manufacturer of a non-exempt product certify that its products are compliant with the ban. The manufacturer has forty-five days to either submit a certificate of compliance or notify retailers selling its products that the products are non-compliant.⁵

Financial Plan Impact

Funds are not sufficient in the fiscal year 2016 through fiscal year 2019 budget and financial plan to implement the bill.

To meet the bill's requirements the Mayor will need to set aside funds for outreach, education and product tests, and hire one person to publicize the ban and advocate for compliance.⁶

Carcinogenic Flame Retardant Prohibition Amendment Act of 2016					
Fiscal Impact Analysis of Bill 21-143					
FY 2016 – FY 2019					
	FY 2016	FY 2017	FY 2018^a	FY 2019	Total
Enforcement Personnel	\$0	\$0	\$72,000	\$75,000	\$147,000
Education and Outreach	\$0	\$0	\$40,000	\$40,000	\$80,000
Total	\$0	\$0	\$112,000	\$115,000	\$227,000

Table Notes

^a The ban begins in fiscal year 2018 (January 1, 2018).

Other jurisdictions, such as Vermont, New York, and Maryland, have also banned these chemicals, but to differing degrees. For example, the District's bill closely resembles the law in Vermont, but the laws in New York and Maryland only apply to products designed for children under the age of three and there are no provisions to request a certificate of compliance.

⁵ The manufacturer must also provide the Mayor with a list of the notified retailers.

⁶ According to a survey by the National Resources Defense Council (<http://www.nrdc.org/health/flame-retardants/files/safer-sofas-FS.pdf>), some major manufacturers and retailers such as Room and Board, Ikea, and Williams-Sonoma already eliminated these chemicals or offer alternative products free of flame-retardants.