Fiscal Note & Local Impact Statement

127 th General Assembly of Ohio

Ohio Legislative Service Commission
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BILL: **S.B. 214** DATE: **October 30, 2007**

STATUS: **As Reported by Senate Environment and Natural Resources** SPONSOR: **Sen. Niehaus**

LOCAL IMPACT STATEMENT REQUIRED: **No — No local cost**

CONTENTS: **To prohibit the sale of dishwasher detergent that contains above a specified amount of phosphorus**

State Fiscal Highlights

STATE FUND	FY 2008	FY 2009	FUTURE YEARS
Unspecified Operating Funds – Environmental Protection Agency			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	- 0 -	- 0 -	Increase for violation enforcement
Environmental Education Fund (Fund 6A1) – Environmental Protection Agency			
Revenues	- 0 -	- 0 -	Increase from civil penalties
Expenditures	- 0 -	- 0 -	- 0 -
Water Pollution Control Administration Fund (Fund 699) – Environmental Protection Agency			
Revenues	- 0 -	- 0 -	Increase from civil penalties
Expenditures	- 0 -	- 0 -	- 0 -
Unspecified Operating Funds – Attorney General			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	- 0 -	- 0 -	Increase for civil actions

Note: The state fiscal year is July 1 through June 30. For example, FY 2007 is July 1, 2006 – June 30, 2007.

- The Environmental Protection Agency (EPA) may experience increased administrative expenditures for notifying violators and referring cases to the Attorney General's office.
- The Environmental Education Fund (Fund 6A1) and the Water Pollution Control Administration Fund (Fund 699) may both experience increases in revenue from civil penalties charged for violations of the phosphorus limitation in dishwasher detergent.
- The Attorney General may experience increased expenses for pursuing civil actions against violators referred to it by the EPA.
- Enforcement begins on July 1, 2010, the start of FY 2011.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The bill prohibits, beginning July 1, 2010, the sale and distribution of cleansers, rinsing aids, sanitizing agents, or detergents that contain more than 0.5% by weight of phosphorus and that are intended primarily for use in automatic or machine dishwashers. The bill excludes such dishwashing agents that are used in commercial or institutional facilities.

Under the bill, the Director of Environmental Protection must notify any person who sells or offers for sale a product meeting the requirements specified above and request that the person remove the product from the sales area. If, after ten days, the person has failed to remove the product, the Director must request the Attorney General to initiate a civil action against the violator. Depending on the number of retailers determined by the Environmental Protection Agency to be in noncompliance with the statute, EPA could experience a minimal to moderate increase in administrative costs for notifying violators and referring them to the Attorney General. Depending on the number of cases requiring referral to the Attorney General after the expiration of the ten-day grace period for removing the product for sale, the Attorney General may also experience a rise in expenditures for prosecuting civil actions against violators.

The bill requires persons who purposely violate the statute to pay a civil penalty of $50 for the first violation and not more than $500 for each subsequent violation occurring within a 12-month period of the first violation. Half of the civil penalties collected are to be deposited into the Environmental Education Fund (Fund 6A1), with the other half deposited into the Water Pollution Control Administration Fund (Fund 699), both administered by EPA. Revenue into these funds from civil penalties would be dependent on how many retailers are successfully prosecuted by the Attorney General and forced to pay the appropriate fine.

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