



HOUSE COMMITTEE ON APPROPRIATIONS

2009-10 Legislative Session

FISCAL NOTE

HOUSE BILL: 1431

PRINTER'S NO: 1977

PRIME SPONSOR: DePasquale

As amended by A01787

FISCAL IMPACT SUMMARY	FY 2008/09	FY 2009/10
Expenditure Increase/(Decrease):		
General Fund	\$0	*See Analysis

OVERVIEW:

House Bill 1431 amends the Unfair Trade Practices and Consumer Protection Law to prohibit the selling of children's products that have been identified as unsafe, as an unfair method of competition and unfair deceptive acts or practices. Under House Bill 1431, a children's toy would be deemed unsafe if:

- it does not conform to all Federal laws and regulations setting forth standards for that product;
- it has been recalled by an agency of the Federal government; or
- its manufacturer or an agency of the Federal government has issued a warning that the product's intended use constitutes a safety hazard.

This bill requires that the Attorney General create, or adopt by reference, maintain and update a list of children's products that have been deemed unsafe. The Attorney General is also required to make the list available to the public, at no cost, by posting it on the Attorney General's website. In addition to making the list of unsafe children's products available, the Attorney General's website will provide links to government agencies or organizations that offer information regarding unsafe children's products.

Under House Bill 1431, any person against whom an injunction is obtained by the Attorney General for knowingly selling/offering to sell an unsafe children's product shall pay a civil penalty of \$500 for each violation. Each unsafe children's product for sale/offered for sale is deemed a separate violation. This civil penalty is in addition to other relief which may be granted. All civil penalties collected are dedicated to the Attorney General for enforcing the provisions of this act. Enforcement of the provisions of this act by the Attorney General is to occur upon a complaint filed with the Bureau of Consumer Protection in the Office of the Attorney General and the children's product is on the list maintained by the Office of the Attorney General.

House Bill 1431 also provides duties for manufacturers and retailers of children's products that are deemed unsafe.

This act takes effect in 60 days.

ANALYSIS:

House Bill 1431 requires the OAG to provide information related to children's product recalls on their website. Currently, the OAG's website has links to and information related to product recalls. The OAG's website also has a page dedicated to consumer protection. Because House Bill 1431 only requires the Attorney General to enforce provisions in the act when a complaint is filed with the Bureau of Consumer Protection (and the children's product is on the list maintained by the Office of the Attorney General), this fiscal note assumes that any costs associated with an initial investigation can be absorbed with the current budget and performed by agents currently assigned to consumer protection duties. If an investigation warrants further legal action and an injunction is obtained, the civil penalty of \$500 per violation/toy that is dedicated to the Attorney General will contribute to defraying costs of carrying out the provisions of this act.

The enactment of House Bill 1431 is not expected to have a negative fiscal impact on the Commonwealth.

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House Appropriations Committee, (D)

DATE: June 16, 2009

General Note and Disclaimer: *This Fiscal Note was prepared pursuant to House Rule 19(a), and the elements considered and reported above are required by Section 5 of the rule. Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*