

STORAGE NAME: HB1629a.ep

DATE: April 15, 1997

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
ENVIRONMENTAL PROTECTION
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

BILL #: HB 1629

RELATING TO: State Government

SPONSOR(S): Representative Putnam

STATUTE(S) AFFECTED: Creates section 11.1471, F.S.

COMPANION BILL(S): CS/SB 1686 by Governmental Reform & Oversight and Senator Meadows

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) ENVIRONMENTAL PROTECTION YEAS 8 NAYS 0
- (2) GENERAL GOVERNMENT APPROPRIATIONS
- (3)
- (4)
- (5)

I. SUMMARY:

HB 1629 will:

- ▶ Create the Science Advisory Board;
- ▶ Establish the number of members on the board as well as their required qualifications.
- ▶ Specifies directions for the appointment of members and the length of their terms

The board will be assigned to the Economic and Research Division of the Joint Legislative Committee, and be appropriated \$20,000 from the general revenue fund annually to reimburse the members for their travel and per diem expenses. The Board will be responsible for advising and issuing guidance on risk assessment issues to the agencies and the Legislature.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

The Legislature created the Risk Based Priority Council (Council), Chapter 95-295 Laws of Florida, in 1995 to recommend guidelines to the Governor, the Legislature, and state agencies for conducting risk analyses undertaken in conjunction with rule-making (Section 5, paragraph (5)(a) of Chapter 95-295, Laws of Florida). The Council released its final report in December 1996, and as part of its recommendations sought the creation of a Science Advisory Board (Board) to provide advice and guidance to state agencies, and objective oversight on the risk assessment process. The Council stated that in order to implement risk analysis in rule-making it was absolutely essential to create the Board. The Council stressed that the integrity and credibility of the process depends on the existence of a Science Advisory Board.

The report by the Council also recommends adequate funding for state agencies to conduct the risk analyses, estimating that the preparation of a risk impact statement will cost between \$50,000 and \$100,000 per rule. The Council also recommends that funding be provided in order that citizen groups can participate in the process. They wish to establish a grant program of \$50,000 per year that will provide technical and other scientific information to citizen groups, particularly those in minority and disadvantaged communities.

In 1995, Chapter 95-295, L.O.F., the Legislature required that the Department of Environmental Protection (DEP) and the Department of Agriculture and Consumer Services (DACS) prepare risk impact statements for any rule proposed for adoption or approval that establishes or changes standards or criteria based on impacts to, or effects upon, human health. DEP and DACS are required to prepare and publish notice of the availability of a clear and concise risk impact statement for all applicable rules. The statement is required to explain the risk to public health addressed by the rule and must identify and summarize the source of the scientific information used in evaluating that risk. The Council also recommends applying the Risk Impact Statement requirements to other relevant agencies.

B. EFFECT OF PROPOSED CHANGES:

This bill will create the Science Advisory Board, it will be comprised of 9 members with backgrounds in:

- ▶ biostatistics;
- ▶ exposure modeling for the fate and transport of air pollutants;
- ▶ exposure modeling for the fate and transport of water pollutants;
- ▶ epidemiology;
- ▶ human health risk assessment and human toxicology;
- ▶ ecological risk assessment and aquatic or wildlife toxicology;
- ▶ public health; and,
- ▶ risk communication and economics.

Each board member must have a postgraduate degree in at least one of those fields and have at least 6 years of experience in that field as well. The representative of the public health discipline is required to be a medical doctor. The Governor, the President of the

Senate, and the Speaker of the House of Representatives will each appoint three members to the board.

The members of the board will serve staggered three year terms and be appointed within ninety days of enactment. For administrative purposes, staffing and assistance purposes, the board is assigned to the Economic and Demographic Research Division of the Joint Legislative Management Committee. Annual appropriation from the General Revenue Fund to the Joint Legislative Management Committee, will be made in the amount of \$20,000. Members will receive reimbursement for travel and per diem expenses.

The Science Advisory Board will provide advice and guidance to agencies in the preparation of risk impact statements and on risk assessment issues. It will also provide oversight of agency preparation of risk impact statements. The board will issue a report addressing several issues with each impact statement prepared.

The report will include:

- ▶ Whether the problem formulation, boundaries, and context of the risk impact statement prepared were reasonable and appropriate;
- ▶ the adequacy of the opportunity for stakeholder input and participation in the development of the risk impact statement, including populations of special risk, including the elderly, minority and low income persons;
- ▶ the adequacy of the peer review process; and,
- ▶ disagreement areas between the agency and the board regarding development and use of the risk impact statement.

The board will also create and maintain a list of experts to perform peer review of risk impact statements, review and update the guidelines for risk analysis prepared by the Risk-Based Priority Council as necessary, and provide advice and guidance to agencies and the Legislature on the use of science and risk assessment in policy-making, when requested.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

- a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No

- (2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

The Economic and Demographic Research Division of the Joint Legislative Management Committee will provide staff and assistance to the board.

- (3) any entitlement to a government service or benefit?

No

- b. If an agency or program is eliminated or reduced:

- (1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

- (2) what is the cost of such responsibility at the new level/agency?

N/A

- (3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

- a. Does the bill increase anyone's taxes?

No

- b. Does the bill require or authorize an increase in any fees?

No

- c. Does the bill reduce total taxes, both rates and revenues?

No

- d. Does the bill reduce total fees, both rates and revenues?

No

- e. Does the bill authorize any fee or tax increase by any local government?

No

3. Personal Responsibility:

- a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No

- b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

No

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

No

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- (1) Who evaluates the family's needs?

N/A

- (2) Who makes the decisions?

N/A

- (3) Are private alternatives permitted?

N/A

(4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

b. Does the bill directly affect the legal rights and obligations between family members?

N/A

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. SECTION-BY-SECTION RESEARCH:

This section need be completed only in the discretion of the Committee.

Section 1: Creates the Science Advisory Board. It establishes the number of members, the qualification of members, and members' duties. It assigns the Board to the Economic and Demographic Division of the Joint Legislative Management Committee who will provide staff and assistance.

Section 2: Appropriates \$20,000 annually from the General Revenue Fund to pay for travel and per diem expenses of the Science Advisory Board.

Section 3: This act will take effect upon becoming a law.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

None

2. Recurring Effects:

\$20,000 will be appropriated to the Economic and Demographic Research Division of the Joint Legislative Management Committee annually to pay travel and per diem expenses of the board. The Economic and Demographic Research Division is responsible for providing staff and assistance to the Board. The bill does not provide appropriations to pay for staff, therefore it will become a direct cost to the Joint Legislative Management Committee at a cost level that is indeterminate at this time, but that could become quite substantial depending on the growth and requirements of the Council.

3. Long Run Effects Other Than Normal Growth:

None

4. Total Revenues and Expenditures:

Expenditures of \$20,000 out of the General Revenue Fund have been appropriated, but the total funding for the bill is indeterminate until staffing questions are answered.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None

2. Recurring Effects:

None

3. Long Run Effects Other Than Normal Growth:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None

2. Direct Private Sector Benefits:

None

3. Effects on Competition, Private Enterprise and Employment Markets:

None

D. FISCAL COMMENTS:

The Board is appropriated under the bill \$20,000 annually, the Council estimates that a minimum of \$55,000 is required to fund the Board annually. The \$55,000 recommendation by the Council includes \$30,000 for an administrator to coordinate activities and perform support functions, \$15,000 for travel expenses, and \$10,000 per year for honorarium expenses.

DEP estimates that it will cost \$500,000 annually. This estimate is based on figures provided by the Council based on 5 rules per year at an average cost of \$100,000 per rule.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditures of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the revenue raising authority of cities or counties.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the amount of state tax shared with cities and counties.

V. COMMENTS:

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

On April 15, 1997 the Committee on Environmental Protection heard and passed HB 1629 unanimously, three amendments were adopted. The first amendment ensures that the board provides advice and guidance to agencies according to the Administrative Procedures Act. Amendment 2 provides that reports are to be issued to the affected agency for each impact statement prepared in conjunction with rule-making. The third amendment specifies that recommendations are to be made to the Legislature after solicitation and consideration of comments on the proposal from affected agencies and interested parties.

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VII. SIGNATURES:

COMMITTEE ON ENVIRONMENTAL PROTECTION:

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