

Fiscal Impact Statement Prepared By New York City Mayor's Office of Management and Budget



Jacques Jiha, PhD, Budget Director

Disclaimer: This fiscal impact statement is a preliminary estimate and subject to change based upon further data analysis or changes in bill text. This legislation is summarized as understood by the administration as of the date this statement was prepared and does not include or consider subsequent text changes. This fiscal impact statement is not legally binding on the administration. "Total" columns represent the respective sum over a four-year period; note that fiscal impacts continue after year four. Unless otherwise stated, information used in the preparation of this Fiscal Impact Statement is sourced from the agencies impacted and the NYC Mayor's Office of Management and Budget.

Proposed Intro No. / Title: *Int. 867-A / Prohibiting the sale of menstrual and intimate care products that contain unsafe ingredients*

Sponsors: Fariás, Brannan, Menin, Cabán, Gutiérrez, Brewer, Hanif, Dinowitz, Narcisse, Won, Schulman, Sanchez, Rivera, Ossé, Banks, Restler, Vernikov

Committee: Health

Summary of Legislation: This legislation regulates the sale of menstrual and intimate care products that contain "restricted substances," as named in the legislation. No covered product may be sold in NYC if the product contains a restricted substance that was intentionally added. Additionally, no later than 90 days after the New York State commissioner of health promulgates a regulation establishing the lowest level that can feasibly be achieved of restricted substances in menstrual products, the NYC Department of Health and Mental Hygiene (DOHMH) shall by rule adopt such levels as the highest levels of unintentionally added restricted substances allowed in covered products sold in the city. DOHMH must also publish a list of covered products that contain amounts of restricted substances above the acceptable level. Any person who violates this prohibition is liable for a civil penalty of \$250 per violation.

Effective Date: 1 year after enactment

First Fiscal Year Legislation Takes Effect: Fiscal Year 2027

First Fiscal Year with Full Impact: Fiscal Year 2028

Agencies Impacted: Department of Health and Mental Hygiene, Department of Consumer and Worker Protection

Fiscal Impact Analysis

A. Total Impact (Expense and Revenue)

	Fiscal Year 1	Fiscal Year 2	Fiscal Year 3	Fiscal Year 4	Total
Expense	0	(\$29,687,000)	(\$29,687,000)	(\$29,687,000)	(\$89,061,000)
Revenue	0	0	0	0	0
Total	0	(\$29,687,000)	(\$29,687,000)	(\$29,687,000)	(\$89,061,000)

B. Expense

	Fiscal Year 1	Fiscal Year 2	Fiscal Year 3	Fiscal Year 4	Total
Expenditures	0	(\$29,687,000)	(\$29,687,000)	(\$29,687,000)	(\$89,061,000)

Impact on Expenditures (Expense):

It is anticipated that DOHMH would require \$1,080,000 in annual Personnel Services (PS) resources, including fringe, to hire nine staff to carry out the responsibilities associated with promulgating regulations and testing covered products sold within New York City—to determine if volumes of restricted substances exceed the levels set via regulation. The nine staff are broken down as follows: one City Research Scientist Level 4, two Industrial Hygienists, three Community Coordinators, and three Public Health Educators Level 3. It is also anticipated that the Department of Consumer and Worker Protection would require \$107,000 in annual PS resources, including fringe, to hire one inspector to assist with compliance and enforcement.

It is anticipated that DOHMH would require \$28,500,000 in annual Other Than Personnel Services (OTPS) resources to conduct the testing necessary to develop and maintain the list of covered products with unsafe levels of restricted substances. This is based on needing to test approximately 500 products (each separate brand and individual variety that is available for purchase in-person or online) for all restricted substances, which would be done through contracted labs. Note that not all restricted substances can be examined in a single test, and thus several tests are needed to assess the presence of all restricted substances in each product. Therefore, testing cost per product sample is approximately \$2,850 as a low-end estimate. Uncertainties still exist around the testing costs for some substances so per product sample testing expenses could increase. Additionally, multiple samples of each product from various locations and lot numbers must be tested (for all restricted substances) in order for an accurate and comprehensive assessment to be achieved. This estimate assumes needing to test 20 samples of each product. The total cost of testing could increase if more than 500 products must be tested, more than 20 samples per product must be tested, or if the per product sample cost of testing increases. The estimate assumes testing on an annual basis in order to account for potential changes in product composition.

There are additional OTPS costs associated with shipping, contract management, and administration that are not quantified at this time.

C. Revenue

	Fiscal Year 1	Fiscal Year 2	Fiscal Year 3	Fiscal Year 4	Total
Revenue	0	0	0	0	0

Impact on Revenue:

There is no anticipated impact on revenue.

D. Capital

	Fiscal Year 1	Fiscal Year 2	Fiscal Year 3	Fiscal Year 4	Total
Expenditures	0	0	0	0	0

Impact on Expenditures (Capital):

There is no anticipated impact on capital expenditures.