

March 26, 2009

**S 993. LIMIT TOXIC FLAME RETARDANTS CONTAINING PBDES.** Filed 3/25/09. *RELATING TO ADVANCING FIRE SAFETY WHILE PROTECTING INFANTS, CHILDREN, AND OTHERS FROM BROMINATED FLAME RETARDANT IN PRODUCTS FOR SALE AND TO CREATE A TAX INCENTIVE FOR MANUFACTURERS TO DEVELOP ALTERNATIVE PRODUCT DESIGNS WITHOUT CERTAIN CHEMICAL FLAME RETARDANTS FOR FIRE SAFETY STANDARDS.*

Adds new Article 19B to GS Chapter 130A related to flame retardants. Prohibits the manufacture and sale of certain products containing certain types and levels of brominated flame retardants. Establishes an interagency committee on fire safety to assist with the implementation of the new law. Authorizes the Secretary of Environment and Natural Resources to grant exemptions from the prohibition in certain circumstances and to charge an application fee for such exemptions. Authorizes the Secretary to establish a labeling program to identify products that meet fire safety standards without the use of chemical flame retardants and work with manufactures to incentivize the development of such products. Authorizes a tax credit for a percentage of a manufacturer's research and development expenses related to developing alternative product designs that meet fire safety standards without the use of chemical flame retardants. Directs the Secretary to develop a program for educating retailers about the new law and authorizes participation in a regional multistate clearinghouse designed to address the issue of chemical flame retardants. Requires annual reports to the Environmental Review Commission and the General Assembly beginning January 15, 2010. Authorizes enforcement of the law with civil penalties and injunctive relief. Provides that (1) if the violation is a first offense, the civil fine is up to \$100 per item, not to exceed \$5,000; (2) if the violation is a second offense, the civil fine is up to \$500 per item, not to exceed \$25,000; (3) if the violation is a third or subsequent offense, the civil fine is up to \$1,000 per item, not to exceed \$50,000; and (4) if a person knowingly violates this Article, the civil penalty is three times the largest allowable penalty. Authorizes the Secretary to adopt rules, including rules related to additional halogenated flame retardants in some circumstances. Amends GS 105-129.50 to include a definition of *qualified flame-retardant research expenses*. Adds new GS 105-129.56 to establish the tax credit available for such research expenses. Certain prohibitions are effective October 1, 2010; enforcement options are effective January 1, 2010; tax credits are effective for taxable years beginning on or after January 1, 2009, and the remainder is effective October 1, 2009, and applies to products manufactured, offered for sale, or distributed on or after that date.

**Intro. by Bingham.**

GS 105, 130A