

RALPH DLG. TORRES Governor



ARNOLD I. PALACIOS
Lieutenant Governor

20 AUG 2021

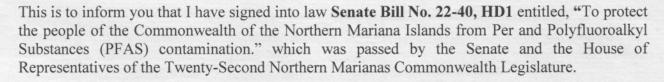
8/20/21

# OFFICE OF THE GOVERNOR

The Honorable Jude U. Hofschneider President of the Senate Twenty-Second Northern Marianas Commonwealth Legislature Saipan, MP 96950

The Honorable Edmund S. Villagomez Speaker, House of Representatives Twenty-Second Northern Marianas Commonwealth Legislature Saipan, MP 96950

Dear Mr. President and Mr. Speaker:

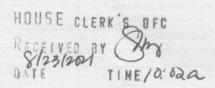


This bill becomes Public Law No. 22-06. Copies bearing my signature are forwarded for your reference.



RALPH D.G. TORRES

cc: Lt. Governor; Press Secretary; Commonwealth Utilities Corporation; Commonwealth Ports Authority; Bureau of Environmental and Coastal Quality; ; Attorney General; Law Revision Commission; Public Auditor; Special Assistant for Administration; Special Assistant for Programs and Legislative Review





# THE SENATE

# TWENTY-SECOND NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

SENATE BILL NO. 22-40, HD1

### AN ACT

To protect the people of the Commonwealth of the Northern Mariana Islands from Per and Polyfluoroalkyl Substances (PFAS) contamination.

### SENATE ACTION

Offered by Senator(s): Jude U. Hofschneider and Vinnie F. Sablan

Date: March 23, 2021

Referred to: None

Standing Committee Report No.: None

Final Reading: July 08, 2021, Accepted HD1

#### HOUSE ACTION

Referred to: Health and Welfare Committee

Standing Committee Report No.: 22-16 Adopted on 06/16/21

First and Final Reading: June 16, 2021

DOLORES S. BERMUDES

SENATE CLERK



# THE SENATE TWENTY-SECOND NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

FIRST REGULAR SESSION, 2021

S. B. NO. 22-40, HD1

#### AN ACT

To protect the people of the Commonwealth of the Northern Mariana Islands from Per and Polyfluoroalkyl Substances (PFAS) contamination.

# BE IT ENACTED BY THE TWENTY-SECOND NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

**Section 1.** <u>Title</u>. This Act shall be known as the "The Commonwealth of the Northern Mariana Islands Protection from PFAS Act."

Section 2. Findings and Purpose. The Legislature finds that according to extensive scientific research, certain per- and polyfluoroalkyl substances (PFAS) are harmful synthetic compounds that pose significant health and environmental consequences.

Also known as "forever chemicals," PFAS have been used in a wide variety of consumer products and industrial applications, including, but not limited to, clothing, cookware, food packaging, carpets and upholstery, firefighting foam, electronics, and construction materials. A common source of PFAS contamination in the Commonwealth of the Northern Mariana Islands (Commonwealth) is aqueous film-forming foam (AFFF), which contained concentrated PFAS and was utilized at fire training locations, Department of Defense installations, airports, and other fire-response sites.

Scientific studies show that exposure to certain "long-chain" PFAS, including perfluorooctane sulfonic acid (PFOS), perfluorooctanoic acid (PFOA), and perfluorononanoic acid (PFNA), can lead to adverse human health effects, including increased cholesterol levels, gestational hypertension or preeclampsia, decreased fertility

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among women, developmental effects on infants, negative effects on the immune system, ulcerative colitis, kidney and testicular cancer, and thyroid hormone disruption. PFAS are extremely persistent in the environment and in the human body, as these chemicals are resistant to typical environmental degradation processes and bioaccumulate and persist in the human body over time.

There is ample evidence showing that the manufacturers of long-chain PFAS and/or AFFF containing long-chain PFAS have understood the risks of PFAS chemicals for decades and actively sought to conceal their danger. As early as the 1960s, these manufacturers were aware of the dangers posed by long-chain PFAS based on internal animal and human studies, including studies of their own workers. Despite this knowledge, these manufacturers hid the studies from the public at large, regulators, and their own employees. These manufacturers knew of the significant harm to humans and the environment caused by long-chain PFAS and failed to warn the Commonwealth and its agencies, including the Commonwealth Utilities Corporation (CUC) and the Commonwealth Ports Authority (CPA), their customers, and the public at large. Instead of providing the required or necessary warnings, these manufacturers actively concealed the dangers of long-chain PFAS and/or AFFF containing long-chain PFAS for decades.

The Commonwealth's water providers and agencies and private well owners have been impacted by PFAS contamination through no fault of their own. The cost of remediating this contamination may result in dramatically higher water and sewer rates for end users. The existence of these man-made chemicals in the Commonwealth's groundwater and drinking water requires a strategy to protect, preserve, and enhance the water on which the Commonwealth's citizens and natural environment rely.

PFAS is ingested by humans, and then bioaccumulates and persists in humans, through a variety of pathways, but especially through drinking water, and vulnerable populations such as children, infants, and pregnant or breast-feeding women are especially susceptible. In the case of pregnant or breastfeeding women, PFAS can be transferred to fetuses through umbilical cord blood and to infants through breast milk. In 2016, the United States Environmental Protection Agency (USEPA) established a health advisory

level (HAL) for combined PFOS and PFOA in drinking water at 70 parts per trillion (ppt), or 70 ng/L, based on the critical toxicological effects on development. In June 2018, the Agency for Toxic Substances and Disease Registry (ATSDR) of the U.S. Department of Health and Human Services released a draft Toxicological Profile for Perfluoroalkyls. The ATSDR set minimal risk levels in drinking water for: (1) PFOA at 78 ppt (adult) and 21 ppt (child); (2) PFOS at 52 ppt (adult) and 14 ppt (child); and (3) PFNA at 78 ppt (adult) and 21 ppt (child). Numerous states, including California, Connecticut, Massachusetts, Michigan, Minnesota, New Hampshire, New Jersey, New York, North Carolina, Vermont, Washington, and Wisconsin, have taken aggressive action to address PFAS contamination, especially in drinking water, and have set or are in the process of setting PFAS response levels, including maximum contaminant levels, at or below USEPA's HAL based on an increasing number of scientific studies demonstrating increased and substantial risk to human health and to the environment.

Between 2015 and 2016, the Commonwealth's wells in Saipan were tested for PFAS during the USEPA's Third Unregulated Contaminant Monitoring Rule (UCMR3). The testing conducted by CUC showed PFAS contamination in multiple tanks and wells from the Isley, Koblerville, and Obyan aquifer areas. A single sample collected from Isley Field contained a concentration of PFOS and PFOA combined at 7200 parts per trillion (ppt), more than 100 times the lifetime health advisory level.

Since 2016, tests of numerous reservoirs and wells in Saipan have shown concentrations of PFAS chemicals above the USEPA's HAL, resulting in multiple wells being removed from service and the issuance of CUC health advisories to several villages, including Chalan Laulau, Iliyang, Chalan Kiya, As Terlaje, Kannat Tabla, Fina Sisu, San Jose, Garapan, Gualo Rai, As Lito, San Antonio, Chalan Kanoa, Susupe, Oleai, Koblerville, and As Perdido.

The Legislature finds that the unprecedented volumes of PFAS in the CNMI water supplies are a serious environmental justice concern, reflecting exposures to hazardous chemicals that disproportionately impact vulnerable and historically underrepresented communities. The highest levels of PFOS, PFOA, and other PFAS in the United States

were found in Saipan. Moreover, these significant volumes of PFAS in the drinking water system were concentrated in the southern villages of the island, located in Saipan Election Districts 1, 2, 3, and 5. Compared to Saipan's northern villages in District 4, the southern villages and districts tend to consist of higher proportions of non-citizen contract workers, and indigenous Chamorro and Carolinian populations of lower socioeconomic status. According to the 2016 CNMI Household Income and Expenditures Report, about 56% of the CNMI's population were living in poverty in 2015, with the percentage of individuals in poverty highest in District 2 and lowest in District 4. Median household incomes among districts with ongoing exposure to PFAS in drinking water ranged from \$14,540 to \$25,625, compared to the median household income in District 4, at \$30,769.

PFAS contamination is of the utmost concern for the Commonwealth. The Commonwealth's natural resources, including its land, fish, wildlife, biota, air, water, groundwater, drinking water supplies, and other such resources, are invaluable and precious resources to the Commonwealth, and they are held by the Commonwealth government in trust for the benefit of the public. The Commonwealth and its citizens are heavily dependent upon its groundwater for its drinking water supply. The protection of the Commonwealth's natural resources and the sources of fresh water on the islands, including groundwater, is thus of primary concern to the Commonwealth government, the steward and trustee of the Commonwealth's natural resources.

The Legislature finds that the regulation of PFAS is necessary to protect our community from the harmful effects of PFAS exposure and seeks to establish enforceable limits for PFAS chemicals commonly found in the Commonwealth's groundwater and drinking water. The purpose of this Act is to add provisions identifying and implementing enforceable limits for PFAS contaminants.

**Section 3.** <u>Amendment.</u> Title 2, Division 3 of the Commonwealth Code is hereby amended by adding a new Chapter 9 to read as follows:

"Chapter 9. Restrictions on Per- and Polyfluoroalkyl Substances (PFAS) Contamination.

§ 3901. Definitions. As used in this Chapter, the term:

- (a) "Bureau" means the Bureau of Environmental and Coastal Quality.
- (b) "Commonwealth" means the government established under the Constitution which became effective on January 9, 1978, including its autonomous and non-autonomous agencies.

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- (c) "Maximum contaminant level" or "MCL" means the maximum permissible level of a contaminant in water which is delivered to any user of a public water system.
- (d) "Groundwater" means water derived from the subsurface which is in the zone of saturation.
- (e) "Water quality criteria" means the numeric pollutant concentrations and/or narrative requirements of adequate stringency to protect designated uses of groundwater.
- (f) "PFAS" means per- or polyfluoroalkyl substances and pertains to all man-made chemicals that contain at least one fully fluorinated carbon, or  $C_nF_{2n+1}$  alkyl moiety.

# § 3902. Regulation of Maximum Contaminant Level.

- (a) The maximum contaminant level shall be 0.00007 mg/L (70 ng/L; 70 parts per trillion) for the sum of the concentrations of each of the following PFAS chemicals: perfluorooctane sulfonic acid (PFOS), perfluorooctanoic acid (PFOA), and perfluorononanoic acid (PFNA).
- (b) The maximum contaminant level set in § 3902(a) or in subsequent regulation applies to all community water systems and all non-transient non-community water systems.
- (c) (1) The Bureau shall promulgate a maximum contaminant level that is either:
  - (A) equal to the maximum contaminant level set in § 3902(a); or
- (B) more protective than in § 3902(a) for PFOS, PFOA, and PFNA combined or individually, if in any such case, accounting for an adequate margin of safety to protect human health at all life stages, including, but not limited to, pre-

natal development, the Bureau determines the maximum contaminant level in § 3902(a) needs adjustment for the protection of human health.

- (2) The Bureau may promulgate a maximum contaminant level for PFAS chemicals not listed in § 3902(a) or (c)(1) if, accounting for an adequate margin of safety to protect human health at all life stages, including, but not limited to, prenatal development, the Bureau determines a maximum contaminant level needs to be promulgated to protect of human health.
- (d) Once the Bureau properly promulgates a new maximum concentration level for PFAS chemicals, such level shall apply and be enforceable.
- (e) Once a maximum concentration level has been set for a specific PFAS, the PFAS shall be considered a toxic pollutant for purposes of the Bureau's water quality standard regulations. The Bureau shall establish and adopt water quality criteria for PFAS commensurate with § 3902(a)–(d) and the water quality standard regulations.
- (f) The Bureau shall establish and adopt regulations as necessary for the implementation and enforcement of the Commonwealth's maximum contaminant level and water quality criteria for PFAS chemicals, including monitoring and analytical requirements.
- (g) The Bureau shall within 12 months after adoption of this Act and annually thereafter review the most recent peer-reviewed studies and scientific evidence, including, but not limited to, information from the United States Environmental Protection Agency and the Agency for Toxic Substances and Disease Registry, independent and government agency studies, and the laws of other states regarding PFAS, and shall amend or may promulgate regulations if such review indicates action by the Bureau is needed for protection of human health.
- (h) If the federal government establishes a maximum concentration level or equivalent standard that is more protective than the levels set herein or by the Bureau through regulation, or it includes other PFAS chemicals in addition to

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PFOA, PFOS, and PFNA in its maximum concentration level or equivalent standard, the federal maximum concentration level or equivalent standard shall be the standard in the Commonwealth and shall apply for purposes of § 3903.

## § 3903. Cause of Action.

- (a) On behalf of the Commonwealth, including its autonomous and non-autonomous agencies, and the citizens of the Commonwealth in *parens patriae*, the Attorney General is authorized to bring claims against and recover from any person that manufactured, distributed, or marketed PFAS chemicals regulated under § 3902 and/or AFFF which contained PFAS chemicals regulated under § 3902 where:
- (1) such person (A) had knowledge of any characteristics of PFAS chemicals that could cause or contribute to environmental or human health risks at or before the time that person sold PFAS chemicals or AFFF containing PFAS chemicals, and (B) failed to fully disclose all such information and to issue warnings of all such potentially adverse characteristics to both (i) any person purchasing, storing, handling, or using PFAS chemicals or AFFF which contained PFAS chemicals on the Commonwealth and (ii) the Commonwealth; and
- (2) such PFAS chemicals or AFFF containing PFAS chemicals (A) contaminated the Commonwealth's drinking water above the maximum concentration level set forth in § 3902 or in subsequent regulations provided thereunder; (B) contaminated the Commonwealth's groundwater above the groundwater quality criteria; (C) contaminated the Commonwealth's natural resources above their ambient (natural) condition; or (D) contaminated areas that caused or contributed to contamination of the Commonwealth's drinking water, groundwater, or other natural resources.
- (b) Liability under this Chapter is strict, joint, and several.

#### § 3904. Remedies.

In bringing an action under § 3903, the Attorney General is hereby authorized to recover:

- (a) The costs to investigate, remediate, and restore, or to issue an order requiring that the defendant(s) investigate, remediate, and restore, the Commonwealth's PFAS-contaminated natural resources to their pre-discharge conditions;
- (b) The costs to treat, filter, remove, and/or properly dispose of PFAS from groundwater and public and private drinking water wells and systems in the Commonwealth, in perpetuity, that contain PFAS above the maximum concentration level or water quality criteria set in § 3902 or in subsequent regulations provided thereunder;
- (c) All compensatory, incidental, and consequential damages suffered by the Commonwealth, including its autonomous and non-autonomous agencies, in connection with contamination from PFAS regulated under § 3902 or AFFF containing PFAS regulated under § 3902, including all internalized costs of compliance and regulatory oversight for future efforts to regulate and remediate PFAS in the Commonwealth;
- (d) Any equitable or additional remedies the Court finds may be awarded in the interest of justice; and
  - (e) The costs of litigation and reasonable attorneys' fees.

## § 3905. Availability of Remedies.

Remedies provided in § 3904 are cumulative and do not affect the availability of remedies under other federal or Commonwealth laws, including common law.

§ 3906. Retroactive Application. §§ 3901–3908 shall apply retroactively. § 3907. Immunity.

Notwithstanding any other provision of law, the liability of the Commonwealth, including its autonomous and non-autonomous agencies, and any employee thereof, for any personal injury, bodily injury, or property damage caused by or resulting from PFAS contamination, shall only be based upon a showing by clear and convincing evidence that the acts or omissions of the

Commonwealth, including its autonomous and non-autonomous agencies, or employees were manifestly unreasonable. The acts or omissions of the Commonwealth, including its autonomous and non-autonomous agencies, or employees shall be conclusively presumed to be reasonable if they are in accord with the generally prevailing state of the art, scientific knowledge, or technology available at the time the acts or omissions were undertaken or made, or in accordance with the instructions provided by the manufacturer of the product.

#### § 3908. Savings Clause and Severability.

Sections 3901–3907 are supplementary to any other federal or Commonwealth law, including common law, enacted before, on, or after the Effective Date of this Act and are not intended to modify any existing cause of action. If any section between §§ 3901 and 3907 or its application to any person or circumstance is found to be invalid or contrary to law, such invalidity shall not affect other provisions or applications of said section that can be given effect without the invalid provision or application, and to this end the provisions of said section are severable.

**Section 4.** Amendment. Title 7, Division 2, Chapter 5 of the Commonwealth Code is hereby amended by adding § 2515 to read as follows:

# "§ 2515. Limitations applicable to the Commonwealth.

- (a) An action brought by the Commonwealth for the following shall not be subject to statutes of limitation and may be asserted at any time:
- (1) for the restoration of, or for the recovery of damages to, the Commonwealth's natural resources, including, but not limited to, surface waters, groundwater, and drinking water supplies. This Section shall be applied retroactively, including to those matters pending on the Effective Date of this Act. Any such claim which has been barred by virtue of the expiration of any civil statute of limitations shall be permitted to proceed or be filed in any court of competent jurisdiction; and

 (2) for the recovery of past or future costs of investigation, treatment, and/or remediation of the Commonwealth's natural resources, including, but not limited to, surface waters, groundwater, and drinking water supplies. This Section shall be applied retroactively, including to those matters pending on the Effective Date of this Act. Any such claim which has been barred by virtue of the expiration of any civil statute of limitations shall be permitted to proceed or be filed in any court of competent jurisdiction.

(b) An action brought by the Commonwealth for the recovery of damages to the Commonwealth or the property of the Commonwealth due to per- and polyfluoroalkyl substances, hazardous substances, or other chemical contamination shall be commenced within 10 years after the cause of action accrues. This Section shall be applied retroactively, including to those matters pending on the Effective Date of this Act. Any such claim which has been barred by virtue of the expiration of any civil statute of limitations shall be permitted to proceed or be filed in any court of competent jurisdiction."

**Section 5.** <u>Severability.</u> If any provision of this Act or the application of any such provision to any person or circumstance should be held invalid by a court of competent jurisdiction, the remainder of this Act or the application of its provisions to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

Section 6. Savings Clause. This Act and any repealer contained herein shall not be construed as affecting any existing right acquired under contract or acquired under statutes repealed or under any rule, regulation, or order adopted under the statutes. Repealers contained in this Act shall not affect any proceeding instituted under or pursuant to prior law. The enactment of the Act shall not have the effect of terminating, or in any way modifying, any liability, civil or criminal, which shall already be in existence on the date this Act becomes effective.

**Section 7.** Effective Date. This Act shall take effect upon its approval by the Governor or becoming law without such approval.

CERTIFIED BY:

JUDE U. HOFSCHNEIDER PRESIDENT OF THE SENATE

ATTESTED BY:

VICTOR B/HOCOG

SENATE LEGISLATIVE SECRETARY

day of

August, 2021

Commonwealth of the Northern Mariana Islands