



UNITED STATES  
**CONSUMER PRODUCT SAFETY COMMISSION**  
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**CHAIR ALEXANDER HOEHN-SARIC**

**Statement of Chair Alex Hoehn-Saric on Passage of CPSC's FY 2022 Midyear  
and American Rescue Plan Act (ARPA) Spending Plan**

**June 2, 2022**

The Fiscal Year 2022 Operating Plan (FY 22 Operating Plan) adopted in September 2021 contemplated a significant increase in our appropriations consistent with the President's proposed budget. Unfortunately, that funding did not come through, and we ended up with an appropriations funding level that is essentially flat from last year. I want to thank CPSC staff for the work they put into this mid-year proposal and for their efforts to keep CPSC's mission front and center while addressing another year of limited funding. I also want to thank my fellow commissioners for their unanimous support and adoption of the Fiscal Year 2022 Midyear Review and American Rescue Plan Act (ARPA) spending plan with amendments.<sup>1</sup>

The FY 22 Operating Plan, which was developed before I arrived at the Commission, was predicated on an anticipated appropriations increase of more than \$30 million. \$30 million that would have funded important, life-saving safety work including new research projects and other efforts that would strengthen and modernize the agency.

Separately, and even before the FY 22 Operating Plan was approved last September, the Commission approved a plan to expend the funds provided to CPSC in the ARPA. The ARPA plan unanimously approved by the Commission contemplated the hiring of 58 employees by the end of fiscal year 2022 (FY 22) and the funding of several targeted multi-year contracts.

The FY 22 Operating Plan approved in September 2021 made two key changes to the ARPA plan. First, it proposed to move the funding for those 58 employees anticipated to be hired under the ARPA plan into our baseline. This normalization of the hires made sense to ensure a clear path for future funding of those critical CPSC staff positions, after the ARPA funding expires. And second, the FY 22 Operating Plan directed the hiring of an additional 10 port inspectors using ARPA funds, for a total of 68 additional employees by the end of FY 22.

Unfortunately, as staff acknowledged in their memo, the flexibility possible under the prior appropriations assumptions is not possible under our lower \$139.05 million FY 22 appropriations level that was finalized in March 2022.

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<sup>1</sup> See Minutes of CPSC Decisional Meeting on June 1, 2022: Fiscal Year 2022 Midyear Review at <https://www.cpsc.gov/s3fs-public/RCA-Meeting-Minutes-for-FY-2022-Midyear-Review-6-1-22.pdf?VersionId=XfbKmq9ygbAmvpUv8GutrcMbv5Asep>.

In order to reconcile our operating plan to our actual appropriations, we had to reexamine some of the decisions that were made last year. We focused our limited funding on the agency's core safety mission, including the goals set forth in ARPA for which we have specific funding.

ARPA directs the agency to:

- Strengthen our import surveillance and e-commerce monitoring efforts to prevent hazardous products from entering and being sold in the country;
- Improve our consumer outreach and education, particularly with respect to underserved communities;
- And strengthen our data collection and analysis so that we can better monitor and regulate the marketplace.

I appreciate the support of my fellow Commissioners in funding the ARPA staff and projects today for they are important to strengthening the CPSC and protecting consumers.

Unfortunately, CPSC's ARPA funding will eventually run out. The full staffing expenses planned for in the midyear ARPA plan from 2021 and the FY 22 Operating Plan will not be sustainable without a significant increase in annual appropriations. Recognizing this, today's vote caps the staffing under ARPA at 46 employees, thereby protecting existing employees while preserving ARPA funds for essential projects.

Even with this adjustment, the ARPA funds will expire in early fiscal year 2025.

My job is clear, and that is to champion the importance of fully funding the life-saving work Congress assigned this Commission. The work that began under ARPA can't stop once the funding runs out. It is central to our mission and must continue.

That means that we must work together, as Commissioners, to make the case to Congress so that our port inspectors, lab staff, compliance attorneys, and communications professionals who have been hired through ARPA can continue their jobs and remain focused on the mission.

I am optimistic that we will be able to demonstrate to Congress how our agency improves safety for the public every day. And that increasing our budget to support our current staff will benefit all Americans. In the meantime, every dollar is important and must be carefully managed to advance our live saving mission.

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