



U.S. CONSUMER PRODUCT SAFETY COMMISSION

2006 PERFORMANCE BUDGET REQUEST

Saving Lives and Keeping Families Safe

**Submitted to the Congress
February 2005**

U.S. CONSUMER PRODUCT SAFETY COMMISSION

2006 PERFORMANCE BUDGET REQUEST

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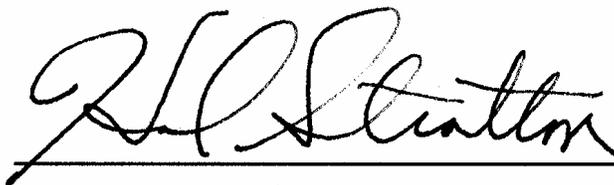
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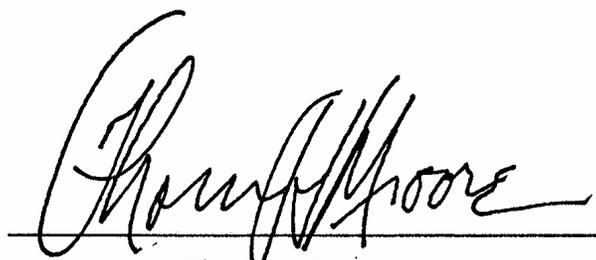
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COMMISSIONERS' TRANSMITTAL STATEMENT

This Performance Budget for Fiscal Year 2006 is submitted by the Commissioners of the U.S. Consumer Product Safety Commission.

A handwritten signature in black ink, appearing to read "Hal Stratton", written over a horizontal line.

Hal Stratton
Chairman

A handwritten signature in black ink, appearing to read "Thomas H. Moore", written over a horizontal line.

Thomas H. Moore
Vice Chairman

APPROPRIATION LANGUAGE (Proposed)**CONSUMER PRODUCT SAFETY COMMISSION
SALARIES AND EXPENSES**

For necessary expenses of the Consumer Product Safety Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable under 5 U.S.C. 5376, purchase of nominal awards to recognize non-federal officials' contributions to Commission activities, and not to exceed \$500 for official reception and representation expenses, \$62,499,000. (Additional authorizing legislation to be proposed.)

U.S. CONSUMER PRODUCT SAFETY COMMISSION

2006 PERFORMANCE BUDGET OVERVIEW STATEMENT

The U.S. Consumer Product Safety Commission's (CPSC) performance budget request for 2006 is \$62,499,000. This is an increase of \$350,000 from our 2005 appropriation and funds the agency at approximately 446 FTEs in 2006. Planned FTE level was 471 (our actual FTE level is currently 460). After making adjustments to reflect annual project inventory workload changes in 2006, we applied the resource adjustments proportionately to all activities. However, we are in the process of evaluating our entire program to decide where to make the necessary adjustments to make certain that CPSC fulfills its mission of protecting families.

CPSC WORKS FOR AMERICA'S FAMILIES EVERY DAY

CPSC delivers important safety benefits to the American public every day. Despite increases in the U.S. population and the number of consumer products, our work has contributed significantly to the almost 30 percent decline in the rate of deaths and injuries related to hazardous consumer products since the agency's inception.

CPSC's mission is to protect children and families against unreasonable risks of injury and death from 15,000 types of consumer products. This health and safety mission is critical because:

- Despite significant reductions over the years, there remains on average about *25,100 deaths and 33.3 million injuries* each year related to consumer products under CPSC's jurisdiction. These represent almost 9 deaths and 12,000 injuries per 100,000 people each year.
- The deaths, injuries, and property damage associated with consumer products cost the nation over *\$700 billion annually* (see Appendix A – Societal Cost Estimation).

***25,100 deaths,
33.3 million
injuries, \$700
billion cost***

Working cooperatively with industry and consumers since the inception of the agency, CPSC contributed to the prevention of tens of thousands of needless tragedies from dangerous products and saved society many billions of dollars.

CPSC's UNIQUE SAFETY ROLE

As cited in the Office of Management and Budget's (OMB) Program Assessment Rating Tool (PART) analysis, CPSC has a clear Federal safety role in reducing consumer product hazards. CPSC plays a unique role because it is the only Federal agency that both identifies and acts on a wide range of product hazards. We operate advanced hazard identification systems, including an

**CPSC identifies
and acts on
hazards**

internationally-recognized hospital emergency room injury reporting system (National Electronic Injury Surveillance System or NEISS), a toll-free telephone hotline, and a Web site that have all been cited as models among Federal agencies. Once we identify and assess hazards, we utilize a wide range of tools to address them: the voluntary standards process; consumer information; safety guidelines; cooperative product recalls and corrective actions; and, as a last resort, mandatory rulemaking and litigation. Because CPSC is a Federal agency, our work ensures a uniform level of safety for the nation's families. Similarly, our product safety work and safety guidance provide businesses a national, level playing field for domestic and imported consumer products.

OMB, in applying its PART analysis to CPSC, found the agency scored relatively high (83 percent) among rated Federal programs. While the OMB assessment suggested areas for improvement¹, OMB found that CPSC overall performs very well.

CPSC ACTIVITIES SAVE BILLIONS

CPSC is a great value to the American people. By any measure, each year CPSC saves the nation many times the agency's annual budget. The agency's primary performance measures are reductions in deaths, injuries, and other costs to the nation, such as health care costs and property damage. Through our standards work, compliance efforts, industry partnerships, and consumer information program, we have achieved substantial reductions in deaths and injuries associated with a wide variety of hazards. Some notable CPSC "success stories" include:

**CPSC
reduces
health care
costs**

- A **42 percent reduction** in consumer product-related *residential fire deaths* from 4,560 in 1980 to 2,660 in 1998. The estimated number of residential fire deaths in 1999 was 2,390².
- A **72 percent reduction** in consumer product-related *electrocutions* from 650 in 1975 to 180 in 2001.
- A **36 percent reduction** in consumer product-related *carbon monoxide deaths* from 282 in 1980 to 180 in 1998. The estimated average number of deaths for 1999-2001 was 126².
- An **86 percent reduction** in *poisoning deaths* of children younger than 5 years from drugs and household chemicals from 216 in 1972 to 31 in 2001.
- An **88 percent reduction** in *baby walker injuries* from an estimated 25,700 children younger than 15 months of age treated in U.S. hospital emergency rooms in 1992 to an estimated 3,200 such injuries in 2003.
- A **92 percent reduction** in *crib-related deaths* from an estimated 200 in 1973 to an average of 16 deaths for 1999-2001.

¹ A status report on the PART recommendations is included in Appendix B.

² Estimates generated for 1999 and later for fire and CO deaths are not strictly comparable to estimates before 1999 because of major revisions to both the fire and CO reporting data systems.

Additionally, the annual number of deaths and injuries prevented by these examples *reduced societal costs by almost \$16 billion*; this is 11 times what CPSC's total funding has been since the agency's inception. We believe many more deaths and injuries have been prevented as a result of the heightened attention to safety by manufacturers and consumers due to CPSC leadership.

STRATEGIC and ANNUAL PERFORMANCE PLAN GOALS

CPSC is a results-oriented agency. Our second Strategic Plan adopted in September 2003 guided the development of the 2006 request and focuses on three results-oriented hazard reduction strategic goals:

- **Reduce the death rate from fires by 20%.**
- **Reduce the death rate for children under 5 years old from drowning by 20%.³**
- **Reduce the death rate from carbon monoxide poisonings by 20%.**

**Improve
risk-based
decision-
making**

Our Strategic Plan contains a critical management initiative addressing the use and quality of our data. We want to systematically use the data we collect to lead to risk-based decisions so that we focus on reducing the most critical consumer product hazards with our limited resources. Additionally, the Strategic Plan sets a goal to improve the accuracy, consistency, security, and completeness of CPSC's data. We are a data-driven agency and these goals will focus appropriate attention on data management. We also have service quality and customer satisfaction strategic goals for services provided by CPSC.

In addition, we also address the President's Management Agenda (PMA) by establishing annual performance goals in all five PMA areas. Our long-term strategic goals cover over 50 percent of the agency's efforts in 2006 and we have established annual performance goals covering 100 percent of the agency's efforts. Overall, we have been successful in meeting our past years' annual performance plan goals. OMB, in its PART analysis, found that our annual performance goals are discrete, quantifiable, and measurable and directly support the agency's mission.

We were successful with our first Strategic Plan. Of the five hazard reduction strategic goals, we reached our targets for four of them, reducing deaths due to fire, electrocutions, child poisonings and carbon monoxide poisonings. Annual consumer product-related deaths in these hazard areas decreased by almost 500 at the end of the six years covered by our first Strategic Plan. In our fifth goal, reducing child head injuries, while we did not reach our full target, we did achieve substantial success. However, product-related deaths and injuries continue to occur at an unacceptable rate.

The proposed 2006 performance budget will result in adjustments for our agency. However, we anticipate that we will be able to minimize the impact of those adjustments and therefore keep us working successfully to reduce deaths and injuries and protecting American families.

³ This goal was set at 10% in the September 2003 Strategic Plan. Based on recent data, we have changed the target to 20%.

Nevertheless, as we review our programs in the coming months, we may have to revise our 2006 performance goals to match proposed resources.

2006 REQUEST DETAIL

The Commission's total request for 2006 of \$62,499,000 is an increase of \$350,000 from our 2005 appropriation of \$62,149,000. However, because of expected price increases in 2006, we expect an FTE level of 446. The original planned level was 471 and our actual level is currently 460.

2006 Annual Cost Increases

CPSC is a staff intensive organization with about 90% of its funding for staff salaries and office rent. There are two cost increases totaling \$2.4 million in 2006 that we cannot absorb without adjustments in staff FTE levels.

First, we estimate an increase in our staff salaries of \$2.3 million necessary to fund our original planned FTE level of 471. Most of this cost represents the proposed 2006 2.3% Federal pay raise (\$1.7 million). The compensation estimate also includes other cost increases such as our annual recruitment and retention promotion program (\$100,000), staff health insurance premium increases (\$100,000), increased Federal Employees Retirement System participation contributions (\$150,000), and staff within-grade step increases (\$200,000).

Increasing cost of staff, our most vital resource

CPSC has already cut space

Second, the General Services Administration (GSA) is passing on rent increases for office space (\$146,000) occupied by CPSC in our headquarters, laboratory, and field locations. We are not increasing our space from 2005 to 2006. In fact, in the past 5 years, CPSC avoided space rent increases of over \$1 million annually because our field telecommuting initiative allowed us to reduce space requirements. However, this program has now maximized its potential savings (we now have only three reduced regional centers remaining) and we cannot absorb this 2006 GSA space rent increase.

FTE Changes

We can manage the staff adjustment for 2006 without forced layoffs. With expected attrition beginning in 2005 we can achieve the 446 FTE staff level by the start of 2006. We have applied the resource adjustment across-the-board to all efforts (after planned project changes) initially but we will be reviewing alternative work methods, organizational structures, costs, etc. We may find cost reductions so that our final staff FTE level funded for 2006 may be higher than the estimated 446 FTEs. While in some areas we may have to do less, our goal is to adjust to the resource level in a manner so that the remaining program continues protecting American families.

CPSC's PROGRAMS

CPSC's two budget programs reflect the agency's focus on safety: *Reducing Product Hazards to Children and Families* and *Identifying Product Hazards*.

Reducing Product Hazards to Children and Families

Under this program, our largest, we seek to reduce deaths and injuries in four hazard areas:

- ***Fire and Electrocutation Hazards***
- ***Children's Hazards***
- ***Poisonings and Other Chemical Hazards***
- ***Household and Recreation Hazards***

In each of the four hazard areas, we conduct these basic activities to achieve hazard reductions:

- ***Safety Standards***. Includes working to develop voluntary or mandatory safety standards for product performance and product labeling, and banning products where appropriate. Whenever possible, hazard reduction activities are carried out cooperatively with affected industries and state and local organizations.
- ***Compliance***. Includes obtaining compliance with product safety regulations, identifying and remedying unregulated products that present substantial safety hazards, and seeking conformance with voluntary safety standards. Remedies may include voluntary product recalls as well as civil and criminal penalties. We achieved remedial actions by working cooperatively with industry and as a last resort, through litigation.
- ***Consumer Information***. Includes alerting the public to recalled hazardous products, providing other safety information designed to reduce injuries, and collecting complaints from the public through the agency's consumer hotline and Web site. The Commission has also recently initiated the *www.recalls.gov Web site* and the *Neighborhood Safety Network* to get safety messages out more quickly. Consumer information is a critical function in the Commission's hazard reduction efforts. For some product hazards, consumer information represents the only viable means available to reduce injuries.

• ***Reducing Fire and Electrocutation Hazards***. *The Commission's Strategic Plan sets a goal of reducing the rate of death from fires by 20 percent from 1998 to 2013. In 1999⁴ there were about 337,300 residential fires resulting in about 2,390 civilian deaths, 14,550 civilian injuries, and \$4.24 billion in property damage. The total annual cost to the nation of residential fires is almost \$18 billion. Fire is a leading cause of home deaths among children younger than 5 years old and adults 65 and older. About 20 percent of fire deaths are to children under 15 years old. In addition, we believe there are several million small residential fires each year which are not reported to a fire department. While there is no reporting mechanism for these fires, and thus we cannot quantify results, our fire reduction efforts also play a role in reducing the number of these fires. Efforts by the agency and the nation's fire prevention community have resulted in a*



⁴ 1999 is the latest year for which data is available. See footnote 6 on page 8 for a fuller explanation.

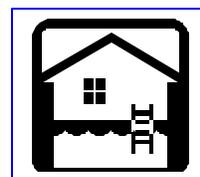
steady decline in residential fires but this nation's residential fire death rate remains one of the highest among industrialized nations. We are continuing work towards implementing two major safety rules, to address upholstered furniture flammability and open flame ignition of mattresses.

Our past standard-setting and compliance activities contributed to the general decline in fires and fire deaths and show that the agency is effective in reducing fire hazards. These activities included work on cigarette ignition-resistant mattresses and upholstered furniture, heating and cooking equipment, electrical products, general wearing apparel, children's sleepwear, child-resistant lighters, fireworks, battery-operated children's vehicles, residential sprinklers, and smoke alarms. In 2004, we had 91⁵ recalls involving over 10 million product units presenting a fire hazard. These recalls included the recall of fireworks, gas powered hand tools, and radio-controlled toys. In addition, CPSC actions prevented the importation of over 4.5 million illegal firework devices and about 800,000 unsafe lighters. We also conducted consumer information campaigns to warn the public about fire hazards.



In 2001, there were about 180 electrocutions associated with consumer products and the cost to the nation from electrocution and shock-related injuries was about \$1 billion. The Commission continues to receive reports of electrocutions from products such as house wiring, lamps and light fixtures, antennas, power tools and small and large appliances. Deaths from electrocutions have decreased to 6.3 deaths per 10 million people, or about 110 fewer deaths annually since 1988, in large part due to CPSC efforts. We worked with industry to develop safety standards that reduced or nearly eliminated the risk of electrocution for such products as hair dryers, power tools, CB antennas, and electric toys. CPSC has been instrumental in upgrading the National Electrical Code to provide for wider application of the highly effective electric shock protectors known as ground-fault circuit-interrupters (GFCIs). In 2004, we had 34 recalls involving over 1.7 million product units presenting an electrocution hazard, such as space heaters and hair dryers. We conducted consumer information campaigns to warn the public about electrocution and electric shock hazards presented by products.

- **Reducing Children's Hazards.** *The Commission's Strategic Plan sets a goal to reduce the rate of pool and in-home drowning of children under 5 years old by 20 percent from the 1999-2000 average by the year 2013.* Annually, an average of 242 children younger than 5 years of age drowned in swimming pools nationwide in 1999-2001. In addition, an average of 159 children under 5 years of age drowned each year from other hazards in and around the home in 1999-2001. These deaths involved common household products such as bathtubs (with or without bath seats), buckets, toilets, spas and hot tubs, and landscape ponds. The total cost to the nation from child pool and in-home drowning and submersion injuries is over \$2.5 billion.

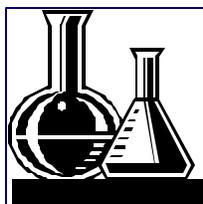
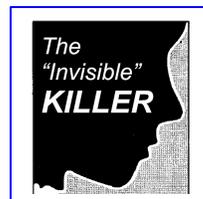


Non-drowning related hazards to children are associated with a wide-range of consumer products. Examples of hazards that have been addressed by CPSC include choking on some children's toys or toy parts; suffocation and entrapment risks to infants in their play and sleep

⁵ The 2004 recall numbers cited in this document represent the most current information and may slightly differ from data in the 2004 Performance and Accountability Report published in November 2004.

environments; strangulation from window blind cords and clothing drawstrings; falls involving playground equipment and pre-1997 baby walkers. Various other hazards have also been addressed including hazards related to infant products such as highchairs, strollers, infant swings, and infant car seat/carriers. In 2004, we obtained 91 recalls for toys and other children's products involving about 11 million product units. We conducted consumer information campaigns to warn the public about hazards to children. In total, the hazards to children from drownings and non-drowning related hazards addressed in this activity are associated with about 482 deaths, 425,000 injuries, and societal costs of almost \$26 billion each year.

- ***Reducing Poisonings and Other Chemical Hazards.*** *The Commission's Strategic Plan sets a goal of reducing the rate of death from carbon monoxide poisonings by 20 percent from the 1999-2000 average by the year 2013.* The latest available data show that in 1999-2001, an average of 126 people died annually from unintentional CO poisoning related incidents, excluding incidents involving auto exhaust and fires, at a societal cost of approximately \$630 million. CO is a poisonous gas that has no smell, color or taste -- truly an "invisible" killer. Any fuel-burning appliance is a potential CO source. We project that our past work on reducing CO hazards saves almost \$600 million annually in societal costs from CO poisoning.



There are about 1 million calls each year to poison control centers involving children under 5 years of age. In 2000, an estimated 74,000 household chemical poisonings to children under the age of 5 were treated in hospital emergency rooms. Through promulgation and enforcement of regulations issued under the Poison Prevention Packaging Act (PPPA), CPSC's efforts have played a key role in reducing medicine and household chemical poisoning deaths of children under 5 from an average of 200 before 1974 to an average of about 30 deaths annually in recent years. We also play a prominent role in protecting children from the risk of chemical hazards. In just one area, lead poisoning, actions have included eliminating lead as a chemical stabilizer in vinyl mini-blinds; issuing guidance about lead on public playground equipment; obtaining recalls of crayons containing lead, lead figurines and toys containing lead paint; and issuing guidance to manufacturers, retailers, distributors and importers urging them to eliminate the use of lead and hazardous liquids in children's products, such as jewelry and toys. In 2004, we continued studies on the effectiveness of sealants and stains to reduce children's exposure to arsenic from CCA treated wood playground equipment. Also in 2004, for all poisoning and chemical hazards, we had 23 recalls involving over 159 million product units that presented poisoning hazards, including toy jewelry and sidewalk chalk containing lead. We conducted consumer information campaigns to warn the public about poisoning hazards.



- ***Reducing Household and Recreation Hazards.*** We have made important strides in reducing household and recreational hazards. The nation saves \$1 billion annually in societal costs related to lawn mower injuries due to a CPSC safety standard. In 2004, we obtained 112 recalls involving over 34 million product units presenting hazards when used in the household or in recreation. These recalls involved a wide range of products such as decorative light bulbs, crock pots/slow cookers, TV/video carts, and lawn mowers. We also have

been a leader in providing consumers with information on the safe use of bicycles, scooters, and in-line skates. This program has increased FTEs in 2006 because of project workload increases over 2005.

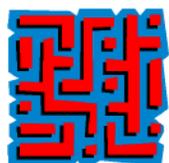
Identifying Product Hazards

The work in this program provides the critical information needed to assess product hazards and support risk-based decision-making, and is the foundation of all our hazard reduction activities. The program consists of two activities: *Data Collection* and *Data Utility/Emerging Hazards*.

- **Data Collection.** This activity is the agency's early warning system that identifies hazardous products, injury patterns, causes of deaths and injuries, and proposes hazard reduction initiatives. Early identification of product hazards allows CPSC to take prompt action to prevent and reduce injuries and deaths and avoid costs to consumers and businesses. This program is the basis for the agency's decision-making process and subsequent hazard reduction activities, such as voluntary standard development, compliance, consumer information, and rulemaking efforts. The most prominent activity is the operation of CPSC's National Electronic Injury Surveillance System (NEISS). This is a hospital emergency room injury reporting system designed to provide statistically valid national estimates of product hazards and is the foundation for subsequent CPSC safety work. In 2004, we reviewed over 352,000 product-related injuries reported by our 98 NEISS hospitals, and over 4,500 product-related deaths reported by the nation's medical examiners and coroners.



Staff analyzes the data assembled under the Data Collection activity by conducting follow-up investigations of selected individual incidents, either by telephone or through on-site visits. The follow-up investigations provide an opportunity to examine the interaction between the product involved in the incident, the environment in which the incident occurred, and the injured person. This information is necessary to develop remedial strategies. In 2004, we conducted 1,523 on-site and 1,509 telephone follow-up investigations.



- **Data Utility/Emerging Hazards.** The Commission's Strategic Plan sets a goal to improve the usefulness of CPSC's data through 2009 by developing and implementing a more systematic method to identify new strategic goal areas, hazard reduction projects, and remedial actions. In 2003, we began an accelerated systematic review of death and injury data to identify promising strategic goal areas and hazard reduction projects for future incorporation into our strategic plan, as well as to provide insight into potential remedial actions.

We also conduct economic studies to provide specialized economic information to the staff, Commissioners, other agencies, and the public. We generate estimates of products-in-use to determine potential recall effectiveness, determine consumer exposure to product hazards, and support agency hazard analysis work. Staff develops injury cost projections to estimate potential benefits associated with agency actions. Finally, the public may file a petition requesting that the Commission regulate a consumer product under its jurisdiction, and in response to petitions, staff may prepare briefing packages for Commission consideration to grant or deny the petitions.

Summary of Program Resource Levels

<u>Program</u>	<u>2005</u>		<u>2006</u>		<u>Change</u>	
	<u>FTEs</u>	<u>\$000</u>	<u>FTEs</u>	<u>\$000</u>	<u>FTEs</u>	<u>\$000</u>
<i>Reducing Product Hazards to Children and Families</i>	383	\$49,557	362	\$49,746	-21	+\$189
<i>Identifying Product Hazards</i>	88	12,592	84	12,753	-4	+161
Total	<u>471*</u>	<u>\$62,149</u>	<u>446</u>	<u>\$62,499</u>	<u>-25</u>	<u>+\$350</u>

* Actual FTE use in 2005 will be lower as we begin adjusting FTEs to prepare for 2006.

HIGHLIGHTS OF RECENT ACCOMPLISHMENTS

Our accomplishments illustrate the benefits of CPSC funding. CPSC's injury prevention activities involve all members of the product safety triangle: consumers, industry, and CPSC, working together for product safety. CPSC stresses three approaches in carrying out its mission. First, the agency acts to prevent deaths and injuries from hazardous products, instead of waiting for tragedies to occur. Second, CPSC seeks to be accessible and to work cooperatively with its customers -- American consumers and businesses. Finally, the agency continually evaluates the way it operates to create a more efficient agency.



The Safety Triangle at Work: Working with Businesses and Consumers. Because government, businesses, and consumers all share responsibility for product safety, CPSC:

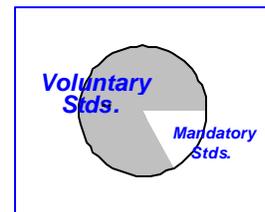
- Continued the award-winning voluntary *Fast Track Product Recall Program* to speed up corrective actions, including product recalls and, most importantly, quickly remove unsafe consumer products from the marketplace. Nearly 950 firms have participated in the program, resulting in over 1,450 recalls involving over 174 million product units.
- Initiated the creation of www.recalls.gov, an innovative “one-stop shop” for all federal product recalls, in partnership with six other Federal health and safety regulatory agencies. This new Web site is an easy-to-use portal to all federal agencies that have the authority to conduct safety recalls. CPSC also partnered with numerous businesses as well as public organizations in promoting the Web site. The site also enables people to sign up for product recall alerts and obtain important product safety information. In 2004, over 900,000 visitors logged on to the site.
- Created the grassroots *Neighborhood Safety Network* (NSN) to share lifesaving information with families who are not familiar with CPSC’s safety messages, particularly vulnerable and hard to reach populations, such as the elderly, urban, and rural low-income families, and some minority groups. CPSC partnered with other government agencies such as HHS and HUD and non-profit organizations such as National SAFE KIDS Campaign, Boys & Girls Clubs of America, and American Academy of Pediatrics to build this important communication vehicle. Through our Web site, interested organizations and individuals may sign up to become a partner in our future safety information campaigns. CPSC is using the

contact information to send out posters, publications, and announcements specially tailored to meet the needs of specific groups – such as child safety tips for new parents and fire safety advice for older Americans living on their own.

- Designated an official *Small Business Ombudsman* at CPSC to enhance relationships between the agency and small businesses, and provide guidance to them. So far, the agency has helped over 2,000 small businesses comply more easily with product safety guidelines. In 2004, over 90 percent of the callers to our small business toll-free hotline received a full response within three business days. The 1997 National Ombudsman Report to Congress on Regulatory Fairness cited our program as one of the best in the Federal government.
- Joined forces with “Amazon.com” and “eBay” to call their customers’ attention to products offered for sale on their *auction sites* that might have been recalled and to direct them to CPSC’s Web site for recall information.
- Held *public safety meetings* that brought together industry, consumer, and government groups to find ways to address safety hazards by sharing information. In the last year, we convened Commission meetings on pool drownings and the staff held meetings on portable generators. Past topics included all terrain vehicles (ATVs), recall effectiveness, soft bedding in cribs, public playground safety, swimming pool and spa hazards, bleachers and grandstands, multi-use helmets, movable soccer goals, baseball safety equipment, toy premiums, soccer head injuries, nighttime bicycle safety, carbon monoxide and smoke alarms, phthalates, mattress and bedding fires, and arc-fault circuit interrupters.

Stressing Voluntary Safety Standards. We emphasize voluntary safety standards first and enact mandatory standards only when appropriate. For example, CPSC:

- *Worked cooperatively with industry* to complete 276 voluntary standards, while issuing only 35 mandatory rules from 1990 to 2004 – an eight-to-one ratio of voluntary to mandatory standards.
- Worked with industry to revise the *voluntary baby walker safety standard* to address injuries from stair falls. New walkers with safety features are now on the market. There has been a decrease in injuries of almost 90 percent from 1992 to 2003 likely due in part to the new voluntary standards requirements. Injury costs have already decreased \$1.4 billion.



Saving Lives with Action and Information. To get unreasonably dangerous consumer products off store shelves and out of homes, CPSC:

- Completed 353 *cooperative recalls* in 2004, involving over 216 million product units. CPSC obtained major recalls cooperatively with industry, such as fireworks, slow cookers, recliner chairs, electric sanders, and pacifiers.
- Enhanced recall effectiveness by establishing the *Neighborhood Safety Network*, a rapid communications vehicle utilizing email and the internet, as well as initiating the creation of www.recalls.gov.
- Continued to enforce the laws and regulations designed to protect citizens from product hazards. In 2004, we completed 10 civil penalty cases that resulted in almost \$4.2 million in fines for failure to report a hazardous defect, and violations of the Poison Prevention

Packaging Act, the Federal Hazardous Substances Act, and the Consumer Product Safety Act. In addition, we assisted in securing 2 criminal convictions for violations of the Federal Hazardous Substances Act and other statutes.

- In 2004, informed the public of hazardous products through 312 press releases, almost 2 million distributed publications, appearances on network TV shows, and through CPSC's consumer hotline, Web site, and National Injury Information Clearinghouse. Placed on national and local TV news shows 13 agency and industry-funded TV safety messages to announce recalls or give safety information in 2004. These video news releases reached a cumulative audience of about 112 million viewers. Examples of past video news releases include flammable skirts (about 103 million viewers), crib mattresses and strollers (over 81 million viewers), and dive stick pool toys that were banned (almost 78 million viewers).
- In partnership with the U.S. Customs and Border Protection, sampled and tested 288 shipments containing over 22 million fireworks in 2004. We prevented over 4.5 million *illegal firework devices* from entering the U.S. in 2004. In addition, CPSC in conjunction with the Department of Justice and the Bureau of Alcohol, Tobacco, Firearms and Explosives seized tens of thousands of illegal firework devices. Other port surveillance activities prevented about 800,000 *illegal* lighters that failed to have child-resistant safety devices from entry.
- Prevented, in partnership with U.S. Customs and Border Protection, over 1.3 million *hazardous toys and other children's products* that violated safety standards from entering the country in 2004.
- Worked with our state and local partners, National SAFE KIDS Campaign, the Danny Foundation, and the National Association of Resale and Thrift Shops on CPSC's successful federal-state program, *Resale Round-Up 2004*. Our focus was to warn consumers of previously recalled products, such as older cribs, certain models of cedar chests, and window blind cords. All 50 states including state and local officials, health and safety agencies, and national and grass roots organizations assisted in getting out our important safety message.

Improving Early Warning Systems. Because CPSC is data-driven, we always seek to improve the timeliness and quality of data collection efforts. Specifically, CPSC:

- *Initiated the National Burn Center Reporting System* to collect data on all clothing-related burn injuries to children under 15 years old from over 100 burn centers nationwide.
- *Expanded and accelerated collection of medical examiner and coroner reports* to provide quicker identification of consumer product-related deaths.
- *Improved the availability of hazard data to staff, industry, and consumers* by making data from the agency's National Electronic Injury Surveillance System (NEISS) database available on CPSC's Web site.
- *Expanded timely reporting of hazards* by accepting hazard complaints through our telephone hotline and Web site.

CPSC and Citizens. We work hard to bring CPSC services to citizens through many different means.

- Provided a "user friendly" *CPSC Internet Web site* (www.cpsc.gov), enabling citizens to visit the site more than 11.9 million times in 2004 compared to about 200,000 times in 1997 (the first full year of operation). The CPSC's Web site provides up-to-the minute recall and other safety information. It allows the public to send CPSC complaints about hazardous products. Industry can also use this site to file hazardous product reports required under section 15 of the Consumer Product Safety Act and obtain current information about CPSC actions. CPSC safety brochures are available on the Web site for citizens and organizations to download and distribute. A section for children, *Especially for Kids*, provides children with important safety information on activities such as bicycling and skateboarding. Recently, we conducted a major review of our Web site and introduced many enhancements.
- Creatively combined state-of-the-art technology and existing resources to transform our hotline into an *innovative, user-friendly hotline information system*. The hotline provides a critical gateway to CPSC for citizens seeking important safety information and filing reports about unsafe products. In 2004, there were 140,000 hotline calls from the public.
- *Brought staff closer to citizens* by reassigning staff from larger, centralized regional offices to more field office locations, providing greater local presence and access.

Streamlining and Strengthening Agency Operations. To assure the most value for the American public from every agency dollar, some examples of CPSC's continuous improvements include:

- *Consolidated two separate laboratory facilities at one location* to make more efficient use of space and to increase staff productivity. In addition, we recently co-located our sample storage facility to our laboratory site to reduce travel, shipping, and staff time costs. We are now working with GSA to modernize our testing laboratory site in order to introduce more efficiency and capability into the operation of this vital facility.
- *Modernized information technology infrastructure* from mainframe technology to a client – server internal network environment that has lowered costs, improved access to hazard data, and sped up agency responses.
- *Implemented a field telecommuting program* that reduced field space rent by more than half and increased staff efficiency.
- *Created a strategic goal* to focus the agency on continual improvement of critical databases that support risk-based decision-making by the Commission.
- *Produced audited 2004 financial statements* (reported in our 2004 Performance and Accountability Report, November 2004). These statements met the *accelerated* Federal schedule of 45 days after the close of the fiscal year. The audit found that CPSC's statements and financial system conformed to accepted accounting principles, laws and regulations and that CPSC had effective internal controls.

TABLE 1
2004 TO 2006 RESOURCES BY PROGRAM AND ACTIVITY
(dollars in thousands)

	<u>2004 Actual</u>		<u>2005 Plan</u>		<u>2006 Request</u>		<u>2006 Change from 2005</u>	
	<u>FTEs</u>	<u>Amount</u>	<u>FTEs</u>	<u>Amount</u>	<u>FTEs</u>	<u>Amount</u>	<u>FTEs</u>	<u>Amount</u>
REDUCING PRODUCT HAZARDS TO CHILDREN AND FAMILIES:								
Reducing Fire and Electrocutation Hazards	174	\$22,101	173	\$22,489	159	\$21,843	-14	-\$646
Fire Deaths*	154	19,473	147	19,212	135	18,594	-12	-618
Electrocution Hazards	20	2,628	26	3,277	24	3,249	-2	-28
Reducing Children's Hazards	88	11,456	115	14,683	105	14,206	-10	-477
Drownings*	5	782	17	2,147	15	2,066	-2	-81
Other Children's Hazards	83	10,674	98	12,536	90	12,140	-8	-396
Reducing Poisonings and Other Chemical Hazards	61	8,190	53	6,977	51	7,179	-2	+202
Carbon Monoxide Poisoning*	12	1,629	13	1,642	11	1,465	-2	-177
Child Poisonings and Other Chemical Hazards	49	6,561	40	5,335	40	5,714	--	379
Reducing Household and Recreation Hazards	53	6,722	42	5,408	47	6,518	+5	+1,110
Subtotal.....	376	\$48,469	383	\$49,557	362	\$49,746	-21	+189
IDENTIFYING PRODUCT HAZARDS:								
Data Collection.....	67	\$9,353	77	\$11,168	73	\$11,220	-4	+\$52
Emerging Hazards/Data Utility*	18	1,782	11	1,424	11	1,533	--	+109
Subtotal.....	85	\$11,135	88	\$12,592	84	\$12,753	-4	+\$161
TOTAL COMMISSION	461	\$59,604	471**	\$62,149	446	\$62,449	-25	+\$350

* These are strategic goals.

** Actual FTE use in 2005 will be lower as we begin adjusting FTEs to prepare for 2006.

TABLE 2
2005 TO 2006 RESOURCE CHANGES
(Dollars in thousands)

	<u>Amount</u>	<u>FTEs</u>
2005 APPROPRIATION	\$62,149	471*
Cost Increases to Maintain Current Services in 2006:		
Staff pay and benefit increases (to fund 471 FTEs in original plan)	\$2,286	--
GSA space rent increase for staff office space.....	146	--
Subtotal, Current Services	\$2,432	--
FUNDING TO MAINTAIN 471 FTEs (for all programs)	\$64,581	471
Funding shortfall.....	<u>-2,082</u>	<u>-25</u>
TOTAL 2006 PROPOSED FUNDING	<u>\$62,499</u>	<u>446</u>
CHANGE FROM 2005 TO 2006	<u>+\$350</u>	<u>-25</u>

* Actual FTE use in 2005 will be lower as we begin adjusting FTEs to prepare for 2006.

BUDGET PROGRAM: Reducing Product Hazards to Children and Families

Our largest budget program, representing about 80 percent of our annual request, focuses on *Reducing Product Hazards to Children and Families*. This program addresses product hazards identified in our other program, *Identifying Product Hazards*.

CPSC's hazard reduction work has contributed substantially to the 30 percent decline in the rate of deaths and injuries related to consumer products since the agency's inception in 1973. Past CPSC work has saved and continues to save the nation billions of dollars each year. However, product-related deaths and injuries continue to occur. There are on average 25,100 deaths and over 33.3 million injuries each year related to consumer products under CPSC's jurisdiction. The deaths, injuries, and property damage associated with consumer products cost the nation over \$700 billion annually. (See Appendix A- Societal Cost Estimation.)

In the Reducing Hazards budget program, we set goals for reducing the risks of injuries and deaths from:

- Fire and electrocution hazards
- Children's hazards
- Chemical hazards
- Household and recreation hazards

Whenever possible, the Commission seeks a *voluntary solution* to product hazards. This voluntary approach is demonstrated by our high ratio of voluntary to mandatory safety standards (almost eight-to-one since 1990) and our success at getting voluntary recalls (100 percent in 2004).

HAZARDS	2004 Actual		2005 Plan		2006 Request	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Fire and Electrocution	174	\$22,101	173	\$22,489	159	\$21,843
Children	88	11,456	115	14,683	105	14,206
Chemical	61	8,190	53	6,977	51	7,179
Household and Recreation	53	6,722	42	5,408	47	6,518
TOTAL	376	\$48,469	383	\$49,557	362	\$49,746

2006 RESOURCE CHANGES

Total dollars increase by \$189,000 to reflect the program's share of the agency's 2006 resources. FTEs in total decrease by 21 to reflect a proportional share of the adjustments needed to meet funding levels and to reflect normal adjustments of staff time required to work on projects scheduled in 2006.

The annual performance goals and the accompanying activities represent planned actions before the agency knew the proposed 2006 resource level. By the beginning of the new fiscal year, we will adjust these performance goals to reflect the proposed 2006 resource level. For example, there are in total 1,193 annual performance goals for reducing hazards (voluntary and mandatory safety standards work, recalls, port surveillance, and consumer information activities). On a simple prorated basis, we could possibly decrease these performance goals by about 60. We will not know, however, the extent of any adjustments necessary until after we complete our assessment. Our goal will be to minimize the impact of the resource adjustments on our program.

HOW WE REDUCE HAZARDS

The Commission uses a variety of tools to reduce the risks of hazardous consumer products. These tools include (1) participating in the voluntary standards process and developing mandatory safety standards; (2) compliance activities such as recalls and corrective actions of hazardous products and enforcement of existing regulations; and (3) alerting the public to safety hazards and safe practices. In addition, the agency bases its actions to reduce the risks of hazardous consumer products on information developed from its extensive data collection systems that assess the causes and scope of product-related injuries.

Safety Standards

Much of our work in saving lives and making homes safer is through cooperation with industry. From 1990 to 2004, we have worked cooperatively with industry and others to develop 276 voluntary safety standards while issuing only 35 mandatory rules, about an eight-to-one ratio of voluntary to mandatory standards.

We participate in the development of voluntary standards at a number of steps in the process. Staff first submits recommendations for new standards, or modifications of existing standards, to organizations that develop voluntary standards. The organizations complete technical work to support the requirements, publish a proposal for public comment, and publish a standard. We participate in the process by providing expert advice, technical assistance, and information based on data analyses of how deaths, injuries and/or incidents occurred. Our voluntary standards policy does not permit us to vote on proposed changes or new standards; however, our comments are considered throughout the process.

This process can take months or it may take several years. While the development of recommendations is within our span of control and the actual development of proposed standards can be within our span of influence, the publication and effective dates for the consensus voluntary standards are not.

Safety standards may also be developed through regulation. We usually work cooperatively with industry to develop an effective voluntary standard. If a voluntary standard exists, by law, we may issue a mandatory standard only when we find that the voluntary standard will not eliminate or adequately reduce the risk of injury or death or it is unlikely that there will be substantial compliance with the voluntary standard.

Compliance

We also reduce hazards through Compliance activities. In 2004, CPSC completed 353 cooperative recalls involving over 216 million consumer product units that either violated mandatory standards or presented a substantial risk of injury to the public. Although we have neither the authority nor the resources to approve products for safety before they are marketed, we can work with companies to remove products from the marketplace if we learn that they violate mandatory safety standards or are defective, creating a substantial risk of injury or death.

Headquarters and field staff identify defective products through their own investigations. In addition, firms are required by law to report potential product hazards or violations of standards to the Commission. If an evaluation justifies seeking a product recall, we work with the firm to cooperatively recall the defective or violative product. In nearly all cases, firms work cooperatively with us. If a firm refuses to recall a product voluntarily, we may litigate to require a recall.

To assist industry in cooperatively recalling products and complying with our regulations easily and quickly, we rely on two activities: Fast-Track product recalls and our Small Business Ombudsman. We developed the Fast-Track program to streamline the process of recalls for firms that were willing and prepared to recall their products quickly. Because every recalled defective product represents a potential injury or death, removing these hazardous products from the marketplace faster can prevent more injuries and save more lives. Recalls under the Fast-Track program are

twice as fast as traditional recalls and, on the average, are implemented within the 20 days of a firm's report to CPSC.

We also established a Small Business Ombudsman to help small firms comply more easily with product safety regulations and guides by providing them with a single point of contact for assistance and information. The Ombudsman coordinates a clearly understandable response from our technical staff so that firms receive the information they need within three business days.

Consumer Information

We warn the public about product-related hazards through print and electronic media, our hotline and Web sites (www.cpsc.gov and www.recalls.gov) and other outreach activities such as the *Neighborhood Safety Network*. We develop and provide safety information for the public through safety alerts, news releases, video news releases, publications, including the *Consumer Product Safety Review*, national and local television appearances, and hotline messages. When knowledge of a hazard requires immediate warnings to the public, such as the recall of a playpen that caused the death of a baby, we rely heavily on the media (newspapers, radio, TV, video news releases). For warnings that need to be repeated -- and most do -- we often rely on outreach by partnering with other organizations and by developing programs, such as *Resale Roundup*. Through the *Neighborhood Safety Network*, we will combine our partnerships into a rapid communications vehicle that utilizes email and the internet.

We improved our Web site, consumer hotline, Clearinghouse, and publications distribution capability to better serve the public. CPSC's Web site has grown rapidly from about 200,000 visits in 1997 to 11.9 million visits in 2004. We post and spotlight recall notices on the Web site the same time as the news release announcing the recall. Consumers and firms can file reports of unsafe products online and firms are ensured of confidentiality by encrypted transfer of data. Product safety information is also available in Spanish and other languages and children can access a special section of the site, *Especially for Kids*, which has safety information.

In 2003, we initiated the creation of www.recalls.gov, an innovative "one-stop shop" for all federal product recalls, in partnership with six other Federal health and safety regulatory agencies. This new Web site is an easy-to-use portal to all federal agencies that have the authority to

conduct safety recalls. In 2004, more than 900,000 visitors logged on the site.

The hotline receives consumer complaints and provides information on product hazards and recalls to the public. The National Injury Information Clearinghouse provides injury data to our staff and the public and provides manufacturers with consumer complaints, reported incidents, and incident investigations involving their products.

TWO TYPES OF ANNUAL PERFORMANCE GOALS

Our annual plans set hazard reduction performance goals for our key activities. These activities require two different types of annual performance goals.

For activities that address unforeseen safety issues, such as recalls, corrective actions, and news releases, annual goals are more appropriately characterized as estimates. We set numerical estimates for these types of activities based on a review of five years of historical data. However, the actual number of recalls, corrective actions, and news releases responding to unpredictable events in a given year will vary from the estimate, depending on the mix of safety-related problems arising during that year.

For activities that address known product hazards, annual goals are targets set for completing a certain number of activities, e.g., sending a targeted number of recommendations designed to address fire-related deaths to voluntary standards organizations.

FIRE AND ELECTROCUTION HAZARDS

INTRODUCTION

Reducing fire and electrocution hazards is our largest hazard reduction activity. Fires are a leading cause of consumer product related deaths. Electrocution represents a significant but somewhat smaller hazard and resources are allocated accordingly.

HAZARDS	2004 Actual		2005 Plan		2006 Request	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Fire	154	\$19,473	147	\$19,212	135	\$18,594
Electrocution	20	2,628	26	3,277	24	3,249
TOTAL	174	\$22,101	173	\$22,489	159	\$21,843

2006 RESOURCE CHANGES

Total dollars decrease by \$646,000 to reflect the program's share of the agency's 2006 resources. FTEs decrease by 14 to reflect a proportional share of the adjustments needed to meet funding levels and to reflect normal adjustments of staff time required to work on projects scheduled in 2006.



KEEPING FAMILIES SAFE FROM FIRE HAZARDS

STRATEGIC GOAL: Reduce the rate of death from fire-related causes by 20 percent from 1998 to 2013.

THE HAZARD

This nation's fire death rate remains high. In 1999⁶, an estimated 2,390 people died and 14,550 were injured because of fires in residences. These fires resulted in property losses of about \$4.24 billion. The total cost to the

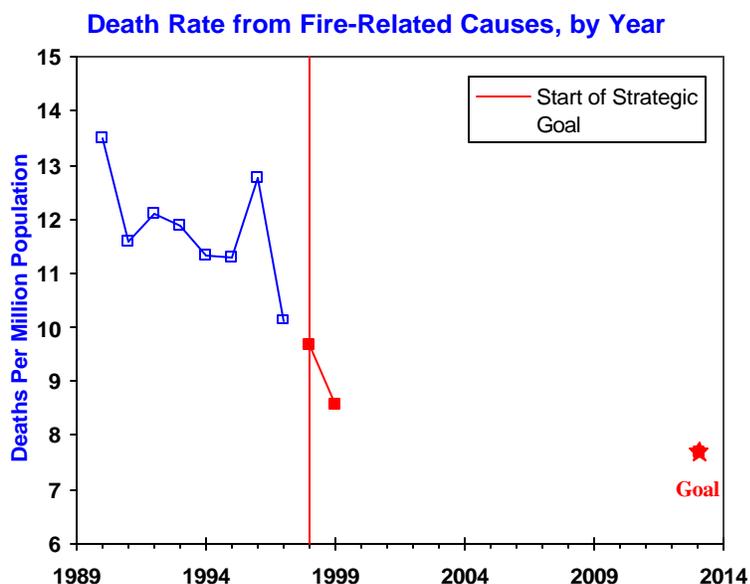
⁶1999 is the latest year for which complete death data is available. As in earlier years, the 1999 fire-related death rate was obtained using data from the National Fire Incident Reporting System (NFIRS) that the U.S. Fire Administration (USFA) oversees. In 1999, USFA began implementation of a major revision to the NFIRS data coding system. The implementation is gradual with more and more fire departments expected to incorporate the new system each year. For the years 1999 to 2002, the data will comprise data collected using the new coding system as well as the old system. Because of this mixing of data system versions, the estimation process requires an additional level of complexity. In order to minimize having to continually revise estimates because of methodology changes, staff plans to delay the production of its next annual fire loss report until its analysis is complete for the years 1999 through 2002.

nation from residential fires was almost \$18 billion. Children and seniors are particularly vulnerable. In 1999, over 500 children under the age of 15 died of fire-related causes and over 300 of these deaths were to children under the age of 5 years. Children under age 5 have a fire death rate more than twice the national average. Older adults also have significantly higher fire death rates in comparison to the rest of the population. In 1999, residential fires resulted in over 800 deaths to adults 65 years and older.

Products most often ignited in fatal fires are upholstered furniture, mattresses, and bedding. In recent years, these product categories were associated with about one-third of fire deaths. Cooking equipment is often involved as a source of ignition in fire deaths, accounting for about 13 percent of fire deaths in recent years.

OUR PROGRESS

Under our previous strategic plans (1997 and 2000), we had a target to reduce the rate of fire deaths due to consumer products by 10 percent from 1995 to 2005. From 1995 to 1998, the fire death rate declined by 14 percent. To further reduce the death rate, we decided to retain this as a strategic goal in our Strategic Plan, but with a new target of 20 percent reduction from 1998 to 2013.



Deaths due to fire have declined substantially since 1990. In 1998, there were about 700 fewer home fire-related deaths compared to 1990. In 1999, the trend appeared to continue, although the 1999 estimate is not strictly comparable on a year-to-year basis to estimates prior to 1999 due to changes in the system for coding fire data.⁷

Past standard-setting and compliance activities contributed to the general decline in fires and fire deaths and show that the agency is effective in reducing fire hazards.

These activities include work on cigarette ignition-resistant mattresses and upholstered furniture, heating and cooking equipment, electrical products, general wearing apparel,

⁷A new revision of the National Fire Incident Reporting System (NFIRS), the nationwide system for coding information about fires, went into effect in 1999.

children’s sleepwear, child-resistant lighters, fireworks, battery-operated children’s vehicles, smoke alarms, and residential fire sprinklers.

2006 ANNUAL FIRE-RELATED GOALS

The annual performance goals and the accompanying activities represent planned actions before the agency knew the proposed 2006 resource level. By the beginning of the new fiscal year, we will adjust these performance goals to reflect the proposed 2006 resource level.

Annual Goals Summary		2001	2002	2003	2004	2005	2006
<i>Safety Standards</i>							
1. Prepare candidates for rulemaking	Goal	2	3	3	3	4	6
	Actual	2	3	2	3		
2. Present recommendations to voluntary standards or code organizations	Goal	6	3	3	3	1	5
	Actual	4	4	3	2		
3. Complete data analysis and technical review activities	Goal	13	14	12	10	13	8
	Actual	8	12	7	5		
4. Monitor or participate in voluntary standards and code revisions	Goal	*	*	17	14	13	15
	Actual	15	15	17	14		
<i>Compliance</i>							
5. Pursue for recall or other corrective action	Goal	505	505	350 ^a	270 ^a	315 ^a	315 ^a
	Actual	614	367	270	386		
6. Monitor existing voluntary standards	Goal	2	1	1	0 ^a	0 ^a	1 ^a
	Actual	1	1	2	0		
7. Conduct port-of-entry surveillance	Goal	2	2	2 ^a	2 ^a	1 ^a	1 ^a
	Actual	3	3	3	2		
<i>Consumer Information</i>							
8. Conduct public information efforts/partnerships	Goal	6	7	7	5	6	6
	Actual	6	7	7	5		
9. Issue press releases and recall alerts	Goal	45	45 ^b	45 ^b	60 ^{b,c}	60 ^{b,c}	60 ^{b,c}
	Actual	53	88	72	100		
10. Produce video news releases	Goal	5	6 ^b	5 ^b	5 ^b	5 ^b	5 ^b
	Actual	5	8	7	7		
11. Respond to requests for publications (in thousands)	Goal	160	160	200	260	260	260
	Actual	259.5	289	354.5	354		

*No goal established.

^a Estimate based on prior years’ experience. The actual number of recalls, corrective actions, monitoring, and surveillance activities will depend on the mix of safety-related problems arising during the year.

^bThese goals were changed to include all product hazards not just recalled products as in previous years.

^cThis goal now includes recall alerts.

1. Prepare for Commission consideration 6 candidates for rulemaking or other alternatives.

Carpet and Rug Standards Amendments

90 deaths
390 injuries
(1995-1999 annual average)

During the years 1995-1999, there were 7,400 fires and \$108.9 million in property loss annually from residential fires involving floor coverings. The standards for the flammability of carpets and rugs were adopted to eliminate the unreasonable risk of death and injury from fires spread by

carpets and rugs ignited by a small ignition source (match, burning ember, etc.). The test method requires the use of a methenamine tablet or an equal tablet as the ignition source for the carpet tests. In 2002 the manufacturer ceased production of its product.

The standards need to be amended to specify the appropriate characteristics without reference to a specific brand name product. In 2004, staff completed the characterization of alternative methenamine tablets and determined appropriate specifications. In 2005, the staff will prepare a briefing package with recommended product specification amendments for Commission consideration. Other possible amendments will be identified if warranted.

Goal: In 2006, staff will address comments on an Advance Notice of Proposed Rulemaking (ANPR) and develop proposed amendments for the carpet and rug standards for Commission consideration, as appropriate.

Cigarette Lighters

10 deaths total (1994-1999)
3,015 injuries total (1997-2002)

Based on the most recent data available from the National Fire Incident Reporting System (NFIRS) for 1994-1999, there were an estimated total of 330 residential structural fires that were caused by lighter malfunctions and 10 deaths associated with these fires. Property damage was estimated at almost \$3 million over the six-year period. Based on the most recent National Electronic Injury Surveillance System (NEISS) data covering 1997-2002, there were an estimated 3,015 emergency room treated injuries that resulted from malfunctioning lighters. Most of these injuries involved thermal burns to the face, hands and fingers.

In 2005, the Commission voted to grant a petition filed by the Lighter Association, Inc. and to issue an ANPR for cigarette lighters.

Goal: In 2006, as directed by the Commission, the staff will conduct work for a rulemaking proceeding, including responding to comments received in response to an ANPR.

Clothing Textile Standard Amendments

150 deaths (1995-1999 annual average)
4,400 thermal burn injuries (1998-2002 annual average)

The Federal standard for the flammability of clothing textiles was enacted to reduce clothing-related thermal burn injuries and fatalities due to the use of highly flammable textiles in clothing. Several aspects of the existing standard for the flammability of clothing textiles require test procedure clarifications or are out of date due to changes in test equipment, consumer practice, environmental law, and textile product cleaning techniques. Updating the general

textile standard is complex, requiring development of a new dry cleaning test procedure, and clarification of existing test procedures and methods for interpreting results. An ANPR was published in late 2002. In 2003, the staff reviewed the ANPR comments and developed a plan to prepare a proposed standard. From 2004 and into 2005, the staff will prepare proposed amendments to the standard and a briefing package for Commission consideration, as appropriate.

Goal: In 2006, the staff will continue with the rulemaking process or other options as directed by the Commission.

*Mattresses & Bedding Material -
Open Flame Ignition*

440 deaths
2,160 injuries
(1995-1999 annual average
addressable)

Mattresses and bedding materials were the first item to ignite in 20,100 fires annually during 1995-1999. The losses associated with these fires could potentially be addressed by an open-flame standard for mattresses and bedclothes. Small open-flame ignition sources, such as lighters, matches and candles, caused most deaths to children under age 15 (both victims and fire starters).

Mattresses- This project focuses on the development of a new mandatory standard to address open flame ignition of mattresses. Industry-sponsored research at the National Institute of Standards and Technology (NIST) defined the open-flame hazard and designed an appropriate full-scale test method, now incorporated in California Technical Bulletin 603, which could be used in a mandatory standard.

In 2002, the Commission published an ANPR to develop a mandatory standard to reduce the severity of mattress fires and make mattresses less flammable. In 2003 and 2004, CPSC staff analyzed the ANPR comments. In 2004, the staff prepared an NPR briefing package including a draft proposed standard for mattresses. The Commission voted to publish an NPR for mattress flammability in 2005. In 2005, the staff will evaluate public comments on the NPR and prepare a briefing package for a final mattress standard.

Goal: In 2006, the staff will complete any further work on the mattress rulemaking and final mattress rule, in accordance with direction by the Commission.

Bedclothes- This project focuses on the development of new mandatory requirements for bedclothes that will ensure improved flammability performance. Research conducted at NIST showed that bedclothes are a major contributor to mattress ignition and demonstrated that improved flammability performance of some bedclothes can reduce the

fire hazard. California is developing a test method for filled bedding items in preparation to beginning rulemaking in 2005.

Some of the comments received on the mattress ANPR in 2003 and 2004 suggested the need for an additional standard for bedclothes. In 2004, the staff prepared options for bedclothes (including an ANPR). In 2005, the Commission voted to publish an ANPR to address bedclothes flammability. The staff will evaluate public comments on the notice and begin development of a draft standard for bedclothes.

Goal: In 2006, the staff will conduct work supporting a draft standard for bedclothes and prepare a briefing package with a draft bedclothes NPR for Commission consideration, as appropriate.

Upholstered Furniture

460 deaths
1,110 injuries
(1995-1999 annual average
addressable)
(includes 50 deaths and 360 injuries
associated with small open flame
ignition and 410 deaths and 750
injuries associated with cigarette
ignition)

Ignitions of upholstered furniture account for more fire deaths than any consumer product under CPSC's jurisdiction. The staff is developing a possible rule to address the risk of fire associated with ignitions of upholstered furniture by smoldering cigarettes and by small open flame sources like lighters, matches and candles. The 1995-1999 average fire losses addressable by a standard include 6,600 fires and \$130 million in property damage. In 2004, the Commission published an ANPR expanding the agency's rulemaking proceeding to cover cigarette ignition as well as small open flame ignition risks.

Goal: Depending on Commission action on a possible NPR in 2005, the staff may, in 2006, analyze public comments on an NPR and prepare a draft final rule and alternatives for Commission consideration.

2. Prepare and present recommendations to voluntary standards or code organizations to strengthen or develop 5 voluntary standards or codes:

Electric Blankets

<10 deaths
30 injuries
(1994-1998 annual average)

From 1994-1998, electric blankets were associated with an average estimated 520 residential structure fires annually. New technologies for electric blankets have emerged after revisions to the UL standard in 1999. These revisions addressed certain failure modes and corrected the lack of specific requirements in the standard. Subsequently, new technologies have emerged and there have been product recalls for connector and assembly problems with blankets employing some of these new designs.

In 2005, staff will conduct an analysis of different electric blanket technologies available on the market and assess whether the industry voluntary safety standard adequately addresses the risk of fire and shock that may be associated with these emerging designs.

Goal: In 2006, staff will complete a report of work conducted in 2005. We will develop and submit proposals to revise the industry voluntary safety standard, as necessary.

*Emergency Escape Masks
(Carryover from 2003)*

Emergency escape masks are products marketed as a safety device to protect users against deadly toxic smoke while evacuating a fire, chemical or other emergency in the home and other locations. These products have the potential to reduce deaths and injuries by providing more escape time and protecting people from toxic gases during fires. Currently, there are no performance standards for these products.

In 2004, staff began work to examine consumer safety issues associated with these products and staff attended standards development activities on masks intended to protect against chemical, biological, radiological, and nuclear hazards. Through an Interagency Agreement with CPSC, the U.S. Fire Administration provided funding at the end of 2004 to conduct testing of escape masks. In 2005, staff will continue to evaluate the effectiveness of escape masks by conducting testing and evaluating the human factors issues associated with these products.

Goal: The original goal for 2004, to make recommendations to strengthen the voluntary standard as appropriate, will be completed in 2006.

Fire Indicators

Numerous fire reports are received each year that identify the cause as combustibles being too close to the product. Most current voluntary standards use an artificial fire indicator (cheesecloth, terry cloth, etc.) for flammability testing. However, since artificial fire indicators are subject to manufacturing variations and atmospheric conditions, they may not represent actual scenarios at all times.

In 2002-2003, staff conducted tests at the University of Maryland. Based on this testing, it appears that changing the performance requirements from artificial fire indicator tests to quantifiable heat flux emission tests may be possible for some products. In 2004, staff completed an evaluation of UL

standards and product incident data to determine which standards are candidates for being updated to include quantifiable heat flux performance standards. In 2005, testing will be conducted to support changes to the involved standards, and a report of the work will be completed.

Goal: In 2006, recommendations for changes to the voluntary standards will be made, as appropriate.

Mobile Homes
(Carryover from 2003)

5.4 deaths per
100,000 housing units

From 1994 to 1998, there were 5.4 deaths per 100,000 mobile/manufactured homes compared to 3.6-4.1 deaths per 100,000 one- and two-family dwelling units. In 2004, staff completed a review of in-depth investigation data involving manufactured homes. However, the information was not sufficiently detailed to determine appliance failure modes; therefore, no safety proposals were developed for voluntary standards groups. In 2005, staff will review product safety assessments to determine if any failure modes exist that could be addressed by changes in voluntary standards.

Goal: The original goal for 2005, to develop safety proposals for voluntary standards, as warranted, will be completed in 2006.

Panel Boards
(Carryover from 2001)

<10 deaths
30 injuries
(1999)

Fires may occur from overload and short circuit conditions in a home's wiring when the circuit breaker fails to perform its intended function of interrupting the power. A data collection effort focusing on panel boards that have been involved in fire incidents was started in 2004 and will be completed in 2005. In 2004, we continued exploratory test work to evaluate the circuit breaker/panel board system. In 2005, the staff will also review voluntary standards and codes related to panel board and circuit breaker design, installation, and use.

Goal: The analysis of the data and collected samples, originally planned for 2004, will be completed and a report issued in 2006. Recommendations for changes in the voluntary standards or building codes, originally planned for 2005, will be identified and submitted to the appropriate organizations in future years, as warranted.

3. Complete 8 data analysis, collection and technical review activities.

Duplex Electrical Receptacles

10 deaths
50 injuries
(1999)

In 1999, receptacles were associated with an estimated 3,300 fires resulting in \$60.6 million in property losses. In the late 1980s, test work conducted by a CPSC contractor and CPSC staff investigated the performance of push-in type

connections in receptacles. These connections rely on a flat metal "spring" to hold an inserted conductor in place, and could degrade over time, resulting in overheated terminals that may lead to fire. The studies recommended against the use of push-in terminals. In January 1995, the UL standard for receptacles was revised and incorporated some of the CPSC staff proposed changes.

In 2004-2005, staff enrolled fire departments in a systematic effort to collect information regarding the types of receptacle terminations (back-wire push-in, back-wire clamp, or wire-binding screw) involved in fire incidents and to collect receptacles involved in those fires. Data collection will continue through 2005.

Goal: In 2006, incident samples and data will be analyzed to determine the causes of failure, and staff will complete a report of the findings. New information gained by this analysis and examination and comparison of new receptacle technology will be used to develop and support further changes to the voluntary standard for receptacles in 2007, as warranted.

*Electrical Lighting Products
(Carryover from 2004)*

10 deaths
150 injuries
(1999)

In 2004, staff completed a two-year data collection effort associated with lighting equipment. A report on the staff analysis of the data was completed in 2005. In 2005, Engineering staff will begin to examine and document samples involved in fire incidents to evaluate aspects of design, installation, use, maintenance, etc. that may have caused these incidents. If necessary, laboratory testing may be conducted.

Goal: In 2006, staff will complete the evaluation and prepare a draft report of the results, originally planned for 2004. In 2007, recommendations for improvements to the appropriate voluntary standards will be made, as warranted.

Flammable Liquids

25 deaths (2000-2003 annual
average)
8,300 thermal burns (2003)

During calendar year 2003, an estimated 8,300 thermal burns associated with flammable liquids (gasoline, kerosene, etc) were treated in hospital emergency rooms. There have been more than 100 flammable liquid-related fire deaths in the time period from January 2000 through 2003. In collecting clothing fire incidents through our new burn center reporting system, we found nearly half of the incidents involve children and flammable liquids.

Goal: In 2006, staff will review data sources, including the National Burn Center Reporting System, and prepare a draft

report with data analysis and related findings. Any subsequent recommendations will be completed in 2007.

*Fuel-Fired Room
Heating/Venting Products*

21,600 fires
180 deaths
350 injuries
(1999)

Many of the deaths and injuries associated with residential fuel-burning room heating appliances (fireplaces, kerosene heaters, wood stoves, vented and unvented gas-fired and oil-fired heaters) may be addressable through improved voluntary standards and building codes.

In 2004, CPSC staff sponsored a study to determine causes of these types of fires. In 2005, staff began a multi-year project to build on the study and determine if the changes proposed by CPSC staff to voluntary standards and model building codes in the past have had an effect on the number of fires associated with these products. Staff will compile epidemiology data, develop a methodology to examine fire trends for the appliances most heavily represented in the data, and examine product safety assessments (PSAs) and samples on hand to attempt to identify additional failure causes.

Goal: In 2006, staff will prepare a report that discusses the data analysis and the adequacy of applicable voluntary standards and building codes in protecting against fires, and conduct economic analysis if needed. Staff will develop and make recommendations to the appropriate voluntary standards and codes where necessary in 2007.

*High Energy Battery Packs/
Chargers*

566 injuries (2002)

Portable electronic devices use high-energy density batteries, such as lithium ion batteries. Batteries that experience an internal cell short may overheat and explode, posing a hazard to consumers. Such a battery failure in a portable device, such as a mobile phone, may result in a potentially hazardous situation because of the close proximity of the phone to the body when in use or in the pocket/side clip during transit. In 2005, CPSC staff will review available data to assess the extent and severity of hazards associated with lithium ion batteries. We will also investigate methods to quantitatively determine the characteristics generated when a lithium ion battery overheats and explodes.

Goal: In 2006, staff will produce a status report that identifies potential methods and/or safety features that could be incorporated into such products to reduce the hazards associated with lithium ion batteries. A final report of this work will be completed in 2007.

*Range/Oven Extinguishing Systems**(Carryover from 2003)*

90 deaths
 2,650 injuries
 (estimated annual average
 1994-1998)

According to 1999 residential fire loss statistics, cooking equipment accounted for 29% of residential structure fires, 13% of the deaths, and 28% of the injuries. Many of these losses were associated with range and oven fires. There are a variety of products marketed to consumers to prevent these fires. Range/oven extinguishing systems vary in complexity and cost, from simple overhead range mounted cans to systems that have the ability to shut off power or gas supply.

In 2004, staff obtained test equipment. The original goal for 2004 was to develop market information, review existing voluntary standards, and conduct limited performance testing to evaluate the effectiveness of these products. Additionally in 2005, a goal was set to provide voluntary standards recommendations.

Goal: The original goal for 2004 will now be completed in 2006 along with a draft report. Also, the original goal to provide recommendations to voluntary standards for safety enhancements, if appropriate, will be completed in 2007.

Residential Fire Survey

2,390 deaths
 14,550 injuries
 (1999)

There were an estimated 337,300 residential fires attended by the fire service that resulted in \$4.24 billion in property loss in 1999. Fire service attended fires are thought to represent only about 3 percent of all U.S. residential fires annually based on 1984 data. A probability telephone survey of causes and characteristics of residential fires, both attended and not attended by the fire service, will be conducted by a contractor in 2004 and end in 2005. Data collection will include information about the performance of smoke alarms, sprinklers, and fire extinguishers in those fires.

Goal: In 2006, staff will analyze the survey data and complete a final report.

Smoke Alarms

2,390 deaths
 14,550 injuries
 (1999)

The National Fire Protection Association (NFPA) (September 2001) reports that, as of 1997, 94 percent of U.S. homes had at least one smoke alarm. The increased use of smoke alarms has contributed to a dramatic decrease in fire deaths in the U.S. during the last 20 years. However, there continue to be a large number of residential fire deaths and injuries.

A report of research recently completed by The National Institute of Standards and Technology (NIST), *Performance of Home Smoke Alarms*, concludes that occupants have less time to safely escape in residential fires than they had 30

years ago due to changes in construction materials and home furnishings. In 2005, CPSC staff will investigate solutions to reduce the response detection time of a smoke alarm in the event of a fire. Both direct (modification of the smoke alarm) and indirect (additional means to notify a main smoke alarm unit) methods of improving alarm detection will be investigated to reduce response time.

Goal: In 2006, CPSC staff will construct and test a prototype smoke alarm. In 2007, improvements to the voluntary standard will be developed as appropriate.

4. Monitor or participate in voluntary standards and code revisions.

Voluntary Standards

Monitor or participate in the development or modification of 15 voluntary standards including the National Electric Code for products such as candles, fire sprinklers, arc fault circuit interrupters, clothes dryers, portable fans, heaters, ranges, smoke alarms, surge suppressors, and batteries.

Identify and act on products that present a risk of fire-related death through:

5. *Recalls*

Initiate recalls or other corrective actions for a projected 315 products that violate mandatory safety standards or unregulated products that present a substantial risk of fire-related death and injury.

In 2004, we identified and corrected 386 violations relating to products that failed mandatory fire safety standards or presented a substantial risk of fire-related deaths. Of these, we obtained 91 recalls involving over 10 million product units. Our efforts were aided by an increase in U.S. Customs and Border Protection support in 2004. We focused our domestic and retail surveillance efforts in identifying a number of flammability violations for mattresses, futons, and carpets.

6. *Voluntary Standards*

Monitor 1 existing voluntary standard likely to reduce fire-related deaths. Products related to fire hazards that we recently monitored include halogen lamps and extension cords.

7. *Import Surveillance*

Conduct port-of-entry surveillance for 1 product for which fire safety standards are in effect. In 2004, CPSC Field staff and the U.S. Customs and Border Protection prevented over

4.5 million fireworks and approximately 800,000 cigarette lighters and multipurpose lighters from entering the country.

8. Conduct 6 public information efforts, including at least 1 partnership with industry and/or a fire safety group.

Fireworks

The CPSC will conduct a national safety campaign for the Fourth of July to increase public awareness of the dangers associated with the use of fireworks. This campaign will be organized at the national level and will alert consumers to the common hazards associated with legal and illegal fireworks through a news conference and release of a VNR. Possible partnerships may include the National Park Service and the Department of Homeland Security. CPSC will work with fire departments to demonstrate the dangers of fireworks and conduct safety campaigns at the community level in cooperation with hospitals, youth groups, schools, and others. We may reissue a fireworks safety poster for use by the Neighborhood Safety Network.

General Fire Hazards

In support of CPSC's development of possible new open flame flammability standards for mattresses, mattress and foundation sets and bedclothes, we will develop and conduct a major information and education campaign throughout the year that will include issuing news releases, VNRs, posters for NSN partners and other grassroots organizations. This media will focus on keeping consumers aware of the latest information in the development of the standards. If a final rule is adopted, we will also develop appropriate consumer literature.

Halloween Hazards

The CPSC will continue to remind consumers of the flammability hazards associated with costumes and other Halloween hazards and highlight warnings about the risk of fire associated with homemade children's costumes, jack-o-lanterns, and other Halloween decorations. We will issue a press release; produce a Halloween safety VNR in both English and Spanish; and provide TV and radio interviews.

Holiday Hazards

During the winter holiday season, the CPSC will reissue an annual news release to warn consumers about the risk of fire from defective decorative holiday light strings and natural trees, and provide tips on the safe use of candles and fireplaces. We will include similar information in regional Christmas/winter holiday safety campaigns to warn about the risk of fire.

Safety for Older Consumers

The CPSC will highlight the risk of fire in older homes and with older products to elderly consumers this year. This outreach campaign has a dual focus, emphasizing the simple actions seniors can take to reduce the danger of fire (fire hazards) and slips and falls (mechanical hazards) in the home. The campaign may include a possible partnership with a senior-serving organization such as AARP, National Safety Council or CDC for a press conference, news release, and Neighborhood Safety Network poster. Through working with our state and local partners, we will educate the elderly to the preventative measures they can take in their everyday life to reduce the risk of injury. Field staff will work with state and local partners to conduct 30 Older Consumer Safety Seminars nationwide. Additionally, staff will develop an interactive *Older Consumer Safety Test* to educate the elderly about fire safety and preventing slips and falls.

Smoke Alarms

In a continuing effort to remind consumers that smoke alarms save lives, we will issue a news release in the spring and the fall to emphasize that consumers need to have and maintain their smoke alarms.

Alert the public to fire-related hazards through:**9. *Press Releases***

Issue an estimated 60 press releases and recall alerts⁸ to inform the public about products presenting a risk of fire-related death. In 2004, we issued 77 press releases and 23 recall alerts to alert the public to hazardous products presenting a risk of fire-related death.

10. *Video News Releases*

Participate in the production of 4 video news releases (VNRs) for products that present a fire hazard and 1 VNR for fireworks safety. In 2004, we produced 7 VNRs that addressed fire-related hazards. These VNRs reached a total potential audience of 51.5 million television viewers.

11. *Publications*

Respond to consumer requests for a projected 260,000 checklists, booklets, and safety alerts warning about fire hazards. In 2004, we responded to requests and distributed 321,000 publications that addressed fire-related hazards. The number distributed does not include those downloaded from http://www.cpsc.gov/cpscpub/pubs/pub_idx.html on

⁸ We issue recall alerts rather than a press release when the manufacturer or retailer has a record of all the purchasers of the recalled product and can contact them directly.

our Web site. The most requested distributed publications were: *Smoke Detectors Can Save Your Life*, *Home Fire Safety Checklist*, and *Home Safety Checklist for Older Consumers*.



KEEPING FAMILIES SAFE FROM ELECTROCUTIONS

THE HAZARD

In 2001⁹, there were about 180 deaths from consumer product-related electrocutions. Over 8 percent of the deaths were to children under 15 years old. In 2003, there were an estimated 6,200 product-related electric shock injuries. Total societal costs in the U.S. associated with consumer product-related electrocutions and electric shock are about \$1 billion. The Commission continues to receive reports of electrocution deaths from products such as house wiring, lamps and light fixtures, power tools, and small and large appliances.

Reducing the rate of deaths from electrocutions was a former strategic goal. Past efforts have been successful and the annual number of consumer product-related electrocutions has declined by 22 percent from 1994 to 2001. Past efforts may continue to produce results, particularly provisions in the National Electrical Code. We will continue work in this area, but not at the level of intensity of a strategic goal.

2006 ANNUAL ELECTROCUTION-RELATED GOALS

The annual performance goals and the accompanying activities represent planned actions before the agency knew the proposed 2006 resource level. By the beginning of the new fiscal year, we will adjust these performance goals to reflect the proposed 2006 resource level.

Annual Goals Summary		2001	2002	2003	2004	2005	2006
<i>Safety Standards</i>							
1. Complete data analysis and technical review activities	Goal	3	1	*	*	2	2
	Actual	1	1	--	--		
2. Monitor or participate in voluntary standards revisions	Goal	*	*	2	2	1	1
	Actual	2	4	2	2		
<i>Compliance</i>							
3. Pursue recall or other corrective actions	Goal	15	15	15 ^a	20 ^a	25 ^a	25 ^a
	Actual	13	31	18	35		

⁹2001 is the latest year for which fatality data is available.

Annual Goals Summary		2001	2002	2003	2004	2005	2006
<i>Consumer Information</i>							
4. Conduct public information efforts/partnerships	Goal	1	1	2	2	1	1
	Actual	1	3	2	2		
5. Issue press releases and recall alerts	Goal	8	8 ^b	8 ^b	15 ^{b,c}	15 ^{b,c}	15 ^{b,c}
	Actual	9	25	21	35		
6. Produce video news releases	Goal	1	1 ^b	1 ^b	2 ^b	1 ^b	1 ^b
	Actual	1	1	3	1		
7. Respond to requests for publications (in thousands)	Goal	45	45	60	80	80	80
	Actual	80	102	115.5	92		

*No goal established.

^a Estimate based on prior years' experience. The actual number of recalls, corrective actions, and standards monitored will depend on the mix of safety-related problems arising during the year.

^b These goals were changed to include all product hazards not just recalled products as in previous years.

^c This goal now includes recall alerts.

1. Complete 2 data analysis and technical review activities.

Electric Toys

The Office of Management and Budget recommended that CPSC conduct a more systematic review of its rules. In 2004, staff conducted a pilot study to examine the feasibility of such a review and during that process, identified the Electric Toy Regulation as a candidate for updating. Staff identified several changes that could be considered for the Electric Toy rule. In 2005, staff will complete draft recommendations for updates to the rule associated with outdated references to standards and improvements to certain warning labels.

Goal: In 2006, staff will conduct a technical assessment of related standards and review recommendations from interested parties to simplify the provisions for maximum allowable surface temperatures for electric toys, as well as other technical provisions in the rule. Staff will complete draft recommendations to change the requirements, as appropriate.

Self-Testing GFCIs

In 2005, CPSC staff will work with industry to define the characteristics of a self-testing GFCI, as well as the types of tests that should be considered in evaluation of prototype designs. A report describing the desired characteristics and recommended tests will be prepared.

Goal: In 2006, staff will investigate technically viable and economical solutions to development of a self-testing GFCI. If a viable solution is found, staff will work with a university or industry to construct and test a prototype design. A report of the technical approach used in prototype development,

along with a brief evaluation, will be prepared. In 2007, we will make recommendations for improvements to the voluntary standard, if appropriate.

2. Monitor or participate in voluntary standards revisions.

Voluntary Standards

Monitor or participate in the development or modification of 1 voluntary standard for ground fault circuit interrupters.

3. Pursue recalls or other corrective actions.

Recalls

Identify and act on products that present a risk of electrocution by seeking recalls or other corrective actions. In 2004, we pursued for recall or other corrective action 35 products that presented an electrocution hazard to consumers. These actions resulted in 34 recalls of over 1.7 million product units.

Alert the public to electrocution hazards through:

4. *Public Information Effort*

The CPSC will develop and distribute a poster for use by the Neighborhood Safety Network partners to keep consumers vigilant of electrocution and electric shock hazards on a topic such as ground fault circuit interrupters, old power tools, old hair dryers, or swimming pool electrical safety.

5. *Press Releases/Recall Alerts*

Issue an estimated 15 press releases and recall alerts for products presenting a risk of electrocution. In 2004, we issued 24 press releases and 11 recall alerts to warn the public about hazardous products that present risks of electrocution or electric shock hazards.

6. *Video News Releases*

Participate in the production of 1 video news release (VNR) for a product presenting a risk of electrocution. In 2004, we produced 1 VNR that addressed electrocution or electric shock hazards. This VNR reached a total potential audience of 2 million television viewers.

7. *Publications*

Respond to consumer requests for an estimated 80,000 safety alerts, checklists and booklets. In 2004, we responded to requests and distributed 92,000 publications that addressed electrocution hazards. The number distributed does not include those downloaded from our Web site at http://www.cpsc.gov/cpsc/pub/pubs/pub_idx.html. The most requested distributed publications were: *Childproofing Your Home-12 Safety Devices to Protect Your Children*, *Home*

Safety Checklist for Older Consumers, and Fire Safety Checklist for Older Consumers.

CHILDREN'S HAZARDS

INTRODUCTION

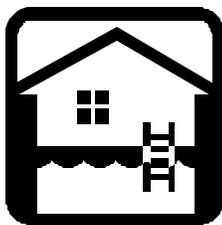
The hazards to children addressed in our second largest activity are associated with about 482 deaths, 425,000 injuries and societal costs of over \$25 billion each year. Our work on safety standards and compliance activities has reduced product-related hazards to children associated with such products as baby walkers, bunk beds, infant cribs, infant swings, infant car seat/carriers, playpens, playground equipment, toys and bicycles. We have identified strangulation, suffocation and entrapment risks to infants in their play and sleep environments. CPSC actions also addressed child strangulation from window blind cords and clothing drawstrings. In 2004, we obtained 92 recalls for toys and children's products involving about 11 million product units. We conducted consumer information campaigns to warn the public about hazards to children.

This performance plan sets annual goals for "Keeping Children Safe from Drowning," a new long-term goal in CPSC's Strategic Plan. We also continue to work on injuries related to other children's hazards, such as recalling toys with dangerous small parts and warning the public about hidden hazards related to children's play and sleep environment. The performance plan sets annual goals for these activities under "Keeping Children Safe from Other Hazards."

HAZARDS	2004 Actual		2005 Plan		2006 Request	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Child Drownings	5	\$782	17	\$2,147	15	\$2,066
Other	83	10,674	98	12,536	90	12,140
TOTAL	88	\$11,456	115	\$14,683	105	\$14,206

2006 RESOURCE CHANGES

Total dollars decrease by \$477,000 to reflect the program's share of the agency's 2006 resources. FTEs decrease by 10 to reflect a proportional share of the adjustments needed to meet funding levels and to reflect normal adjustments of staff time required to work on projects scheduled in 2006.



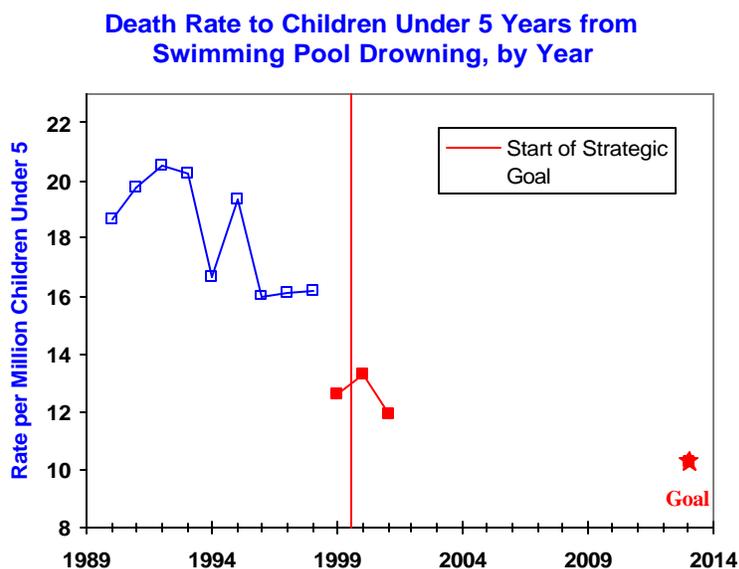
KEEPING CHILDREN SAFE FROM DROWNING

STRATEGIC GOAL: Reduce the rate of swimming pool and other at-home drownings of children under 5 years old by 20 percent¹⁰ from the 1999-2000 average by the year 2013.

THE HAZARD

An average of 242 children younger than 5 years of age drowned in swimming pools nationwide annually in 1999-2001. The total cost to the nation from child pool drownings and submersion injuries was nearly \$1.8 billion. Results of submersion injury incidents may range from irreversible brain damage to complete recovery. Most of these cases involve residential pools. Drowning in swimming pools may occur not just when a caregiver is outside or using the pool with a child, but also when young children leave the house without a parent or caregiver realizing it.

In addition, an average of 159 children under age 5 drowned annually in 1999-2001 from other hazards around the home. These deaths involved common household products, such as bathtubs (with and without bath seats), spas and hot tubs, buckets, toilets, and landscape ponds.



OUR PROGRESS. Child drowning prevention was developed as a new strategic goal for three main reasons: (1) the goal focuses on children, a vulnerable population; (2) drowning ranks second in causes of death to children in the home after suffocation hazards; and (3) proposed strategies show that a systematic approach appears to be potentially effective.

Pool-related child drowning rates declined by 12 percent from 1990 to 1998. From 1999 to 2001¹¹ pool

¹⁰The strategic plan (2003) had a target reduction of 10 percent. However, based on more current information, we have modified this target to 20 percent.

¹¹The discontinuity of rates from 1999-2001 and earlier years may be at least partially the result of a different method to determine the number of deaths from 1999-2001 than was used in the previous years. This different method includes two changes: a change in the International Classification of Diseases (ICD) and a change in methodology within CPSC.

and at-home drowning rates per million children under 5 appear to continue to decline with the 1999-2001 average of 12.6 for pool drownings and 8.2 for at-home drownings.

2006 ANNUAL DROWNING-RELATED GOALS

The annual performance goals and the accompanying activities represent planned actions before the agency knew the proposed 2006 resource level. By the beginning of the new fiscal year, we will adjust these performance goals to reflect the proposed 2006 resource level.

Annual Goals Summary		2001	2002	2003	2004	2005	2006
<i>Safety Standards</i>							
1. Complete testing, data collection, hazard analysis, or technical review activities	Goal	*	0	2	3	4	2
	Actual	--	0	2	3		
2. Monitor or participate in voluntary standards revisions	Goal	*	*	2	5	4	4
	Actual	2	2	2	5		
<i>Compliance</i>							
3. Pursue for recall or other corrective action	Goal	*	*	*	1 ^a	1 ^a	1 ^a
	Actual	0	2	1	1		
<i>Consumer Information</i>							
4. Conduct public information efforts	Goal	*	*	1	2	2	2
	Actual	--	2	1	2		
5. Issue press releases and recall alerts	Goal	*	*	*	2 ^{b,c}	2 ^{b,c}	2 ^{b,c}
	Actual	0	5	4	6		
6. Produce video news release	Goal	*	*	*	2 ^a	1 ^a	1 ^a
	Actual	0	1	2	2		
7. Respond to requests for publications (in thousands)	Goal	*	*	*	95	95	95
	Actual	97.5	107.5	123.5	99		

*No goal established. --Data not available.

^aEstimate based on prior years' experience. The actual number of recalls, corrective actions, and standards monitored will depend on the mix of safety-related problems arising during the year.

^bThese goals were changed to include all product hazards not just recalled products as in previous years.

^cThis goal now includes recall alerts.

1. Complete 2 testing, data collection, hazard analysis, or technical review activities.

Pool Safety Handbook

CPSC has developed two major publications to address safety issues associated with pools and spas. These publications, *Safety Barrier Guidelines for Home Pools* and *Guidelines for Entrapment Hazards: Making Pools and Spas Safer*, have been referenced in the building codes of many states and local jurisdictions.

Goal: Beginning in 2005 with completion in 2006, staff will combine and update the two documents to include current safe practices in new pool design and construction, information about minimum layers of protection, and CPSC staff findings on pool alarms, perimeter alarms, and current

applicable standards associated with pools and pool safety products. Staff intends for the publication to become a single reference/guideline on pool safety issues.

Sensor Technology

The CPSC staff believes that many hazards to consumers could be prevented if the conditions leading to these hazards were detected and addressed before an injury occurs. Current and emerging sensor technologies are highly sensitive to minute changes in physical movements and other physical parameters, potentially allowing for early detection and warning of many hazard scenarios associated with a broad range of consumer products, including drowning hazards with swimming pools and spas.

In 2005, staff will evaluate technologies capable of discriminating children from adults and assess some of the factors that affect continuous monitoring of areas, such as around pools and spas. Staff will also identify opportunities for development of demonstration projects that further the 2005 study and address new applications of child discrimination systems.

Goal: In 2006, staff will construct a simple demonstration system and address some of the factors that affect continuous monitoring of areas that can pose hazards to children. Aspects of a system such as reaction time, alert level, and raw data processing will be evaluated.

2. Monitor or participate in voluntary standards revisions.

Voluntary Standards

Monitor or participate in the development of or revisions to safety standards for the following 4 products: baby bath seats, pools/spas, suction release devices and swimming pool alarms.

3. Recalls

Identify and act on products that present a risk of drowning by obtaining 1 recall or other corrective action of a hazardous product that presents a substantial risk of drowning to children or violates CPSC's safety standards. In 2004, there was 1 recall of an inflatable water slide involving over 7,500 product units that presented a risk of drowning.

4. Conduct 2 public information efforts to warn about drowning hazards to children

Pool Drownings

CPSC will continue to issue its annual news release and VNR before Memorial Day to inform consumers about the drowning hazard to children at both public and home pools.

The safety information will highlight CPSC's revised *Guidelines for Entrapment Hazards: Making Pools and Spas Safer*. Field staff will make a minimum of 30 contacts nationwide with state and local pool inspectors, pool contractors or licensing bureaus to disseminate safety information for public and private pools, including CPSC's *Guidelines for Entrapment Hazards* mentioned above and our *Safety Barrier Guidelines for Home Pools*.

In-Home Drowning

The CPSC will continue to caution consumers about in-home drowning hazards for young children associated with any standing water such as buckets and bathtubs. As part of this effort, we will issue a poster for use by the Neighborhood Safety Network partners.

Alert the public to the hazards of drowning to children through:

5. *Press Releases/Recall Alerts* Issue an estimated 2 press releases or recall alerts to inform the public about hazardous products presenting a risk of drowning. In 2004, we issued 5 press releases for products such as child swim trainers.
6. *Video News Releases* Participate in the production of 1 video news release (VNR) related to the drowning hazard. 2004, we participated in the production of 2 VNRs that addressed child drowning prevention that reached a potential viewing audience of 5.6 million television viewers.
7. *Publications* Respond to consumer requests for a projected 95,000 checklists, booklets, and safety alerts warning about drowning hazards. In 2004, we responded to requests and distributed 99,000 publications that addressed child drowning hazards. The number distributed does not include those downloaded from our Web site at http://cpsc.gov/cpscpub/pubs/pub_idx.html. The most requested distributed publications were: *Safety Barrier Guidelines for Home Pools*, *Childproofing Your Home-12 Safety Devices to Protect Your Children*, and *Water Safety Tips: Baby Safety Month*.

KEEPING CHILDREN SAFE FROM OTHER HAZARDS

THE HAZARD

Non-drowning hazards to children are associated with a wide-range of consumer products. Examples include choking and suffocation hazards related to some children's toys; strangulation, suffocation and entrapment risks to infants in their play and sleep environments; strangulation from window blind cords and clothing drawstrings; and various hazards with infant products, such as highchairs and strollers. In 2006, planned activities will address about 81 annual child deaths and 423,000 injuries with societal costs of about \$23 billion.

Children's head injuries are also included in this hazard area. Reducing the rate of head injury to children was a former strategic goal, and we will continue to work on this hazard. We will continue to enforce the CPSC bicycle helmet standard and we will contribute to efforts advocating helmet use for bicycling and other recreational activities.

2006 ANNUAL GOALS FOR OTHER CHILDREN'S HAZARDS

The annual performance goals and the accompanying activities represent planned actions before the agency knew the proposed 2006 resource level. By the beginning of the new fiscal year, we will adjust these performance goals to reflect the proposed 2006 resource level.

Annual Goals Summary		2001	2002	2003	2004	2005	2006
<i>Safety Standards</i>							
1. Complete testing, data collection, hazard analysis, or technical review activities	Goal	4	8	2	6	7	2
	Actual	3	8	2	3		
2. Monitor or participate in voluntary standards revisions	Goal	*	*	28	27	27	28
	Actual	22	30	28	27		
<i>Compliance</i>							
3. Pursue for recall or other corrective action	Goal	*	270	225	250 ^a	285 ^a	285 ^a
	Actual	356	259	261	312		
4. Monitor existing voluntary standards	Goal	2	2	1	1 ^a	1 ^a	1 ^a
	Actual	1	3	1	2		
5. Conduct import surveillance	Goal	*	*	1	1 ^a	1 ^a	1 ^a
	Actual	1	1	1	1		
<i>Consumer Information.</i>							
6. Conduct public information efforts	Goal	4	3	5	7	5	5
	Actual	4	3	4	5		
7. Issue press releases and recall alerts	Goal	*	*	*	70 ^{b,c}	70 ^{b,c}	70 ^{b,c}
	Actual	79	62	69	89		

Annual Goals Summary		2001	2002	2003	2004	2005	2006
8. Produce video news releases	Goal	*	*	*	6 ^c	13 ^c	13 ^c
	Actual	13	7	7	4		
9. Respond to requests for publications (in thousands)	Goal	*	*	*	840	840	840
	Actual	902	896	852	699.5		

*No goal established for that year.

--Data not available.

^a Estimate based on prior years' experience. The actual number of recalls, corrective actions, monitoring, and surveillance activities will depend on the mix of safety-related problems arising during the year.

^b This goal now includes recall alerts.

^c These goals were changed to include all product hazards not just recalled products as in previous years.

1. Complete 2 testing, data collection, hazard analysis, or technical review activities.

Consumer Opinion Forum

CPSC staff frequently needs specific information about caregiver perceptions, attitudes, and behaviors related to products that may be hazardous to children, as well as other childcare issues affecting safety. The CPSC Web site provides a venue to solicit important information from consumers that, although not a statistical sample, can inform staff efforts in hazard identification and reduction, compliance and enforcement, and public education. In 2005, staff will develop a plan for obtaining consumer opinions and feedback on their perceptions, attitudes, and behaviors associated with consumer products. This feedback may also include consumer perceptions about the understandability of warning and instructional language.

Goal: In 2006, if approved by the Commission, the staff will seek OMB approval to seek consumer opinions and feedback about their perceptions, attitudes, and behaviors associated with consumer products. When approval is obtained, staff will implement the plan.

Riding Toys

70,600 injuries
(2003)

CPSC staff estimates that in 2003, there were 70,600 emergency room treated injuries to children under age 15 associated with riding toys and that the majority of the injuries were due to falls from these products. There is currently an ASTM voluntary standard in place to address unexpected tip-over incidents with riding toys.

Goal: In 2006, staff will further study fall scenarios to determine the share of the injuries which are attributable to product instability or other problems, and which incidents might be addressed through changes to existing voluntary standards. This may include conducting a NEISS study and hazard analysis of riding toy-related injuries, conducting on-

site follow-up investigations of certain incidents, and collecting samples from on-site investigations for testing. Staff will prepare a draft report summarizing the status of these activities.

2. Monitor or participate in voluntary standards revisions.

Voluntary Standards

Monitor or participate in the development of, or revisions to, 28 safety standards for children's products including playground equipment, baby walkers, toddler beds, infant carriers, and strollers.

Identify and act on products that present a risk of injury to children through:

3. *Recalls*

Pursue recalls or other corrective actions on hazardous products that present a substantial risk of injury (other than drowning in pools) to children or violate CPSC's safety standards. In 2004, we obtained 312 voluntary corrective actions for products that presented a substantial risk of injury to children or that violated mandatory safety standards. This included 91 recalls involving about 11 million product units.

4. *Voluntary Standards*

Monitor 1 existing voluntary standard likely to reduce children's deaths or injuries. In 2004, we conducted random undercover inspections on ATV dealers around the country to determine if they complied with the age recommendations in the promotion and sale of ATVs. Additionally, we also completed a conformance monitoring program for skateboard helmets.

5. *Import Surveillance*

Conduct 1 port-of-entry surveillance for children's products that present a substantial risk of injury to children. In 2004, we conducted 1 port-of-entry surveillance activity in this hazard area. In 2004, with increased support from U.S. Customs and Border Protection, we prevented about 160 shipments containing over 1.3 million units of toys and other children's products from entering the United States.

6. Conduct 5 public information efforts.

Back to School Safety

The CPSC is planning many coordinated activities to increase public awareness of child safety issues during the upcoming school year. Our campaign will continue to promote CPSC's *Back to School Safety Checklist* which offers tips on making schools, childcare facilities and playgrounds safer. We will issue a press release on back-to-school safety issues that includes safety tips to keep children

safe in our *ABC, 1-2-3, National Back-to-School Safety* program.

Field staff will conduct 30 school safety seminars nationwide in cooperation with state and local partners. The seminars will emphasize bicycle safety, helmet usage, scooter and skateboard safety, and other children's products related to school activities. We will also work with state and local partners to encourage parents, teachers and caregivers to look for hidden hazards.

Black History Month

The CPSC will use this opportunity to continue to warn consumers about the higher incidence of SIDS in African American populations. Through a news release and VNR, we will provide consumers with safety information to help reduce the suffocation hazards associated with some infant bedding products.

Annual Safety Round-Up

We will conduct our annual major safety round-up program focusing on recalled products still in the marketplace. For example, in 2005, we will conduct a major news event focusing on products that have been recalled and are in childcare settings. Campaign efforts will highlight the need for childcare providers to visit our Web site, www.cpsc.gov, and the www.recalls.gov Web site. We are also planning to develop safety posters with our Neighborhood Safety Network (NSN) partners. The CPSC will distribute childcare center safety checklists to state/local groups. Additionally, we will conduct 30 in-center product safety consultations and disseminate product safety information to child care centers nationwide. A similar program will be conducted in 2006.

Holiday Shopping Season/ Product Recall Roundup

During the fall holiday season, as part of our drive to remove recalled products from the public domain, we will continue to build upon the success of our Website, www.cpsc.gov and the www.recalls.gov Website for notifying consumers about recalls products. We will issue a news release to warn about the hazards associated with a wide-range of children's products such as toys, playgrounds, or infant products. We will also issue a VNR, safety poster and other materials as necessary for use at the grassroots level. Other regional activities will include such programs as local media interviews, and speaking engagements.

Home Playground Equipment

To support the release of CPSC's new *Handbook for Home Playground Equipment*, we will issue a news release and post other story suggestions on CPSC's Website "Press

Room.” The CPSC will distribute the *Home Playground Safety Handbook* to state and local partners in 54 states and territories.

Alert the public to the hazards of injuries to children through:

- 7. *Press Releases/Recall Alerts*** Issue an estimated 70 press releases and recall alerts to inform the public about products presenting a risk of injury to children. In 2004, we issued 73 press releases and 16 recall alerts to warn the public about products presenting a risk of injury to children.
- 8. *Video News Releases*** Participate in the production of 13 video news releases (VNRs) for products presenting a risk of injury to children. In 2004, we produced 4 VNRs that addressed other children's hazards and reached a total potential audience of 56 million television viewers.
- 9. *Publications*** Respond to consumer requests for a projected 840,000 checklists, booklets, and safety alerts warning about other children's hazards. In 2004, we responded to requests and distributed almost 700,000 publications that addressed other children's hazards. The most requested distributed publications were: *Childproofing Your Home - 12 Safety Devices to Protect Your Children*, *Child Care Safety Checklist*, and *The Safe Nursery: A Buyer's Guide*.

CHEMICAL HAZARDS

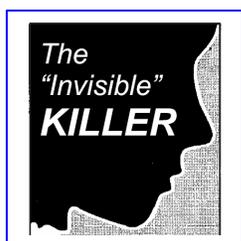
INTRODUCTION

In this program, we address two chemical hazard areas: carbon monoxide (CO) poisonings, a long-term goal in CPSC's Strategic Plan; and other chemical poisonings, such as child poisonings from drugs and other hazardous household substances.

HAZARDS	2004 Actual		2005 Plan		2006 Request	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Carbon Monoxide Poisonings	12	\$1,629	13	\$1,642	11	\$1,465
Other	49	6,561	40	5,335	40	5,714
TOTAL	61	\$8,190	53	\$6,977	51	\$7,179

2006 RESOURCE CHANGES

Total dollars increase by \$202,000 to reflect the program's share of the agency's 2006 resources. FTEs decrease by two to reflect a proportional share of the adjustments needed to meet funding levels and to reflect normal adjustments of staff time required to work on projects scheduled in 2006.



KEEPING FAMILIES SAFE FROM CARBON MONOXIDE POISONINGS

STRATEGIC GOAL: Reduce the rate of death from carbon monoxide poisoning by 20 percent from the 1999-2000 average by the year 2013.

THE HAZARD

Carbon monoxide (CO) is a poisonous gas that has no smell, color or taste -- truly an "invisible" killer. Burning any fuel, such as gas, oil, wood, or coal produces this gas, so that any fuel-burning appliance is a potential CO source. At certain higher concentrations in the blood CO can cause cognitive impairment, loss of consciousness, coma, and death.

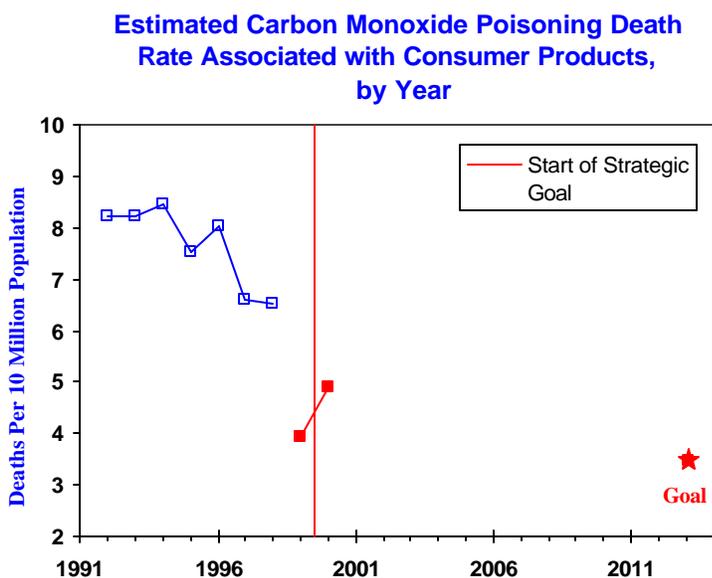
The latest available data show that from 1999-2001 an average of 126 people died annually from unintentional CO poisoning-related incidents, excluding incidents involving auto exhaust and fires, at a societal cost of approximately \$630 million each year. Because some symptoms of moderate CO poisoning may mimic common illnesses such

as influenza or colds, there may be a high incidence of missed initial diagnoses. Not only are victims frequently unaware of exposure to CO, but also health care providers may not suspect, or check for, CO poisoning. While some symptoms of CO poisoning are reversible, delayed neurological effects can develop following severe poisonings, especially those involving prolonged unconsciousness. Prompt medical attention is important to reduce the risk of permanent damage.

Most consumer product-related CO poisoning deaths are associated with the use of heating systems. Other consumer products associated with CO poisoning deaths include charcoal grills, gas water heaters, gas ranges and ovens, fuel-burning camping equipment, and engine-driven tools such as portable generators and power lawn mowers. Problems with chimneys, flues, or vents connected to fuel-burning products have also been mentioned in the fatal scenarios.

OUR PROGRESS

Under our previous Strategic Plan, we set a target to reduce the rate of CO poisoning deaths by 20 percent by 2004. We



reached our goal early – the death rate for CO poisonings was reduced by 22 percent by 1998. To further reduce the death rate, we decided to retain this strategic goal in our new Strategic Plan with a target of 20 percent reduction¹² by 2013 from the 1999-2000 average, the most recent death data available when the goal was set.

Estimated deaths from carbon monoxide poisonings decreased from over 210 deaths in 1992 to 180 deaths in 1998. The average estimated number of deaths for 1999-2001 was 126. The discontinuity of rates shown in the graph may be at

least partially due to a different method used to estimate the number of deaths starting in 1999 than was used in previous years.¹³

¹² This is a total CO death rate reduction of 40 percent from the time our first strategic plan went into effect.

¹³ The different method includes three changes: a change in the International Classification of Diseases (ICD), a change in methodology within CPSC, and inclusion of a new category of products in the estimates.

We used a number of interventions to help reduce these deaths including working with industry to encourage the development of new products to protect consumers from CO poisonings; working with industry to develop a voluntary performance standard for CO alarms; and warning the public about CO poisoning through information campaigns.

2006 ANNUAL CARBON MONOXIDE-RELATED GOALS

The annual performance goals and the accompanying activities represent planned actions before the agency knew the proposed 2006 resource level. By the beginning of the new fiscal year, we will adjust these performance goals to reflect the proposed 2006 resource level.

Annual Goals Summary		2001	2002	2003	2004	2005	2006
<i>Safety Standards</i>							
1. Prepare and present recommendations to voluntary standards/code organizations	Goal	1	*	3	3	1	2
	Actual	0	--	2	2		
2. Complete testing, data collection, hazard analysis, or technical review activities	Goal	1	3	2	*	3	*
	Actual	0	3	2	--		
3. Monitor or participate in voluntary standards revisions	Goal	*	*	4	3	3	3
	Actual	4	4	4	3		
<i>Compliance</i>							
4. Pursue for recall or other corrective action	Goal	2	2	2 ^a	2 ^a	2 ^a	2 ^a
	Actual	6	11	2	1		
5. Monitor existing voluntary standards	Goal	*	*	*	1	*	1
	Actual	--	--	0	0	--	
<i>Consumer Information</i>							
6. Conduct public information efforts/partnerships	Goal	2	1	3	3	2	2
	Actual	1	3	3	3		
7. Issue press releases and recall alerts	Goal	3	1 ^b	1 ^b	5 ^{b,c}	5 ^{b,c}	5 ^{b,c}
	Actual	3	8	6	7		
8. Produce video news release	Goal	*	*	*	1 ^b	1 ^b	1 ^b
	Actual	0	2	1	3		
9. Respond to requests for publications (in thousands)	Goal	50	50	50	65	65	65
	Actual	66.5	84.5	97	82.5		

*No goal established.

--Data not available

^a Estimate based on prior years' experience. The actual number of recalls and other corrective actions will depend on the mix of safety-related problems arising during the year.

^b This goal was changed to include all products not just recalled products as in previous years.

^c This goal now includes recall alerts.

1. Prepare and present 2 recommendations to voluntary standards/code organizations to strengthen or develop a voluntary standard.

CO Sensors for Vented Gas Appliances

(Carryover from 2004)

59 deaths (1999-2001 annual average)

There was an average of 59 non-fire related CO poisoning deaths associated with gas heating appliances from 1999 through 2001. Sandia National Laboratories (SNL) entered into an agreement with CPSC to develop one of its

microelectromechanical system (MEMS) sensor technologies to be used in a gas furnace. In 2005 staff will provide data that defines a furnace's operating environment to SNL for use in testing and will work with SNL to integrate a prototype MEMS sensor into a furnace to test it. Staff will also continue to work with industry to evaluate various sensors.

Goal: The original goal for 2004, to develop new recommendations based on 2005 work, will be completed in 2006. Staff will also continue to support and defend previous recommendations to require CO sensing technologies to be installed in ANSI gas-fired vented appliance standards.

Engine-Driven Tools

21 deaths
(1990 - 2001 annual average)

In 1999-2001, there were an average estimated 21 CO poisoning deaths per year associated with portable generators and other engine-driven tools. Work done to date by CPSC and other agencies (National Institute for Occupational Safety and Health, Centers for Disease Control and Prevention) indicates that better product warning language and development of engine control technologies are needed to reduce the CO poisoning hazard.

In 2004, staff made recommendations to improve the draft UL standard for portable generators. In addition, staff conducted testing of commercially available portable generators and completed modeling work to characterize the health hazard. Staff also held a public forum to help define the hazard and to discuss possible solutions to reduce the hazard. In 2005, staff will investigate the feasibility of technical solutions, such as interlocking shutdown devices, that will reduce the CO emission rate of generator engines and draft a report that addresses the feasibility of these solutions.

Goal: In 2006 staff will make recommendations to the appropriate voluntary standards to reduce the CO poisoning hazard, as warranted. Staff may also conduct follow-up work to that done in 2005 if necessary.

3. Monitor or participate in voluntary standards revisions.

Voluntary Standards

Monitor or participate in the development or modification of voluntary standards for 3 products: CO alarms, engine-driven tools, and CO sensors for gas-fired appliances.

- 4. *Recalls*** Identify and act on products that present a risk of death from CO poisoning by obtaining recalls or other corrective actions for 2 products that present a substantial risk of CO poisoning.
- In 2004, we obtained 1 recall involving about 72,000 carbon monoxide alarms because the alarms fail to detect CO after 1 year of operation due to an internal software problem. These CO alarms do not provide an “end of life” signal or other indication of inoperability, even if the test button is depressed.
- 5. *Voluntary Standards*** Monitor 1 existing voluntary standard related to carbon monoxide hazards.
- 6. *Conduct 2 public information efforts and/or partnerships with a trade association or safety advocacy group.***

Home Heating

To remind the public of the continuing threat of CO in the home, we will be planning several activities throughout the year to highlight the need for routine maintenance. At the beginning of home heating season we will issue a seasonal video news release to warn about CO hazards from home heating equipment. Throughout the year we will remind consumers of specific issues that include the need to change batteries in CO alarms and to have a routine furnace checkup completed. These activities may use posters, news releases and other similar media instruments.

Natural Disaster Awareness

During times when there is a loss of power, homeowners may be exposed to more risk of CO poisoning due to improper use of consumer products to heat and provide power to their homes. We will use news releases and VNRs to address the dangers of consumer product use in the home during hurricanes, tornadoes, floods and/or blizzards.

Alert the public to the hazards of CO poisoning deaths through:

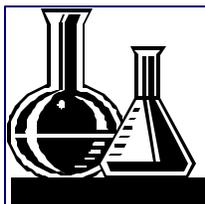
- 7. *Press Releases/Recall Alerts*** Issue an estimated 5 press releases or recall alerts for hazardous products presenting a risk of CO poisoning. In 2004, we issued 6 press releases and 1 recall alert for products presenting a risk of CO poisoning.
- 8. *Video News Releases*** Participate in the production of 1 video news release (VNR) for a product that presents a CO hazard. In 2004, we

produced 3 VNRs that addressed carbon monoxide poisoning hazards. These VNRs reached a total potential audience of 23 million television viewers.

9. *Publications*

Respond to consumer requests for an estimated 65,000 checklists, booklets, and safety alerts warning about CO poisoning hazards.

In 2004, we responded to requests and distributed 82,500 publications that addressed carbon monoxide poisoning hazards. The number of publications distributed does not include those downloaded from our Web site at http://www.cpsc.gov/cpsc/pub/pubs/pub_idx.html. The most requested distributed publications were: *The Invisible Killer (CO)*, *Childproofing Your Home - 12 Safety Devices to Protect Your Children*, and *Carbon Monoxide Questions and Answers*.



OTHER CHEMICAL HAZARDS

THE HAZARD

Each year, accidental ingestions of toxic household chemicals are associated with an average 30 deaths to children under age 5, and an estimated 74,000 children treated in emergency rooms. There are about 1 million calls to Poison Control Centers involving children younger than 5 years of age. CPSC is responsible for administering the *Poison Prevention Packaging Act (PPPA)*, which requires special child-resistant packaging for household substances that are hazardous to children. The Commission further seeks to reduce or prevent deaths or injuries due to other poisonings, ingestion, inhalation, or dermal exposure from use of consumer products. The costs of injuries and deaths associated with products in the chemical hazard area are estimated to be in the billions of dollars based on respiratory diseases alone.

We have also played a prominent role in protecting children from the risk of lead poisoning and other chemical hazards. For example, Commission action resulted in manufacturers eliminating the use of lead as a stabilizer in vinyl mini-blinds. We also developed and distributed guidance about lead on public playground equipment and children's jewelry; recalled crayons that contained hazardous levels of lead; recalled toys with lead paint; and issued a policy statement to manufacturers, retailers, distributors and importers urging them to eliminate the use of lead and hazardous liquids in children's products.

Maintaining the low death rate of unintentional poisonings to children from hazardous household chemicals was a former strategic goal. From 1994 to 2000, deaths to children younger than 5 years of age did not increase beyond 2.5 deaths per million children. We will continue to work on this hazard, but it will no longer be a strategic goal.

2006 ANNUAL GOALS FOR OTHER CHEMICAL HAZARDS

The annual performance goals and the accompanying activities represent planned actions before the agency knew the proposed 2006 resource level. By the beginning of the new fiscal year, we will adjust these performance goals to reflect the proposed 2006 resource level.

Annual Goals Summary		2001	2002	2003	2004	2005	2006
<i>Safety Standards</i>							
1. Prepare a notice of proposed rulemaking or a final rule	Goal	*	1	1	1	1	2
	Actual	1	1	0	1		
2. Complete testing, data collection, hazard analysis, or technical review activities	Goal	*	4	5	8	5	5
	Actual	--	3	5	8		
3. Monitor or participate in voluntary standards revisions	Goal	*	*	2	2	2	1
	Actual	2	1	2	2		
<i>Compliance</i>							
4. Pursue for recall or other corrective action	Goal	*	55	70	90 ^a	110 ^a	110 ^a
	Actual	79	166	122	132		
<i>Consumer Information</i>							
5. Conduct public information effort	Goal	1	1	1	1	1	1
	Actual	1	1	1	1		
6. Issue press releases and recall alerts	Goal	*	*	5 ^b	6 ^{b,c}	5 ^{b,c}	6 ^{b,c}
	Actual	11	8	11	16		
7. Produce video news releases	Goal	*	*	1 ^b	1 ^b	1 ^b	1 ^b
	Actual	1	2	3	2		
8. Respond to requests for publications (in thousands)	Goal	*	*	255	300	300	300
	Actual	356	350	311	277		

*No goal established for that year.

--Data not available.

^a Estimate based on the most recent 5 years of data. The actual number of recalls and other corrective actions will depend on the mix of safety-related problems arising during the year.

^b These goals were changed to include all hazardous products not just recalled products as in previous years.

^c This goal now includes recall alerts.

1. Prepare for Commission consideration 2 candidates for rulemaking or other alternatives.

Poison Prevention

31 deaths (2001)

74,000 injuries (2001)

The purpose of the project is to reduce injuries and deaths of children associated with ingestion of household chemicals. The project will continue to monitor ingestions of hazardous household chemicals and to assess them for the need for child-resistant packaging.

Goal: In 2006, staff will prepare a briefing package for Commission consideration regarding a notice of proposed rulemaking or a final rule for at least one hazardous substance.

Strong Sensitizer Definition

In 1986, the Commission issued a rule supplementing the definition of strong sensitizer found in the Federal Hazardous Substances Act (FHSA). The area of immunology has grown and changed since the 1986 rule and it is appropriate to update this definition, as it could be the basis for labeling and/or recalling consumer products. The purpose of this project is to formally review and revise accordingly the supplemental definitions of a sensitizer found in the FHSA regulations. This will involve input and review from experts in the fields of immunology.

Goal: In 2006, based on the results from a panel of experts on sensitizers convened in 2004-2005, staff may recommend that the Commission initiate rulemaking to modify the definition of strong sensitizer.

2. Complete 5 testing, data collection, hazard analysis, or technical review/report activities.

Chronic Hazard Guidelines

Work begun in 2004 and 2005 will continue in 2006 on the systematic review of the CPSC chronic hazard guidelines, with appropriate revisions to address scientific advances.

Goal: In 2006, staff will complete draft guidance on assessing possible neurotoxicants.

Emerging Hazards

Staff will continue screening data generated, compiled, or analyzed by the Environmental Protection Agency, National Toxicology Program, or International Agency of Research in Cancer for the purpose of identifying potential hazards in consumer products.

Goal: In 2006, staff will identify potential hazards for consideration as new projects or reviews under the toxicity assessment activity and prepare a report with recommendations for further action.

GHS Implementation and FHSA Labeling Guide Update

Goal: In 2006, staff will review options for implementation of the globally harmonized system (GHS) for chemical classification and labeling as it pertains to the FHSA and its regulations, as well as the existing (1979) FHSA guide for labeling chemicals. Staff will prepare a report summarizing its work in this area. In 2007, staff will make recommendations for changes, as needed, to reflect the GHS. It is anticipated that an updated labeling guide will emphasize the process for determining the proper labeling for a product, rather than providing labels for specific products.

Interagency Coordination

A number of new non-animal test methods (i.e., “alternative test methods”) have been under development and are likely to be sent to the Interagency Coordinating Committee on the Validation of Alternative Methods (ICCVAM) for validation and acceptance. The Commission is obligated by the ICCVAM Authorization Act to respond to each test method validated by ICCVAM.

Goal: In 2006, staff will continue to review alternative test methods that have been validated by the ICCVAM and will prepare a briefing package with a staff recommendation for Commission action regarding approval of an alternative test method, as warranted. Staff will also participate in interagency groups, including the National Toxicology Program, ICCVAM, and National Cancer Advisory Board.

Toxicity Assessment

Staff will address a broad spectrum of products and effects by continuing ongoing assessments and initiating new assessments depending on the identification of emerging hazards. Potential topics in 2006 include nanotechnology, ozone generators/air cleaners, perfluorooctanoic acid (PFOA) and substitutes, selected flame retardants, lead, and/or chromated copper arsenic substitutes.

Goal: Staff will complete at least one report or risk assessment under this activity in 2006.

3. Monitor or participate in voluntary standards revisions.*Voluntary Standards*

Monitor or participate in the development or modification of 1 voluntary standard related to child-resistant packaging.

4. Recalls

Identify and act on products that present a risk of death from other chemical hazards by pursuing 110 recalls or other corrective actions for violations of mandatory safety standards or for unregulated products that present a substantial risk of other chemical hazards.

In 2004, we pursued for recall or other corrective action 132 products that presented a risk from other chemical hazards. Of these, we obtained 23 recalls involving over 159 million product units presenting chemical hazards other than CO. In 2004, we had a large number of corrective actions for children’s jewelry containing lead, poison prevention packaging and art material labeling due to focused activities in those areas.

5. Conduct 1 public information effort/partnership.

Poison Prevention

During National Poison Prevention Week, we will issue a news release and coordinate a health and safety campaign by partnering with the Poison Prevention Week Council and related organizations to promote child-resistant packaging and other poison prevention measures. Throughout the year and during National Poison Prevention Week, field staff will promote the benefits of child-resistant packaging in preventing children's poisonings using activities such as radio interviews, local press publications, presentations to state and local product safety groups and partnering with other injury prevention organizations, as appropriate.

Alert the public to the hazards of other chemical hazards through:

6. *Press Releases/Recall Alerts* Issue an estimated 6 press releases or recall alerts to inform the public about hazardous products presenting a risk of other chemical hazards. In 2004, we issued 14 press releases and 2 recall alerts for products presenting a risk of other chemical hazards.
7. *Video News Release* Participate in the production of 1 video news release (VNR) on the hazards of unintentional poisonings to children. In 2004, we produced 2 VNRs that addressed other chemical hazards. These VNRs reached a total potential audience of 37.5 million television viewers.
8. *Publications* Respond to consumer requests for a projected 300,000 checklists, booklets, and safety alerts warning about other chemical hazards. In 2004, we responded to requests and distributed 277,000 publications that addressed other chemical hazards. The number distributed does not include those downloaded from our Web site at http://www.cpsc.gov/cpsc/pub/pubs/pub_idx.html. The most requested distributed publications were: *Protect Your Family from Lead in Your Home*, *Preventing Inhalant Abuse*, and *Poison Lookout Checklist*.



HOUSEHOLD AND RECREATION HAZARDS

INTRODUCTION

The household and recreation hazards addressed here are found throughout the nation's homes and affect many of our family activities. The resources used are small because some of the larger household and recreational hazards related to children's products or activities are covered under the activity *Reducing Hazards to Children*. The remaining household and recreational hazards covered under this activity include such products as lawn and garden equipment, power tools, and recreational equipment.

HAZARD	2004 Actual		2005 Plan		2006 Request	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Household and Recreation	53	\$6,722	42	\$5,408	47	\$6,518

2006 RESOURCE CHANGES

Total dollars increase by \$1.1 million to reflect the program's share of the agency's 2006 resources. FTEs increase by five to reflect a proportional share of the adjustments needed to meet funding levels and to reflect normal adjustments of staff time required to work on projects scheduled in 2006.

THE HAZARD

The annual societal cost to the nation of these hazards is at over \$70 billion. CPSC activities made significant contributions to household and recreation safety. For example, we improved lawn mower safety by establishing a standard addressing blade contact. We estimate that the lawn mower standard saves about \$1 billion in societal costs annually. The agency also has been a leader in urging consumers to use safety gear when participating in recreational activities, such as biking, in-line skating, skiing, and scooter riding. In 2004, we obtained 112 voluntary recalls of over 34 million non-complying or hazardous product units that presented a household or recreation hazard.

2006 ANNUAL GOALS FOR HOUSEHOLD AND RECREATION HAZARDS

The annual performance goals and the accompanying activities represent planned actions before the agency knew the proposed 2006 resource level. By the beginning of the new fiscal year, we will adjust these performance goals to reflect the proposed 2006 resource level.

Annual Goals Summary		2001	2002	2003	2004	2005	2006
Safety Standards							
1. Complete testing, data collection, hazard analysis, or technical review activities	Goal	*	2	2	4	5	6
	Actual	--	2	1	3		
2. Monitor or participate in voluntary standards revisions	Goal	*	*	11	14	17	11
	Actual	12	8	15	18		
Compliance							
3. Pursue for recall or other corrective action	Goal	*	30	45	80 ^a	100 ^a	100 ^a
	Actual	91	136	83	123		
4. Monitor or participate in existing voluntary standards	Goal	*	*	*	1	1	1
	Actual	--	--	0	0		
Consumer Information							
5. Conduct public information effort	Goal	*	*	*	1	2	2
	Actual	--	--	--	0		
6. Issue press releases and recall alerts	Goal	*	20 ^b	20 ^b	50 ^{b,c}	50 ^{b,c}	50 ^{b,c}
	Actual	45	65	49	86		
7. Produce video news releases	Goal	*	2 ^b	2 ^b	*	2 ^b	2 ^b
	Actual	3	3	2	--		
8. Respond to requests for publications (in thousands)	Goal	*	30	30	30	30	30
	Actual	34	32.5	46	49		

*No goal established for that year.

--Data not available.

^a Estimate based on prior years' experience. The actual number of recalls and other corrective actions will depend on the mix of safety-related problems arising during the year.

^b This goal was changed to include all hazardous products not just recalled products as in previous years.

^c This goal now includes recall alerts.

1. Complete 6 testing, data collection or hazard analysis activities to evaluate the need for, or adequacy of, safety standards.

ATV Data Update

Data on ATV deaths and injuries has been collected and updated annually since 1982. The report includes the total number of ATV related deaths, deaths by state, relative risk of death by year, annual estimates of ATV-related hospital emergency room treated injuries, and injuries distributed by year and age grouping.

Goal: Staff will complete the annual ATV data update report.

Bicycle Integrity/Illumination

80,000 injuries (2003)

The Federal bicycle regulation was developed by CPSC in the early 1970s and last amended by CPSC in 1981. Since then, the evolution of bicycle technology, especially in mountain and extreme downhill bicycles, and frame configurations, has led to advancements that are not currently covered by the Federal bicycle regulation. Voluntary standards coverage of new technology is emerging, but limited. Meanwhile, bicycle injury rates remain high.

While the majority of bicycle-related injuries occur during daylight hours, CPSC staff analysis found that a bicyclist is 2-4 times as likely to get killed while riding at night versus riding during the day. Staff research found that, while improvements to bicycle reflectors likely will not significantly improve nighttime conspicuity, a rear flashing light emitting diode (LED) bicycle light could significantly improve the bicycle's visibility. Over the past few years, advances in LED technology have resulted in affordable, brighter lights that use less battery power.

Goal: In 2006, staff will review the Federal bicycle regulation, ASTM and ISO standards and injury data. Based on the staff's evaluation, staff will selectively test bicycle components with the intent of developing specific recommendations for new provisions in voluntary and/or mandatory standards. In 2006, CPSC staff will also review the current data associated with nighttime bicycling, bicycle lighting standards, and the bicycle lighting market. Staff will initiate work with ASTM to develop minimum requirements for bicycle detection and recognition. This effort will continue in 2007.

Mobile Amusement Ride Data Update

The data for mobile amusement ride injuries and deaths is collected and updated annually and is a continuation of data reporting started in 1987. The data includes hospital emergency room treated injury estimates. Data is typically reported for non-occupational injuries in formats that present annual trends, seasonal trends, and injuries by age and sex, body part, diagnosis, and disposition.

Goal: Staff will complete the annual amusement ride data update report.

Senior Safety

7,500 fall-related deaths
in home settings
(ages 65 and over; 2003)

From 1997 to 2002, there has been an increase in injuries to the elderly. There were roughly 1.4 million emergency room-treated injuries to the elderly (ages 65 and older) in 2002. Twenty-three percent of these injuries were serious enough for the patient to be hospitalized, transferred, or held for observation. The proportion of older adults in the U.S. population continues to rise.

There exists a wealth of data on the compromised psychological, anthropometric, cognitive, sensory, and performance capabilities of older persons. The implications for increased potential hazards and injury to this vulnerable population are significant. Designing products and the environment for safety and easier use most typically results in outcomes that benefit all user populations. The human factors profession has long advocated “universal design,” a well-designed product that is not only easier to use and safer for someone who has compromised abilities, but also is easier to use for those who are fully capable. The outcomes of this project, therefore, while initiated for seniors, would ultimately serve all populations. In 2005, staff completed a hazard screening report for this population.

Goal: In 2006, staff will complete a human factors evaluation of data; identify potential design concepts that can reduce the risk of injury or death to this age group; and plan for the construction of prototype designs/concepts in the following year, as appropriate.

Sensor Technology (Riding Mower)

631 injuries
(children less than 15 years; 2002)

In 2002, there were an estimated 631 children under 15 years of age who were injured when a riding mower ran over them. Many injuries are caused by children running in front of an operating mower or walking unnoticed behind an in-service mower. About one-third of injuries were of a serious nature such as internal injuries or amputations, while the remaining victims suffered from contusions/ abrasions, fractures, lacerations, or other injuries.

Staff will explore the feasibility of an onboard interactive system for a typical riding lawn mower that will be capable of sensing and/or anticipating a potentially dangerous condition, quickly overriding the operator, and forcing the riding mower into a “safe” mode. In 2005, staff will perform data collection and analysis; define riding lawn mower, bystander, and operator motion and response parameters; define the specific hazards associated with the lawn mower; and determine the relative feasibility of solving the technical problems.

Goal: In 2006, staff will evaluate available technologies that have the potential to address identified hazards and design a test apparatus that will allow us to evaluate those technologies on a riding lawnmower. A report of this work will be completed in 2007.

Table/Portable Circular Saws

2 deaths (1991-2001 annual average)
54,300 injuries (2003)

Contact with the saw blade accounts for a major portion of the injuries associated with power saws. In some cases, consumers may have elected to remove the blade guard; in other cases, the blade guards have been properly installed, but prove to be cumbersome to the consumer during normal use of the saw, and/or introduce other problems (e.g., cause the material that is being cut to bind).

Goal: In 2006, staff will conduct a special study to determine the causes of contact with a power saw blade, and, specifically, the causal role the blade guard or its absence may have played in the injury. In addition to the special study, staff will perform laboratory analysis of applicable products, investigate methods to protect against the hazards, and evaluate the adequacy of the current voluntary standards. In 2007, staff will make recommendations for improvements to the standards, if warranted.

2. Monitor or participate in voluntary standards revisions.

Voluntary Standards

Monitor or participate in voluntary standards activities related to 11 products including ATVs, bicycles, chain saws, garage door operators, ride-on mowers, portable amusement rides, table and portable saws, motorized scooters, and hunting tree stands.

Identify and act on products that present a risk of household or recreation hazards through:

3. Recalls

Obtain 100 recalls or other corrective actions for violations of mandatory safety standards and for unregulated products that present substantial hazards.

In 2004, we pursued for recall or other corrective action 124 products that presented a risk from household and recreational hazards. Of these, we obtained 112 recalls involving over 34 million product units including decorative light bulbs, crock pot/slow cookers, TV/video cards, and lawn mowers.

4. *Monitor Voluntary Standards* Monitor 1 existing voluntary standard likely to reduce household, power tools, or sports and recreation related deaths or injuries.

5. Conduct 2 public information efforts to provide information to the public about mechanical hazards and prevention.

*All Terrain Vehicles (ATVs)
(Carryover from 2004)*

We will develop and conduct a major information and education campaign focusing on preventing injuries and deaths to both children and adults from ATVs similar to the campaign we developed in 2005. The 2005 campaign will focus specifically in states with the highest proportion of injuries and deaths. We will use a “train the trainer” methodology with state and local partners to provide the *ATV Safety Manual*. The manual is a teaching curriculum that contains interactive classroom activities that help youth participants learn about the risks associated with ATV use. Seminars using CPSC’s materials will be conducted by 4H groups, Boy Scouts, Girl Scouts, State Safety Fairs and other grassroots organizations. The campaign will also include a press release, a VNR on ATV hazards, and promote safety tips to help reduce the number of deaths and injuries. Field staff will disseminate the *ATV Handbook* in all 54 states and territories.

Safety for Older Consumers

The CPSC will highlight the safety risks to older consumers associated with living in older homes and having older products in the home, similar to the campaign in 2005. The 2005 outreach campaign has a dual focus, emphasizing the simple actions seniors can take to reduce the danger of slips and falls (mechanical hazards) as well as fire (fire hazards) in the home. The campaign may include a possible partnership with a senior-serving organization such as AARP, National Safety Council or CDC, a press conference, news release, and Neighborhood Safety Network poster. Through working with our state and local partners, we will educate the elderly to the preventative measures they can take in their everyday life to reduce the risk of injury. Field staff will work with state and local partners to conduct 30 Older Consumer Safety Seminars nationwide. Additionally, staff will develop an interactive *Older Consumer Safety Test* to educate the elderly about preventing slips and falls and fire safety.

Alert the public to the hazards of household and recreation hazards through:

6. *Press Releases/Recall Alerts* Issue an estimated 50 press releases and recall alerts to inform the public about products presenting a risk of a household or recreation hazard. In 2004, we issued 48 press

releases and 38 recall alerts for household and recreational products presenting hazards to consumers.

7. *Video News Releases*

Participate in the production of 2 video news releases (VNRs) for products presenting a risk of a household or recreation hazard. Recently, we produced two VNRs addressing household, recreation or sports-related hazards that reached a total potential audience of 41 million television viewers.

8. *Publications*

Respond to consumer requests for a projected 30,000 checklists, booklets, and safety alerts warning about household or recreation hazards. In 2004, we responded to requests and distributed 49,000 publications that addressed household and recreational hazards. The number of publications distributed does not include those downloaded from http://www.cpsc.gov/cpsc/pub/pubs/pub_idx.html at our Web site. The most requested distributed publications were: *Keep Active...Safe At Any Age*, *Home Safety Checklist for Older Consumers*, and *Use Your Head...Bike Helmets Flyer*.

BUDGET PROGRAM: Identifying Product Hazards

The work in this program provides the information needed to assess product hazards and apply hazard reduction strategies. The program has two activities: Data Collection and Emerging Hazards/Data Utility.

	2004 Actual		2005 Plan		2006 Request	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Data Collection	67	\$9,353	77	\$11,168	73	\$11,220
Emerging Hazards/Data Utility	18	1,782	11	1,424	11	1,533
TOTAL	85	\$11,135	88	\$12,592	84	\$12,753

2006 RESOURCE CHANGES

Total dollars increase by \$161,000 to reflect the program's share of the agency's 2006 resources and restoration of data collection support funds temporarily reduced in 2005. FTEs decrease by four to reflect a proportional share of the adjustments needed to meet funding levels and to reflect normal adjustments of staff time required to work on projects scheduled in 2006.

HOW WE IDENTIFY HAZARDS

CPSC collects data on consumer product-related injuries and deaths, as well as economic and hazard exposure information, for products under our jurisdiction. We also investigate specific injury cases to gain additional knowledge about injuries or hazards and how the reported product was involved. We systematically analyze this information to determine where hazards exist and how to address them. These activities reflect the agency's commitment to making decisions based on appropriate data analyses. This work provides underlying support to all the Commission's safety activities.

Product-Related Injuries. Each year, we collect information about product-related injuries treated in hospital emergency rooms through our National Electronic Injury Surveillance System (NEISS). This unique system provides statistically valid national estimates of product-related injuries from a probability sample of hospital emergency rooms and is the foundation for many Commission activities. Several foreign governments have modeled their national

injury data collection systems after the Commission's system. In 2006, NEISS will supply about 370,000 product-related cases from a sample of about 100 hospitals. The hospitals transmit incident information electronically, and in some cases, the data are available within 24 hours after an incident.

In 2000, NEISS was expanded to provide data on all trauma-related injuries. This expanded data provides other Federal agencies, researchers, and the public with more comprehensive information on injuries from all sources, not just consumer products. The Institute of Medicine recommended the expansion of NEISS into an all injury system. The effort is being supported by reimbursable funds of \$2 million from the Centers for Disease Control and Prevention. The reimbursable funds allow us to collect non-consumer product injury data, while we continue collecting product injury data with CPSC funds.

Product-Related Deaths. CPSC also collects mortality data. We purchase, review, and process about 8,000 death certificates each year covering unintentional product-related deaths from all 50 states. Our Medical Examiner and Coroner Alert Project collects and reviews approximately 3,600 additional reports from participating medical examiners and coroners throughout the country. We also collect and review about 7,000 news clips and 12,000 other reports of product-related injuries and deaths from consumers, lawyers, physicians, fire departments and others.

Fire-Related Injuries and Deaths. The new system for collecting fire death data is being re-evaluated in 2005 based on a review of the data collected on fires for 1999. Additional death data collection and investigation for this new system will be suspended pending this review, resulting in temporary cost savings. The new system involves collecting fire incident data from fire departments and death certificates with follow-up investigations of incidents. In 2006, we expect to resume collection and analysis of fire death data and will continue to collect and evaluate fire injury data. Reduction of fire deaths and injuries is a major effort by the agency and accurate data is critical.

Finally, we established the National Burn Center Reporting System in 2003 to capture data on clothing-related child burn injuries from the nation's burn treatment centers.

Data Utility/Emerging Hazards. CPSC staff is systematically reviewing death and injury data and associated cost data by product grouping (heating, cooking, ventilating equipment; general household appliances; children's products; home workshop tools, etc.) and conducting other emerging hazard reviews. We are conducting special studies in areas identified by the strategic planning process, data reviews or other staff activity. An investigation begins with careful review of all incoming reports to identify those most important for further study. These cases are followed up with a telephone interview and continued, if appropriate, with an on-site investigation when information is needed on how specific types of injuries occurred. The resulting information shows the interaction among the victim, the product, and the environment and forms the basis for developing appropriate remedial strategies. We also continue to screen all incoming data daily to identify products that may be associated with increasing numbers of injuries.

We continue to conduct economic studies to provide specialized economic information to the staff, Commissioners, other agencies, and the public. Staff develops injury cost projections to estimate potential benefits associated with agency actions. We generate estimates of products-in-use to determine potential recall effectiveness, consumer exposure to product hazards and to support agency hazard analysis work.

Finally, in response to petitions, staff may prepare briefing packages for Commission consideration to grant or deny the petitions. The public may file a petition requesting that the Commission regulate a consumer product under its jurisdiction.



DATA COLLECTION

THE PROGRAM

This program provides the information needed to assess product hazards and develop injury reduction strategies--it is the agency's early warning system.

The Commission collects data on consumer product-related injuries and deaths, as well as economic and hazard exposure information, for those products under our jurisdiction. We also investigate specific injury cases to gain additional knowledge about injuries or hazards and how the reported product was involved. These activities reflect the agency's commitment to making decisions based on appropriate data analyses. The work provides underlying support to all the Commission's Results Act activities.

In 2006, we will seek to continue strengthening our data collection and analysis process. Past improvements include the purchase of annual data on poisonings to children, a study of the long-term costs of head injuries, the implementation of a National Burn Center Reporting System, and the establishment of a new statistical system to collect fire death and injury data.

2006 ANNUAL GOALS

The annual performance goals and the accompanying activities represent planned actions before the agency knew the proposed 2006 resource level. By the beginning of the new fiscal year, we will adjust these performance goals to reflect the proposed 2006 resource level.

Hazard Identification and Data Collection Activities

Annual Goals Summary		2001	2002	2003	2004	2005	2006
1. Evaluate, train and audit each hospital in the NEISS sample	Goal	*	100%	100%	100%	100%	100%
	Actual	95%	100%	100%	98%		
2. Capture the product-related cases	Goal	*	90%	90%	90%	90%	90%
	Actual	93%	94%	94%	93%		
3. Complete headquarters telephone investigations in less than 45 business days	Goal	*	85%	85%	85%	90%	90%
	Actual	98%	95%	99%	100%		

Annual Goals Summary		2001	2002	2003	2004	2005	2006
4. Complete field telephone and onsite investigations in less than 45 business days	Goal	*	85%	85%	85%	90%	90%
	Actual	87%	89%	90%	90%		
5. Sustain the number of onsite investigations	Goal	*	*	*	1,200	1,200	1,500
	Actual	1,223	1,327	1,334	1,523		
6. Sustain the number of incident reports collected from medical examiners and coroners	Goal	*	2,800	3,600	3,600	3,600	3,600
	Actual	3,880	4,165	3,774	4,514		
7. Sustain the number of incident reports collected from news clips	Goal	*	5,000	6,000	7,000	7,000	7,000
	Actual	6,942	7,101	8,131	7,870		

*No goal established.

Maintain the quality of injury data by:

- Monitoring Hospitals*

Conduct at least one evaluation visit at each of the almost 100 hospitals in the NEISS sample. Evaluation visits provide CPSC staff an opportunity to review hospital records and assure that hospital coders are capturing and reporting data on the highest possible percentage of reportable cases.
- Capturing Product-Related Cases*

The results of the audits in each hospital should indicate that NEISS hospitals are reporting at least 90 percent of the product-related cases. A high reporting percentage is necessary to assure the integrity of the estimates. Remedial action would be instituted in any hospital missing significant numbers of reportable cases. In 2004, we reviewed 351,813 cases.

Identify and investigate product hazards in the field by:

- Telephone Investigations (Headquarters)*

Complete at least 90 percent of investigations in less than 45 business days. The headquarters telephone investigations provide valuable information on specific NEISS cases of interest to CPSC analysts. Analysts must receive these data as quickly as possible so that they can use the information to support hazard reduction activities. In 2004, we performed 1,294 telephone investigations.
- Telephone/Onsite Investigations (Field) - Timeliness*

Complete at least 90 percent of field investigations in less than 45 business days. The field investigations provide valuable information on cases of interest to CPSC analysts. Analysts must receive these data as quickly as possible so that they can use the information to support hazard reduction activities. In 2004, our field staff conducted 1,509 telephone investigations and 1,523 on-site investigations
- Onsite Investigations (Field)*

Sustain the number of onsite investigations completed by the field at 1,500. Sustaining the number of onsite investigations

will maintain both the timeliness and quality of our information.

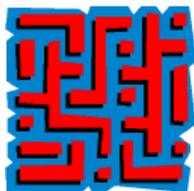
6. *Medical Examiner/Coroner Reports*

Sustain the number of medical examiner/coroner reports at 3,600. These reports provide critical information on product-related deaths. The data are especially valuable because they are generally received soon after the incident and provide some detail on how the incident occurred. In 2004, we reviewed 4,514 reports.

7. *News Clips*

Sustain the number of incident reports from news clips at 7,000 clips. CPSC relies on clips from newspapers in all 50 states to identify incidents of special interest in local areas. These clips provide many reports of product-related deaths, serious injuries and hazardous fires. The reports fill gaps in reporting from other data systems and provide a very important source of incidents to investigate in support of hazard identification and analysis activities. In 2004, we reviewed 7,870 incident reports.

DATA UTILITY



STRATEGIC GOAL: Improve the utility of CPSC's data through 2009 by developing and implementing a more systematic method to identify new strategic goal areas, hazard reduction projects, and remedial actions.

THE PROGRAM

Improvements in the overall utility of CPSC data are necessary for the agency to focus its limited resources effectively. To improve the utility of the data, we will more systematically review and analyze death and injury data and identify areas where we must obtain more information in order to develop effective strategies to reduce deaths and injuries.

Each year CPSC collects incident data involving consumer products. Incidents are screened on a daily basis and routinely summarized. Selected incident information is expanded by conducting follow-up investigations of individual incidents, either by telephone or through on-site visits. The follow-up investigations provide an opportunity to examine the interaction between the product involved in the incident, the environment in which the incident occurred, and the injured person.

While these methods have worked effectively in the past, increasingly limited resources require that we target agency efforts more systematically and prioritize our efforts through the strategic planning process. Staff has developed and implemented a new data review system that will identify promising strategic goal areas and hazard reduction projects for future incorporation into our Strategic Plan, as well as provide insight into potential remedial actions.

2006 ANNUAL GOALS

The annual performance goals and the accompanying activities represent planned actions before the agency knew the proposed 2006 resource level. By the beginning of the new fiscal year, we will adjust these performance goals to reflect the proposed 2006 resource level.

Annual Goals Summary		2001	2002	2003	2004	2005	2006
1. Complete analysis of product areas and other emerging hazard reviews	Goal	*	*	2	4	4	4
	Actual	--	--	2	5		
2. Conduct special studies	Goal	*	*	*	1	2	2
	Actual	--	--	--	1		
3. Conduct special economic studies	Goal	*	*	*	10	10	8
	Actual	9	19	9	10		
4. Respond to petitions	Goal	*	*	*	3	3 ^a	3 ^a
	Actual	5	3	4	5		

*No goal established.

--Data not available.

^aThis goal is an estimate based on prior years' experience. The actual number of petition responses will be based on the number of petitions the Commission receives and other safety-related issues that arise during the year.

1. *Product Area/Emerging Hazard Analyses*

Staff will conduct systematic reviews of injury, incident, death, market and cost data on a variety of product-related hazard areas and conduct other emerging hazard reviews. As appropriate, injury and death data, poison control center data, market/exposure data, toxicity data, medical/physiological/engineering analysis, literature searches, and laboratory assessment will be used to identify and evaluate new and existing hazards. In 2004, five reports were completed: Toys; Nursery Products; Outdoor Equipment Used by Children; Team Sports; and Injuries to the Elderly. These reports and two earlier reports on Yard and Garden Equipment and on Workshop Tools have resulted in four new projects for 2006.

2. *Special Studies*

Staff will conduct special studies such as those using telephone interviews and on-site investigations to determine the circumstances surrounding injuries or deaths associated with a product or hazard of interest. In 2004, we completed a special data collection study on fireworks. This study provided detailed information on hazard patterns, fireworks devices and injuries.

3. *Special Economic Studies*

Staff will conduct 8 economic studies to provide: injury cost estimates; estimates of product life and numbers in use; general and small business impacts, such as production costs and competition; environmental impact; labeling and recall costs. Staff will maintain econometric models through periodic review to assure that methodological approaches and models are current and adequate for use by CPSC.

4. *Petitions*

In 2006, staff will prepare 3 briefing packages in response to petitions. In 2004, staff prepared 5 briefing packages in response to petitions on latex, bunk bed cornerposts, hunting tree stands, labeling of weight lifting bench press benches, and cigarette lighters.

Quality and Management Goals

INTRODUCTION

In support of our two core budget programs, “Reducing Hazards to Children and Families” and “Identifying Product Hazards,” we conduct activities designed to maintain and improve outstanding agency service and management. In the area of Service Quality, we focus on ways to better provide industry service, satisfy our customers, and improve the quality of our data. We established both long-term strategic goals and annual performance goals in each service quality area. We also established annual management performance goals in response to the President’s Management Agenda.

These activities are in support of our core program effort, thus the resources devoted to the Quality and Management Goals are also included in the resources shown earlier for the core programs. Increases in dollar resources reflect the prorated share of the agency request to maintain current services, as well as other programs.

	2004 Estimate*		2005 Plan		2006 Request	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Data Quality	0.5	\$60	2	\$250	2	\$262
Industry Services	15	1,485	15	1,555	14	1,519
Customer Satisfaction	17	2,346	15	2,104	14	2,054
President’s Management Agenda	5	481	8	883	7	809
TOTAL	37.5	\$4,372	40	\$4,792	37	\$4,644

* Estimates used because our project reporting system does not cover these cross-program activities.

Note: These resources shown are also included in the program resources for the agency’s two major programs: Reducing Hazards to Children and Families and Identifying Product Hazards.

2006 RESOURCE CHANGES

Total dollars decrease by \$148,000 to reflect the program’s share of the agency’s 2006 resources. FTEs decrease by three to reflect a proportional share of the adjustments needed to meet funding levels.

DATA QUALITY



STRATEGIC GOAL: Improve the quality of CPSC's data through 2009 by improving the accuracy, consistency, security, and completeness of CPSC's data.

THE PROGRAM

Improvements in the overall quality of CPSC data are necessary if the agency is to be able to continue to achieve its mission in the future, both in the near term and in the long run. The quality of in-house databases that track agency activity needs to be upgraded and better maintained. Failure to improve these basic operations could present significant risks to future agency functioning.

Data Quality refers to fitness-of-use, including accuracy and reliability, of the data held within our computer systems. Further evaluation of our data systems would, for example, determine whether the data had been entered accurately, are internally consistent and complete, and are secure. While most of CPSC's data systems already meet these criteria, a few do not. To improve data quality in these areas, we will need to determine what problems exist and find data quality tools, policies, and processes to improve these systems.

CPSC plans to evaluate at least one major data system, identify remedial strategies, and seek to acquire needed software and/or hardware in 2005. We plan to implement changes beginning in 2006 and continue the evaluation of other data systems.

2006 ANNUAL GOALS

The annual performance goals and the accompanying activities represent planned actions before the agency knew the proposed 2006 resource level. By the beginning of the new fiscal year, we will adjust these performance goals to reflect the proposed 2006 resource level.

Annual Goals Summary		2001	2002	2003	2004	2005	2006
1. Identify, develop and implement improvement activities resulting from assessment recommendations	Goal	*	*	*	*	*	1
	Actual	--	--	--	--	--	
2. Conduct data quality planning activities	Goal	*	*	*	1	1	1
	Actual	--	--	0	1		
3. Identify, develop, and implement activities for data quality improvement	Goal	*	*	*	2	3	3
	Actual	--	--	0	1		

*No goal established.

--Data not available.

1. Identify, develop, and implement improvement activities resulting from assessment recommendations.

Improvement Plan

Last year's assessment activities will result in a Barriers and Costs report for improving our initial database being shared with management. They will choose several tasks to pursue in early 2006. In 2006, an implementation plan describing the improvement tasks and a timeline necessary to implement the selected improvements will be completed soon afterwards.

Implementation Activities

Improvement tasks on our first database will be implemented starting in 2006. Depending on the tasks selected, the full implementation of all data improvement tasks may not be completed until 2007.

2. Conduct data quality planning activities.

Assessment Plan

In 2006, staff will develop an assessment plan on our second candidate database. It will detail the assessment tasks, resources to complete those tasks, and a timeline for completion. The completion of this assessment will result in a Barriers and Costs report that will allow management to choose from the improvement tasks based on current resource levels.

3. Identify, develop, and implement assessment activities for data quality improvement.

Baseline Data

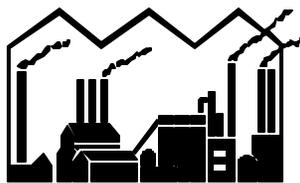
Data quality is being defined by characteristics such as: utility, accuracy, consistency, completeness and security of the database. In 2006, the team will collect several different sources of performance data on the selected second database and its use. We will use this data to develop an overall baseline from which we will investigate possible improvements.

Data Assessment

In 2006, the team will analyze the baseline data and describe the overall condition of the second database and associated processes. This task will result in a baseline report that all stakeholders will have the opportunity to review and critique.

Barriers and Costs

The baseline report may result in ideas for improvement that will need to be evaluated for barriers and cost. Some of these barriers could include high workload, objectives that reward productivity over data quality, or inadequate computer software or hardware. In 2006, the team will review identified barriers and assess the benefits and costs of performing each suggested improvement. From this review, a list of improvement tasks will be ranked for feasibility and overall need, as warranted.



INDUSTRY SERVICES

STRATEGIC GOAL: Maintain success with the timeliness and usefulness of the Fast-Track Product Recall and the Small Business Ombudsman programs for industry through 2010.

THE PROGRAM

The Commission's Compliance function ensures that firms comply with the laws, regulations and safety standards that protect consumers from hazardous and defective products. When a violation of a safety standard is found or a defective product is identified, we work cooperatively and quickly with industry to obtain an appropriate corrective action, which can include recall of the hazardous product.

We administer two programs to assist industry: the Fast-Track Product Recall (Fast-Track) and Small Business Ombudsman programs. Under the Fast-Track program, a firm that reports a hazardous product and recalls it quickly avoids an agency staff preliminary determination that their product presents a substantial risk of injury. Other advantages of this program for industry include reductions in paperwork, red tape, and legal expenses related to the recall of potentially defective products. For CPSC, advantages of this program include removing hazardous products from consumers and the marketplace more quickly and a reduction in staff time to process the recall. To date, 947 firms have participated in the program, resulting in 1,465 product recalls involving over 174.2 million product units. The Fast-Track program has been cited as outstanding by both government and private organizations.

With the Small Business Ombudsman program, we help small businesses comply more easily with product safety guidelines and manufacture safer products. This program provides firms with a single point of contact that expedites a clearly understandable response from our technical staff. To date, we have helped over 2,000 small businesses through CPSC's Ombudsman. Our program was cited in the National Ombudsman Report to Congress on Regulatory Fairness as one of the best programs in the Federal Government.

2006 ANNUAL GOALS

The annual performance goals and the accompanying activities represent planned actions before the agency knew the proposed 2006 resource level. By the beginning of the new fiscal year, we will adjust these performance goals to reflect the proposed 2006 resource level.

Annual Goals Summary		2001	2002	2003	2004	2005	2006
1. Initiate a recall within 20 days	Goal	90%	90%	90%	95%	95%	95%
	Actual	95%	95%	95%	96%		
2. Respond to requests within 3 business days	Goal	80%	80%	80%	80%	80%	80%
	Actual	79%	99%	88%	82%		
3. Develop guidance documents	Goal	10	5	5	5	5	5
	Actual	10	5	7	8		

1. *Fast Track Timeliness*

Complete a technical review and initiate a recall within 20 days 95 percent of the time for the Fast-Track Program. In 2004, Fast Track recalls were initiated within 20 business days 96 percent of the time.

2. *Ombudsman Timeliness*

Respond to requests from small businesses through the CPSC Small Business Ombudsman within 3 business days 80 percent of the time. In 2004, we responded to requests from Small Businesses within three business days 82 percent of the time.

3. *Guidance Documents*

In 2006, we will continue the effort begun in 2000 to develop brief guides or other guidance documents for CPSC regulations, where most of our compliance efforts have been targeted, so that industry can quickly and easily understand how to comply. Five additional guidance documents will be developed to explain regulations, other policies, or procedures; or assist industry in complying with CPSC regulations. In 2004, we posted 8 guides to the CPSC Web site, including guidance on toy premiums, lead in candy wrappers, and the equivalency of methenamine pills for testing carpets and rugs.



CUSTOMER SATISFACTION WITH CPSC SERVICES

STRATEGIC GOAL: Sustain the high level of customer satisfaction with the CPSC Web site, hotline, Clearinghouse, and State Partnership Program at 90 percent or better through the year 2010.

THE PROGRAM

In addition to our work reducing hazards associated with consumer products, we provide additional services to the public in the form of information services, including the agency's Internet Web site, hotline, the National Injury Information Clearinghouse, and the State Partners Program. These resources are used both to provide safety information to, and receive information from, the public. Customer satisfaction with these services is vital if CPSC is to fulfill its mission.

Our Web site (www.cpsc.gov) provides Internet access to CPSC resources and allows the public to view information about recalled products, report unsafe product incidents, request information, and download safety information. The hotline is a toll-free service that allows consumers to report product complaints or product-related injuries, learn about recalls and safety hazards, and obtain safety publications. The National Injury Information Clearinghouse provides data to the public in response to over 3,000 requests each year. It also alerts manufacturers to potential hazards associated with their products, providing them with consumer complaints, reported incidents and accident investigations involving their products. Our State Partners Program, using limited CPSC funds and CPSC-developed safety information, brings product safety services to consumers through cooperative programs with state and local governments. The program extends our reach throughout the nation.

2006 ANNUAL CUSTOMER SATISFACTION GOALS

The annual performance goals and the accompanying activities represent planned actions before the agency knew the proposed 2006 resource level. By the beginning of the new fiscal year, we will adjust these performance goals to reflect the proposed 2006 resource level.

Annual Goals Summary		2001	2002	2003	2004	2005	2006
<i>CPSC Web Site</i>							
1. CPSC Web site visits (in millions)	Goal	4.0	7.0	8.0	10.0	11.0	12.0
	Actual	6.3	7.9	9.2	11.9		
<i>Hotline Services (1-800-638-2772)</i>							
2. Respond to voicemail messages the next business day	Goal	85%	85%	85%	85%	85%	85%
	Actual	79%	86%	92%	96%		
3. Process incident reports within 8 working hours	Goal	85%	85%	85%	90%	95%	95%
	Actual	99%	100%	100%	100%		
4. Maintain the number of emails processed (in thousands)	Goal	*	*	*	12	9.5	9.5
	Actual	12.2	15.5	12	9.7		
<i>National Injury Information Clearinghouse</i>							
5. Mail incident information for verification to consumers within 2 business days	Goal	95% ^a	95% ^a	95%	95%	95%	95%
	Actual	100%	100%	98%	99%		
6. Provide manufacturers with verified incidents and investigations within 48 business days	Goal	90%	90%	90%	90%	90%	90%
	Actual	--	79%	95%	95%		
7. Provide responses to requests within 5 business days	Goal	95%	95%	95%	95%	95%	95%
	Actual	97%	96%	97%	97%		
<i>State Partners Program</i>							
8. Conduct product safety activities	Goal	50	50	50	150	120	120
	Actual	140	140	287	195		
9. Conduct recall checks, inspections, and investigations within 90 days	Goal	*	900	900	740	740	740
	Actual	985	979	924	1,180		
10. Conduct Recall Round-Up seminars	Goal	*	*	*	30	30	30
	Actual	--	--	--	40		

*No goal established.

^aGoal was for consumer complaints reported through the hotline only; starting in 2003, we now include those reported from all sources.

1. Web Site Visits

CPSC's Web site (www.cpsc.gov) was established to widen and speed public access to important safety information. The site started out simply, allowing for the retrieval of basic information such as press releases (usually announcing product recalls) and the agency's public meeting calendar. Over time, new features have been added, such as allowing the public to make online reports of product hazards and providing the ability to search and download data from our National Emergency Information Surveillance System (NEISS).

The number of users of the Web site has grown rapidly from about 200,000 visits in 1997 to about 11 million visits in 2004. In 2006, we anticipate that we will have 12 million visitors to CPSC's Web site.

2. *Voicemail*

The hotline maintains high levels of customer satisfaction through administering a performance-based contract for hotline operators who deal directly with the public. Under this type of contract, we evaluate the performance and renew the contract only if the performance level meets or exceeds the standards set forth in the contract. This includes maintaining the hotline automated message system, maintaining the system for responding to e-mail messages, and preparing reports on consumer usage of these systems. Hotline staff will respond to voicemail messages the next business day 85 percent of the time. In 2004, staff received nearly 2,224 messages from the public through voicemail

3. *Incident Reports*

Consumers may make a complaint of an unsafe product or product-related injury through the hotline. We then send a copy of the report to the consumer for confirmation of the information recorded by the hotline staff. In 2003, hotline staff processed 4,000 complaints about consumer products and 100% were completed within 8 working hours. Staff uses these complaints to look for emerging hazards and to support studies of specific product hazards. In 2006, staff will process product incident reports within 8 working hours 95 percent of the time.

4. *E-mail*

Hotline staff responds to e-mail messages sent to info@cps.gov, which is available through our Web site. Some of these e-mails are forwarded to technical and legal staff, as appropriate, for response. In 2004, we received 9,705 e-mail inquiries from the public. In 2006, we will maintain the number of e-mails that are processed by hotline staff.

5. *Consumer Confirmation*

The Clearinghouse contacts consumers to request verification of information contained in reports of unsafe products they submit to us through our consumer hotline, the Internet, or by mail. Requests for verification are mailed to consumers within 48 hours after the report arrives in the Clearinghouse. In 2004, we sent over 10,000 reports to consumers for verification and 99 percent were completed within two business days. In 2006, staff will mail incident report verification information to consumers within 2 business days at least 95 percent of the time.

6. *Manufacturer Mailing*

The incidents from consumers and investigation reports from CPSC's field staff are sent to manufacturers whose products are named in these reports. Consumer verification information and manufacturer responses are also made available to staff electronically for review. In 2004, we mailed more than 10,500 reports to manufacturers and 95 percent were completed within 48 business days. In 2006, staff will provide reported incidents and completed investigation results to manufacturers of identified products within 48 business days of receiving the reports in the Clearinghouse 90 percent of the time.

7. *Information Requests*

The Clearinghouse provides the public with technical information relating to the prevention of death and injury associated with consumer products. Requests for injury data are assigned to technical information specialists who search agency databases and publications to tailor responses to each customer's needs. Most of the 3,000 requests received on average each year are completed within five business days. In 2004, staff provided responses 97 percent of the time within 5 business days. In 2006, staff will provide responses to requests for information within 5 business days at least 95 percent of the time.

8. *Product Safety Activities*

CPSC's State Partners program works in cooperation with a group of state and local officials to deliver CPSC services to consumers. Most of these cooperative activities at the state level complement those performed by the Commission's field staff and are done at little or no cost to the Federal Government. In 2006, staff will conduct 120 product safety activities including media events, congressional contacts, public information seminars and safety consultations.

9. *Assignments*

Conduct at least 740 State Partners recall checks, inspections, and in-depth injury investigations to support CPSC priorities within 90 days of assignment.

10. *Safety-Round-Up*

Develop and implement an annual safety campaign in 2006. For example, in 2004, we concentrated on a Recall Round-Up program partnering with Safe Kids and the National Association of Retail and Thrift Stores (NARTS) to conduct 30 safety seminars nationwide for thrift stores' management. The safety seminars are designed to create an environment where the secondary marketplace becomes more aware of dangerous consumer products and does not accept dangerous products; examines and screens for dangerous products

identified from the CPSC Web site; and encourages removal and destruction of dangerous products that do not meet government safety standards and have reached its store shelves.



PRESIDENT'S MANAGEMENT AGENDA

INTRODUCTION

The President envisions a government that has a citizen-based focus, is results-oriented and market-based. To improve the functioning of Federal Government and to achieve efficiencies in its operations, the President has highlighted five government-wide management initiatives. They are Strategic Management of Human Capital, Competitive Sourcing, Improved Financial Performance, Expanded Electronic Government, and Budget and Performance Integration.

The Commission has taken a number of steps to support the management initiatives in the areas delineated in the President's Management Agenda, which allow us to achieve our goals while managing public resources with prudence.

The annual performance goals and the accompanying activities represent planned actions before the agency knew the proposed 2006 resource level. By the beginning of the new fiscal year, we will adjust these performance goals to reflect the proposed 2006 resource level.

STRATEGIC MANAGEMENT OF HUMAN CAPITAL

THE PROGRAM

The President's Management Agenda calls for the government to focus on the hiring, training, and retention of well-qualified individuals and to assure that the organizational structure is efficient and citizen-centered. CPSC employs a diverse and knowledge-based workforce composed of individuals with a broad spectrum of technical and program skills and institutional memory. They are the agency's human capital, its greatest asset. The President's Management Agenda recognizes the importance of the strategic management of human capital and set standards for success in "Getting to Green" as follows:

- The agency's human capital strategy is aligned with mission, goals, and organization objectives by: integrating human capital into the Budget and Strategic Plans; being

consistent with the Office of Personnel Management's (OPM) human capital scorecard; and complying with standards for internal accountability systems;

- The agency has a citizen-centered organizational structure that is de-layered and oriented toward performing the mission assigned to it;
- The agency sustains a high-performing workforce that is continually improving in productivity; strategically uses existing personnel flexibilities, tools, and technologies; and implements effective succession plans;
- No skill gaps/deficiencies exist in mission critical occupations;
- The agency differentiates between high and low performers through appropriate incentives and rewards; and,
- Changes in agency workforce skill mix and organizational structure reflect increased emphasis on E-Government and competitive sourcing.

The Commission has already begun work on improving strategic management in this area. Through our previous Strategic Plan and Annual Plans (see Managing Human Capital), staff set goals for enhancing the recruitment and development of a diverse workforce. We have also addressed reducing the number of managers, organizational layers and the time to make decisions.

For example, CPSC's telecommuting initiative in the field allowed us to reduce the number of supervisors and organizational layers, and placed field investigators in more locations, bringing them closer to consumers and businesses. We have also developed an Intranet system to allow employees fuller access to the work of the organization and to help capture the knowledge and skills of our employees.

2006 ANNUAL GOALS

Annual Goals Summary		2001	2002	2003	2004	2005	2006
1. Develop and implement a human capital scorecard	Goal	*	*	*	1	1	1
	Actual	--	--	--	1		
2. Modify the SES appraisal system to include progress toward meeting Results Act goals and the President's Management Agenda	Goal	*	*	*	1	1	1
	Actual	--	--	--	1		
3. Identify skill gaps and develop training plans	Goal	*	*	*	*	1	1
	Actual	--	--	--	--		
4. Maintain the recruitment process time	Goal	*	62	62	62	62	62
	Actual	65	61	51	60		
5. Conduct training for managers in human resource management	Goal	*	2	2	2	1	2
	Actual	0	2	2	3		
6. Conduct focus groups of new employees	Goal	*	2	2	2	2	1
	Actual	0	2	2	2		
7. Target recruitment efforts to organizations serving under-represented populations	Goal	*	10	10	10	12	12
	Actual	0	11	12	12		
8. Conduct training sessions for employees in EEO/AEP responsibilities	Goal	*	3	3	3	3	3
	Actual	0	4	8	10		
9. Promote representation of Hispanics and individuals with disabilities	Goal	*	5	5	5	5	5
	Actual	0	6	7	12		
10. Develop and implement the Training Plan	Goal	*	*	**	1	1	1
	Actual	--	--	--	1		
11. Identify and promote low/no cost training	Goal	*	1	1	1	1	1
	Actual	--	1	1	1		

*No goal established.

--Data not available.

1. *Human Capital Scorecard*

In 2004, CPSC developed a scorecard. In 2005, we will implement a scorecard that is consistent with the OPM recommended Human Capital Scorecard. The scorecard will measure our progress on how well CPSC can assess and improve skills, communications, leadership and teamwork that are required to carry out our strategic mission. The scorecard will provide a method for accountability and a way for CPSC to improve its management of human resources. In 2006, we will continue using the scorecard and assess the results from 2005.

2. *Appraisal System*

We revised CPSC's Senior Executive Service (SES) Performance Management System performance elements and standards in 2004 to include measures of success in meeting agency goals in our annual performance plans. In 2005, we will revise the elements and standards for the remainder of the employees. In 2006, we will monitor the use of the SES performance elements and standards and implement the modified elements and standards for the remainder of the employees.

- 3. *Skills Analyses*** In 2004, we developed competencies for mission critical positions. In 2005 and 2006, we will identify skill gaps and develop training plans for the mission critical positions to assure we have well qualified individuals performing the strategic mission of the agency. Additionally, in 2006, we will develop a succession plan to ensure continued development of current employees as well as targeted recruitment for mission critical positions.
- 4. *Recruitment Time*** Maintain the recruitment process time, calculated as the difference in the number of days between the recruitment request and the candidate selection date. We calculated an average of 60 days for 2004. This number is below the 2002 government average of 102 days and a reduction from the 1999 average process time of 72 days.
- 5. *Human Resource Training*** Conduct training for managers in human resource management. This would include topics such as recruitment, performance management, incentive programs, and other human resource procedures.
- 6. *Focus Groups*** Conduct 1 focus group of new employees to learn from their experience and determine how to improve our recruitment process.
- 7. *Target Recruitment*** Target 12 recruitment efforts to organizations serving under-represented populations. Contacts will be made to organizations serving under-represented populations such as Hispanic-serving institutions, Hispanic Association of Colleges and Universities (HACU), Hispanic Outreach Leadership Alliance (HOLA), League of United Latin American Citizens (LULAC), and the President's Committee for People with Disabilities.
- 8. *EEO/AEP Training*** Conduct 3 training sessions for the workforce in their EEO/AEP responsibilities. Training will continue to emphasize the shared responsibility for developing and implementing a successful CPSC Federal Equal Opportunity Recruitment Plan.
- 9. *Promote Representation*** Accomplish at least 5 initiatives to promote representation of Hispanics and individuals with disabilities. Examples of these new initiatives are mentoring programs, student summer hires, employee training programs, and disability and diversity awareness programs.

10. Training Plan

In 2004, the Director of Human Resources developed a draft coordinated training plan for the agency to be implemented beginning in 2005. This multi-year plan consists of benchmarks, such as defining and identifying core positions, designing training plans for some of the core positions; and identifying common agency training needs. In 2006, we will continue with the implementation and monitor the use of the agency's training plan.

11. Low/No Cost Training

Identify and promote no or low cost training opportunities such as periodic Small Agency Council training sessions, and on-line training.

COMPETITIVE SOURCING**THE PROGRAM**

The President is promoting competition between public and private sources to achieve the goals of reduced costs and higher efficiency and effectiveness. The standards for success for "Getting to Green" under the President's Management Agenda for Competitive Sourcing are:

- Complete public-private or direct conversion competition on not less than 50 percent of the full-time equivalent employees listed on the approved FAIR Act inventories
- Conduct competitions pursuant to an approved competition plan.

The Commission has previously contracted for commercial performance the equivalent of 50 FTEs. To meet the President's Competitive Sourcing goals CPSC plans to complete the following goals in 2006:

2006 ANNUAL GOALS

Annual Goals Summary		2001	2002	2003	2004	2005	2006
12. Review and revise the annual Fair Act Inventory as appropriate	Goal	*	*	1	1	1	1
	Actual	1	1	1	1		
13. Complete performance work statements and cost statements for activities in the Fair Act Inventory annually	Goal	*	*	*	20%	20%	40%
	Actual	--	--	--	0%		
14. Complete competitions for activities in the Fair Act Inventory	Goal	*	*	*	*	20%	40%
	Actual	--	--	--	--		

*No goal established.

--Data not available.

12. FAIR Act Inventories

We have published an inventory as required by the *Federal Activities Inventory Reform Act (FAIR)* each year since 1999.

We reviewed all positions in the agency. We find that the majority of CPSC employees are engaged in the governmental public safety function of investigating product hazards and developing product standards.

We currently contract for most of our commercial services. For example, CPSC contracts for mail and driver services, laborer services, and copy and library services. We also contract for our consumer hotline operation, data screening for NEISS, and much of our computer programming and help desk operations. In addition, we contract for specialized commercial reviews, such as bankruptcy experts, during the course of our investigations. We also contract out for operations of various major administrative systems such as payroll, finance, human resources, and procurement. We estimate that these contracts represent the equivalent of 50 FTEs already contracted out.

In our 2004 inventory, we determined that an additional 17 employees over and above the 50 that are already contracted out may be performing commercial activities under the definitions in the FAIR Act and OMB Circular A-76 (Revised). In 2005 and 2006, we will review and revise the FAIR Act inventory, as appropriate.

13. *Performance Statements*

In 2004, we began developing agency procedures to implement revised OMB Circular A-76. We expect to complete these procedures in 2005. Through 2006, we will complete performance work statements and cost statements for at least 40 percent of the activities in our FAIR Act inventory. Work has been delayed due to reorganizations in the candidate activities, actual and potential changes in Circular A-76, and other workload demands.

14. *Competition*

In 2004, we began developing agency procedures to implement revised OMB Circular A-76. We expect to complete these procedures in 2005. Through 2006, we plan to complete competitions following these procedures for a total of at least 40 percent of the activities in our FAIR Act inventory. Work has been delayed due to reorganizations in the candidate activities, actual and potential changes in Circular A-76, and other workload demands.

IMPROVED FINANCIAL PERFORMANCE

THE PROGRAM

The President has made “Improved Financial Management” a core element in his five-part Management Agenda for making the government more focused on citizens and results. The standards for success for “Getting to Green” under the President’s Management Agenda for Improved Financial Performance are:

- Financial management systems that meet Federal financial management system requirements and applicable Federal accounting and transaction standards;
- Accurate and timely financial information; and
- Integrated financial and performance management systems that support day-to-day operations.

CPSC exhibited its successful financial management by issuing the agency’s 2004 Performance and Accountability Report (PAR) by the accelerated deadline of November 15, 2004 and receiving a clean audit of our 2004 financial statements.

To meet the President’s Management Agenda Financial Management goals, and to better meet the mission of the agency, CPSC has initiated, or is expanding, several activities. These are described below:

2006 ANNUAL GOALS

Annual Goals Summary		2001	2002	2003	2004	2005	2006
15. Monitor financial management systems that meet Federal requirements and standards (Letter of Assurance)	Goal	*	*	*	1	1	1
	Actual	1	1	1	1		
16. Implement a data warehouse capability	Goal	*	*	*	1	1	1
	Actual	--	--	--	0		
17. Reduce or maintain the number of business days after month-end to produce monthly financial reports	Goal	*	*	*	3	3	3
	Actual	5	5	3	3		

*No goal established.

--Data not available.

15. Financial Management Systems

In 2001, CPSC implemented a new core accounting system, the Federal Financial System (FFS), contracted from the Department of Interior’s National Business Center, a major provider of Federal accounting services meeting all Federal accounting system requirements and standards. FFS is fully compliant with requirements for accuracy and timeliness. In 2005 and 2006, CPSC will continue to monitor the system to

ensure continued compliance with all applicable Federal regulations and standards. This will be documented in the staff annual letter of assurance.

16. *Data Warehouse Capability*

The Federal Financial System (FFS) described above was designed expressly for government accounting, integrated budget execution, and reporting. Key management data are readily accessible through on-line views and download capabilities. The data from FFS include information from subsystems such as accounts payable, accounts receivable, and purchasing. However, accessing these data can be time-consuming and prone to error through manual processing, and does not allow for error classification and analysis.

Fortunately, these data are also optionally available in FFS in a data warehouse, providing information easily accessed with standard report and query tools. The FFS data warehouse provides reporting from summary to detail level. In 2004, we pilot-tested this capability. In 2005, CPSC plans to train allowance holder staff in other CPSC offices and fully implement this warehouse capability in 2006.

17. *Information Timeliness*

Currently we provide monthly financial reports throughout the agency by the 3rd business day, on average, after the close of the month. In 2004, we began pilot-testing electronic transmission of FFS reports with full implementation expected in 2005. In 2006, we will evaluate reporting needs in order to improve on-demand access to financial information.

EXPANDED ELECTRONIC GOVERNMENT

THE PROGRAM

CPSC's mission of protecting the public against potential hazards continues to be increasingly dependent on information technology and electronic communications. In addition, the President has included "Expanding E-Gov" in his Management Agenda to make the government more focused on citizens and results with these goals:

- Make it easy for citizens to obtain service and interact with the Federal Government;
- Improve government efficiency and effectiveness; and
- Improve government's responsiveness to citizens.

To meet each of the President's Management Agenda goals, and to better meet the mission of the agency, CPSC must be "customer-centric," meaning that we must create the environment for understanding and improving the customer

relationship. To facilitate this improved relationship, customers are categorized as follows to help us identify common approaches: Government-to-Citizen, Government-to-Business, and Government-to-Government. In addition, we must continue to improve our key business areas through Internal Efficiency and Effectiveness initiatives. To achieve this improvement, we have identified funding goals to replace our IT network and move to a Web-based environment.

2006 ANNUAL GOALS

Annual Goals Summary		2001	2002	2003	2004	2005	2006
18. Develop Internet application allowing direct government-to-citizen access	Goal	*	*	*	1	1	1
	Actual	--	--	--	1		
19. Implement XML based application to improve government-to-business communication	Goal	*	*	*	1	1	1
	Actual	--	--	--	1		
20. Develop and implement technologies to allow secure access and transfer of information government-to-government	Goal	*	*	*	1	1	1
	Actual	--	--	--	1		
21. Reduce the weaknesses identified in the 2001 GISRA audit to improve internal efficiency and effectiveness	Goal	*	*	*	2	1	1
	Actual	--	2	5	2		

*No goal established.
 --Data not available.

18. Government-To-Citizen (G2C)

Government-to-citizen initiatives seek to provide one-stop, on-line access by citizens to benefits and services. They also bring modern management tools to improve the quality and efficiency of service. Citizens can currently request technical, scientific, legal, program, and policy data from CPSC through the Freedom of Information Act. In 2004, we implemented an on-line FOIA request form for use by the public. In addition to making a request using this form, the public can also access additional FOIA information through CPSC’s Web site. However, this FOIA information is currently not always easy to find because of the quantity of information available. In 2004, we also improved public access to FOIA information on the Web site by implementing a new, easier-to-use FOIA information retrieval system. In 2005, we will begin developing a new feature for citizens who use our Web site frequently to check on specific information. The new feature will allow visitors to our Web site to customize their view of our Web site so that they can get to the information they want quickly and easily. Full implementation is scheduled for 2006.

**19. *Government-To-Business
(G2B)***

Government-to-business initiatives will reduce the burden on business by adopting processes that dramatically reduce redundant data collection, provide one-stop streamlined support for businesses and enable digital communications with businesses. Currently businesses have difficulty finding applicable regulations and Federal Register (FR) notices on the Web site because of the large number of regulations and notices available. In 2004, we introduced a regulation retrieval system to allow visitors to retrieve regulatory information by specific products. Under the CPSC Flammable Fabrics Act, manufacturers are required to update their information periodically. To date, this has been done using a hard-copy paper system. In 2005 and 2006, we plan to develop and introduce an on-line filing system for manufacturers as an alternative to the paper system.

**20. *Government-To-Government
(G2G)***

Government-to-government initiatives will enable sharing and integration of federal, state and local data. Recently completed CPSC initiatives include: the www.recalls.gov website, a one-stop site that provides the most up-to-date information on recalls developed in partnership with the Food and Drug Administration, the U.S. Coast Guard, the National Highway Traffic Safety Administration, the U. S. Department of Agriculture and the Environmental Protection Agency – completed in 2003; (2) an XML-based news feed that provides media and web masters with the latest CPSC recall notices within minutes of their release, completed in 2004; and an application that enables CPSC's state partners to electronically report recall effectiveness information that they provide us under contract, completed in 2004.

In 2005 we plan improvements to www.recalls.gov which will make it easier for participating agencies to enter their recall information. In 2006, we will plan to extend this cooperative arrangement to include an email subscription list further enhancing participating agencies' ability to disseminate important safety information.

**21. *Internal Efficiency and
Effectiveness (IEE)***

Internal Efficiency and Effectiveness initiatives bring commercial best practices to key government operations, particularly information security, supply chain management, human capital management, financial management and document workflow. The increase in computer viruses, hacker attempts and potential physical threats put both internal and external CPSC interactions at risk and reduce government-to-employee efficiency and effectiveness. A successful E-Gov strategy must deploy effective security

controls into government processes and systems. In 2004, we began implementation of our Business Continuity Plan (BCP), a requirement under the Federal Information Security Management Act (FISMA) which includes a disaster recovery plan. Implementation of the disaster recovery plan began in 2004. In 2005 and 2006, we will continue to implement one of the BCP's recommended security actions.

Budget and Performance Integration

THE PROGRAM

Improvements in the other areas of the President's Management Agenda – human capital, competitive sourcing, improved financial performance and expanded electronic government – will be much more effective if they are linked to results. To provide a greater focus on performance, the Administration plans to integrate performance review with budget decisions.

The standards for success for “Getting to Green” for Budget and Performance Integration are as follows:

- Integrated planning/evaluation and budget staff work with program managers to create an integrated plan/budget;
- Streamlined, clear, integrated agency plans set forth outcome goals, output targets and resources requested in context of past results;
- Budget accounts, staff, and specifically program activities are aligned to support achieving program targets;
- Full budgetary cost is charged to mission accounts and activities; and
- The agency has performed evaluations of program effectiveness.

We believe CPSC has already met most of these standards. To integrate performance review with budget decisions we have taken a number of steps, including (1) changing internal databases to capture performance by strategic goal, (2) developing a system for resource allocation by strategic goal for direct and indirect costs, (3) adding resource allocations (FTE, costs) for each strategic goal to the performance plan, and (4) combining the performance plan and budget request. In addition, we have realigned our budget programs to match our strategic goals. Both the Office of the Budget and the Office of Planning and Evaluation work together under the direction of the Office of the Executive Director to provide a comprehensive and cohesive integration of budget and

performance. Finally, CPSC exhibited its successful integration of budget, financial, and performance data issuing the agency’s 2004 Performance and Accountability Report (PAR) by the accelerated deadline of November 15, 2004.

2006 ANNUAL GOALS

Annual Goals Summary		2001	2002	2003	2004	2005	2006
22. Perform program evaluations	Goal	7	7	8	7	8	5
	Actual	5	4	8	5		

22. Program Evaluations

We believe that our annual budget and performance plans make the agency performance-oriented by showing progress achieved on our hazard reduction goals, quality and management goals. However, for continued improvement, we must evaluate our programs and therefore will continue to set goals for performing specific evaluations as indicated in the Performance Evaluation section of this plan.

PROGRAM EVALUATIONS

Program evaluations used to develop the Strategic Plan. Strategic targets for the extent of injury and death reductions in each hazard area were based on statistical analyses of data and staff expertise. We calculated 10-year trends of injuries and deaths at both the product and hazard levels. Staff experts in each hazard area set specific targets after assessing the potential actions of the Commission and the effect of joint efforts with other organizations and industry. They also made assumptions concerning the outcomes of potential technical feasibility studies.

Customer service/satisfaction and human capital goals were based on information from surveys and tracking systems, as well as staff expertise as to what could be accomplished in a given time span.

Future program evaluations. Injury and death reduction strategic goals will have two types of evaluations: yearly tracking of injuries and deaths at the hazard level and evaluations of injury and death reductions associated with specific products at appropriate time intervals. The timing for evaluating injury and death reductions depends, in part, on how long consumers keep specific products. Evaluations at the product level will be conducted when consumers are expected to have replaced a substantial proportion of older products with safer products. We derive estimates of the extent to which safer products have replaced older products using CPSC's Product Life Model.

Customer service/customer satisfaction goals will also have two types of evaluations: (1) tracking of customer service standards and activities and (2) assessments of consumers and industry. Tracking will be evaluated annually, while assessments are planned to be implemented on a cycle of every three years. An overall plan for future evaluations is provided in Table A.

A. Reducing Fire-Related Deaths

- 2001: Evaluated changes to fire-related death data from the revised coding system
- 2002: Tracked fireworks-related deaths
- 2003: Tracked fire-related deaths
- 2003: Tracked fireworks-related deaths
- 2004: Tracked fire-related deaths
- 2004: Tracked fireworks-related deaths
- 2005: Tracking of fire-related deaths
- 2005: Tracking of fireworks-related deaths
- 2006: Tracking of fire-related deaths
- 2006: Tracking of fireworks-related deaths
- 2006: Impact evaluation of product(s) with fire-related hazards

B. Reducing Child Drowning

- 2005: Tracking of child drowning deaths
- 2006: Tracking of child drowning deaths

C. Reducing CO Poisoning Deaths

- 2001: Evaluated changes to CO-poisoning data from the revised coding system

2003: Tracked CO deaths
2004: Tracked CO deaths
2005: Program evaluation of CO poisoning deaths
2005: Tracking of CO deaths
2006: Tracking of CO deaths

D. Assessments by Industry

2001: Fast-Track, Ombudsman
2004: Fast-Track
2005 Ombudsman

E. Customer Satisfaction

2002: Hotline, Clearinghouse, State Partners
2005: Hotline, Clearinghouse, State Partners, Web Site

**Table A
Schedule of Evaluations**

Strategic Goals	Issues	General Scope	Procedures	
			Method	Time
Hazards Fire Child Drownings Carbon Monoxide	Reduce the rate of death	National estimates of deaths	1. Hazard Surveillance (NFIRS, NCHS)* 2. Evaluation of specific products – tracking Before/after studies.	1. Annually 2. As appropriate
Customer/Industry Services Hotline Clearinghouse State Partners Web Site Industry	1. Timeliness standards met 2. Satisfaction with CPSC’s services	1. Population of users 2. Random sample of users	1. Logs 2. Interviews; mail surveys	1. Annually 2. Every 3 years
Critical Management Utility Quality	1. Identify potential hazard reduction projects and/or strategic goals 2. Accuracy, security and completeness of databases	1. Number of goals and projects 2. Selected in-house databases	1. Candidate goals, projects produced 2. Reduction in database errors, penetrations, etc.	1. Annually 2. As appropriate

* National Fire Incident Reporting System (NFIRS), National Center for Health Statistics (NCHS).

VERIFICATION AND VALIDATION

This section describes the means by which we will verify and validate the results of our annual performance measurement. Each annual goal was set by targeting or projecting a number of activities to be completed in 2006. We provide a complete list of performance measures with corresponding databases and verification procedures in Table C. We also provide further descriptions separately for: (A) goals set for reducing product-related injuries and deaths for each of the three core functions (Safety Standards, Compliance, and Consumer Information) and (B) service quality/customer satisfaction goals.

A. Annual Goals for Reducing Hazards to Children and Families

1. Safety Standards

- *Targeted performance goals for: (a) rulemaking activities, (b) recommendations sent to voluntary standards groups, national or international code groups, (c) assessments completed (hazard analyses, data collection, technical feasibility studies), and (d) monitoring of voluntary standards revisions.*

Performance measures: The number of completed activities in each category.

Database: Milestone tracking systems record, including a quarterly voluntary standards tracking report, the completion dates for significant activities, such as Commission briefings, recommendations sent to voluntary standards committees, and completed reports.

Verification: Review by senior managers and a formal clearance process, resulting in publicly available, official, dated documents.

2. Compliance

- *Estimated performance goals for recalls and corrective actions for unregulated products.*

Performance measures: The number of recalls and corrective actions completed, business days to implement a recall, and business days for final approval of all notification actions for Fast-Track cases.

Database: The Compliance Corrective Actions (CCA) database tracks these performance measures.

Verification: Internal consistency checks, required fields, automatic generation of data reports, reviews of each action by senior managers.

- *Projected performance goals: (1) violations and recalls for regulated products and (2) voluntary standard conformance by hazard area.*

Performance measures: The number of violative products identified, corrected, or recalled.

Database: CPSC's Integrated Field System (IFS) is used to track violations and recalls for regulated products and the monitoring of conformance to voluntary standards.

Verification: Internal consistency checks, required fields, automatic generation of data reports, reviews of each action by senior managers.

3. Consumer Information

- *Projected performance goals for number of press releases by hazard area.*

Performance measures: Number of press releases for each hazard.

Database: The Press Release (PRE) database records all press releases issued by the Commission by hazard area. They are placed on our Web site the day they are issued.

Verification: Check a random sample of press releases for written description of the hazard.

- *Performance goals for Video News Releases.*

Performance measures: Number of video news releases by hazard area.

Database: All information about video news releases is tracked in the Video News Release (VNR) file log, both for VNRs developed with our resources and those produced by manufacturers in cooperation with us.

Verification: The number of VNRs and related information are reported to us through communications contractors who distribute the VNRs to television stations by satellite. Check of contractor reports with database information.

- *Performance goals: for responding to the public's request for publications. [Note that each CPSC publication has been classified by the hazard addressed.]*

Performance measures: Number of publications with safety information in each hazard area.

Database: The Inventory of Publications database tracks the number of each publication distributed to requestors.

Verification: This information is reported to us by the Department of Health and Human Services that stores and distributes our publications. Check of hard copy with database information.

B. Annual Goals for Identifying Product Hazards

1. Hazard Identification and Data Collection

- *Targeted performance goals for: (a) collecting data from NEISS hospitals, telephone and onsite investigations, medical examiners and coroners, and newsclips, (b) evaluating, training and auditing NEISS hospitals.*

Performance measures: The number of completed activities or percent of hospitals visited in each.

Database: The NEISS, IPII (Injury or Potential Injury Incidents), INDP (In-depth Investigations), and NARS (NEISS Administrative Record System) databases track these performance measures.

Verification: Internal quality control process.

C. Annual Goals for Service Quality and Customer Satisfaction

- *Performance goals for contacts with the public and timeliness of CPSC actions.*

Performance measure: The number of Web site contacts and timeliness checks.

Verification: These performance measures are all stored electronically and are either automatically generated by contractors (Web and hotline), or automatically generated through our programming.

- *Performance goals for number of business days for technical review.*

Performance measures: Number of business days for CPSC to provide a technical response to small business callers.

Database: Number of business days is generated automatically in the Ombudsman database.

Verification: Manager review.

- *Performance goals: customer satisfaction and industry assessments.*

Performance measures: Percent of customers satisfied with our services; improvements made based on stakeholders' suggestions.

Verification: Standardized surveys and interviews based on census or sample of respondents.

Table B
Verification and Validation of Performance Measures for Annual Goals

Type of Performance Measure	Performance Measure	Database	Verification/Validation
Results-Oriented Goals			
Candidates for Commission consideration	Number of Commission briefing packages	Milestone tracking	Official documents
Voluntary standards development or changes	Number of recommendations	Milestone tracking	Official documents
National codes changes	Number of recommendations	Milestone tracking	Official documents
Model legislation	Number of reports completed	Milestone tracking	Official documents
Hazard/cost analyses, data collection	Number of reports completed	Milestone tracking	Official documents
Technical feasibility studies	Number of actions	Milestone tracking	Official documents
Recalls or other corrective actions	Number of actions	IFS, CCA*	Manager review
Voluntary standards (VS) monitored	Number of VS monitored	IFS, official documents	Manager review
Public information efforts	Number of efforts	Milestone tracking	Official documents
Press releases	Number of releases	PRE*	Official documents
Video news releases (VNR)	Number of VNRs	VNR file log	Contractor report
Publications	Number of requests	Inventory	Contractor report
NEISS Hospital Data	Number of cases	NEISS	Office Quality Control Process
Medical Examiner/Newsclip reporting	Number of cases	IPII	Office Quality Control Process
Investigations	Number of cases	INDP	Office Quality Control Process
NEISS Training	Percent of hospitals visited	NARS	Office Quality Control Process
Service Quality			
Web site	Number of contacts	Web server file log	Automated reports (Contractor)
Outreach to professional organizations	Number of contacts	Log of contacts	Manager review
Maintain hotline's capacity	Number of callers	Hotline Operating System	Automated reports (Contractor)
Improve services	Number of services improved	Milestone tracking	Manager review
Industry Services			
Assess services	Responses of industry callers	Random sample/census	Procedural checks
Meet timeliness standards	Number of standards met	Log of actions	Automated reports
Track performance	Procedures completed	Milestone tracking	Manager review
Consumer Satisfaction			
Meet timeliness customer service standards	Number of standards met	Log of actions	Automated reports
Improve services	Number of services improved	Milestone tracking	Manager review
Survey consumer satisfaction	Ratings by consumers	Random sample	Procedural checks

*IFS = Integrated Field System; CCA = Compliance Corrective Actions; PRE = Press Release database

SOCIETAL COSTS ESTIMATION

The \$700 billion in societal costs is the total of three components: injury costs, costs of fatalities, and property damage. To estimate medically attended injuries, CPSC employs the Injury Cost Model (ICM), which uses empirically derived relationships between emergency department injuries reported through the National Electronic Injury Surveillance System (NEISS) and those treated in other settings (e.g., doctor's offices, clinics). The injury cost estimates are made up of four major components including medical costs, work losses, pain and suffering, and legal costs. The methods used to estimate these four broadly defined components are described in detail in the *Consumer Product Safety Commission's Revised Injury Cost Model*, Miller et. al., Public Services Research Institute, Calverton, MD, December 2000 (<http://www.cpsc.gov/LIBRARY/FOIA/FOIA02/os/Costmodept1.pdf>).

The cost of fatalities is estimated by applying a statistical value of life to the number of deaths. CPSC staff's statistical value of life is consistent with the results of research employing the "willingness to pay" methodology. In the December 1993 *Journal of Economic Literature* Kip Viscusi's review of the literature in "The Value of Risks to Life and Health" concludes that "most of the reasonable estimates of life are clustered in the \$3 million - \$7 million range." CPSC staff uses a \$5 million cost of fatalities.

The estimate for property damage, comes from data on residential fires collected by the National Fire Protection Association in an annual survey. The property damage estimate does not include costs that are associated with fires that are not reported to a fire department or when goods are destroyed or damaged when an incident other than fire occurs. The \$700 billion figure does not include the costs of illnesses and deaths resulting from chemical or bacterial exposure from use of consumer products.

PROCESSES AND TECHNOLOGIES NEEDED TO MEET THE PERFORMANCE GOALS

This section reviews the (A) processes, (B) technologies (capital assets), (C) treatment of major management problems, (D) accountability, and (E) methodology for allocating CPSC's budget request to strategic goal activities in the annual performance plan.

A. Processes

We plan to achieve our annual goals by continuing our current operational processes. These are described more fully under the introduction to each budget program and activity. In summary, our processes involve these hazard reduction activities:

- Development of voluntary or mandatory product safety standards and guidelines
- Application of voluntary or mandatory corrective actions, including product recalls
- Distribution of information to the public on how to avoid product hazards

These activities are supported by our work in this area:

- Identification and analysis of hazards

B. Capital Assets / Capital Programming

We have two major recurring capital asset acquisitions planned in support of our performance goals -- continued investments in information technology (IT) and the modernization of our laboratory. Investments in IT and laboratory modernization have a direct impact on our ability to achieve our mission and strategic goals.

We use IT to speed access to injury and death information in order to set priorities for use of our resources; support various voluntary and mandatory approaches to reducing hazards; and more quickly reduce hazards to American consumers. In addition, automating various tracking, planning, and mission-critical systems needed to accomplish organizational tasks has saved thousands of administrative staff hours, thus expanding staff time devoted to injury reduction activities. This has benefited the various CPSC programs established to carry out the agency's mission. We have identified future funding goals to implement IT initiatives. We discuss these in the IT Status section (Appendix B of this document).

The laboratory provides critical support to our compliance investigations and development of safety standards. GSA studies have shown that simply maintaining the existing 1950s era facility is not cost effective. Over the past several years, we have worked with GSA to develop a concept plan that has been approved by CPSC, GSA and the National Capital Planning Commission. GSA is now assessing the total cost of the project and developing a request for possible GSA funding of the construction costs starting in 2007 using GSA's Public Building Fund. If GSA is successful in securing funding, construction could begin as early as fiscal year 2008. The modernization would take several years to complete.

C. Treatment of Major Management Problems and High-Risk Areas

In 2001, as a result of the first annual audit conducted in response to the Government Information Security Act, we have determined that we have a weakness in our internal controls over automated information security and its operation. We have hired a full-time IT security official. We addressed all major weaknesses by the end of 2004.

We do not have any major problems of fraud and mismanagement in our programs and operations. We can address problems of fraud and mismanagement in programs and operations, if they were to arise, through CPSC's: (1) Office of Inspector General, responsible for audits, inspections, special reports, and investigations; (2) the Office of the Chairman, responsible for the annual Federal Financial Managers Improvement Act (FFMIA) report to the President and Congress; and (3) the Senior Management Council, responsible for internal control reviews and annual letters of assurance.

We produced audited 2004 financial statements (reported in our 2004 Performance and Accountability Report, November 2004). These statements met the *accelerated* Federal schedule of 45 days after the close of the fiscal year. The audit found that CPSC's statements and financial system conformed to accepted accounting principles, laws and regulations and that CPSC had effective internal controls.

D. Accountability

The agency's budget review process, annual performance report, and staff performance appraisals are the primary methods for assigning accountability to managers and staff for achievement of objectives. Each year during the budget and operating plan process, we will link the Strategic Plan and the Performance Budget. The Executive Director of the agency and the directors for the offices of Hazard Identification and Reduction (for Safety Standards), Compliance (for Recalls and Corrective Actions), and Information and Public Affairs (for Consumer Information) are responsible for this linkage. Finally, the Commission stresses the achievement of the Strategic Plan's objectives as an important consideration in the performance appraisals of agency managers. In addition, the agency's Inspector General conducts an annual audit program of various aspects of agency operations, including auditing portions of the performance plans.

E. Resource Allocation to Accomplish Annual Goals

For 2006, the funding request for the agency is \$62,499,000 with a staff level of 446 Full Time Equivalents (FTEs) nationwide. We may need to adjust the annual goals contained in this document to reflect the actual level of funding and staff made available to the agency. We will be reviewing all activities and costs in the next months to develop a plan that minimizes the impact of the FTE reductions.

Over 80 percent of our resources are allocated to professional and technical staff who identify product-related hazards; investigate and act on product safety hazards and violations of safety regulations; provide recommendations to the Commission for decision-making; and inform the public about product safety. After staff salary and related space rental costs, about 10 percent of our annual budget is available for other critical support costs, such as injury data collection, in-depth investigations of deaths and injuries, independent expert technical evaluations, and travel in support of investigations and voluntary standards development. Our challenge is to work within these constraints while maintaining enough flexibility to fulfill our mission of protecting the public.

Allocation Methodology. Resources in the Annual Performance Plan are allocated between our two budget programs, “Reducing Product Hazards to Children and Families,” and “Identifying Product Hazards.” These budget programs include activities that support the strategic goals and reflect both direct and indirect costs. We estimated the resource allocation for each strategic goal by:

- Determining the direct costs for each strategic goal for those activities that were classified by hazard in the budget (e.g., resources for the upholstered furniture project were directly applied to the goal for reducing fire-related deaths.) Most of the agency’s costs are direct costs, such as salary and contract support costs.
- Estimating direct costs for those strategic goal activities that were not classified by hazard in the budget, such as customer and industry service activities. Staff estimated the distribution attributable to the strategic goals using historical data and expert judgment.
- Proportionately distributing indirect costs, such as administration, space rent, etc., to the strategic goals for each program.

INTERIM ADJUSTMENT TO THE STRATEGIC PLAN

We made an adjustment to a target for one of CPSC's strategic goals based on more current information and to provide a more challenging target. In our Strategic Plan (September 2003), one of our results-oriented goals was to keep children safe from drowning by reducing the rate of swimming pool and other at-home drownings of children under 5 years old by 10 percent from the 1999-2000 average by the year 2013. We have modified the target for this goal to 20 percent. This modification will not produce widespread changes.

PROGRAM AND FINANCING SCHEDULE (dollars in thousands)

	2004 Actual	2005 Plan	2006 Request
Obligations by Program Activity:			
Direct Program:			
Reducing Product Hazards to Children and Families	\$48,469	\$49,557	\$49,746
Identifying Product Hazards	11,135	12,592	12,753
Total direct program.....	59,604	62,149	62,499
Reimbursable program	2,802	3,250	3,250
Total new obligations	62,406	65,399	65,749
Budgetary resources available for obligation:			
New budget authority (gross)	62,448	65,399	65,749
Total new obligations	-62,406	-65,399	-65,749
Unobligated balance expiring.....	42	--	--
New budget authority (gross), detail:			
Discretionary:			
Appropriation (definite).....	60,000	62,650	62,499
Reduction pursuant to P.L. 108-199.....	-354	-501	--
Appropriation (total discretionary)	59,646	62,149	62,499
Discretionary: Spending authority from offsetting collections:			
Offsetting collections (cash).....	2,802	3,250	3,250
Total new budget authority (gross)	62,448	65,399	65,749
Change in unpaid obligations:			
Unpaid obligations, start of year:			
Obligated balance, start of year	8,925	8,053	8,447
Total new obligations	62,406	65,399	65,749
Total outlays (gross).....	-62,726	-65,005	-65,632
Adjustments in expired accounts	-552	--	--
Unpaid obligations, end of year:			
Obligated balance, end of year	8,053	8,447	8,564
Outlays (gross), detail:			
Outlays from new discretionary authority	56,392	58,563	58,874
Outlays from discretionary balances.....	6,334	6,442	6,758
Total outlays (gross)	62,726	65,005	65,632
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from Federal sources.....	2,776	3,225	3,225
Offsetting collections (cash) from Non-Federal sources.....	26	25	25
Total offsetting collections (cash)	2,802	3,250	3,250
Net budget authority and outlays:			
Budget authority (net)	\$59,646	\$62,149	\$62,499
Outlays (net).....	\$59,924	\$61,755	\$62,382

OBJECT CLASSIFICATION SCHEDULE (dollars in thousands)

	2004	2005	2006	
	Actual	Plan	Request	
Direct obligations:				
Personnel Compensation:				
11.1	Full-time permanent	\$34,738	\$36,964	\$36,422
11.3	Other than full-time permanent.....	2,848	2,598	2,956
11.5	Other personnel compensation.....	265	336	346
11.8	Special personnel services payments.....	2	--	--
11.9	Total personnel compensation	37,853	39,898	39,724
Personnel benefits:				
12.1	Civilian.....	8,737	9,495	9,873
13.0	Benefits for former personnel.....	5	10	10
	Subtotal, Compensation and Benefits	46,595	49,403	49,607
21.0	Travel and transportation of persons	796	860	860
22.0	Transportation of things	76	100	100
23.1	Rental payments to GSA	4,465	4,735	4,879
23.2	Rental payments to others	7	9	9
23.3	Communication, utilities and miscellaneous charges.....	669	745	745
24.0	Printing and reproduction.....	257	320	320
25.1	Advisory and assistance services.....	23	150	150
25.2	Other services	3,249	3,172	3,172
25.3	Purchases from other Federal Agencies.....	659	670	672
25.4	Operation and maintenance of facilities.....	307	339	339
25.7	Operation and maintenance of equipment.....	514	520	520
26.0	Supplies and materials	494	527	527
31.0	Equipment	1,493	595	595
42.0	Insurance claims and indemnities	--	4	4
99.0	Subtotal, direct obligations	59,604	62,149	62,499
Reimbursable obligations:				
11.1	Full-time permanent	22	--	--
12.1	Civilian.....	3	--	--
21.0	Travel and transportation of persons	75	150	150
25.0	Other services	2,702	3,100	3,100
	Subtotal, reimbursable obligations	2,802	3,250	3,250
99.9	Total obligations	\$62,406	\$65,399	\$65,749

PERSONNEL SUMMARY

Direct:

Total compensable work years:

Full-time equivalent employment 461 * 471 ** 446

* Actual FTE usage was 464 FTEs; 461 represents OMB method which assumes 260 paid days each year; in 2004, there were 262 paid days.

**Actual FTE use in 2005 will be lower(460) as we begin adjusting FTEs to prepare for 2006.

VOLUNTARY AND MANDATORY STANDARDS SUMMARY

	<u>2004</u> <u>Actual</u>	<u>2005</u> <u>Plan*</u>	<u>2006</u> <u>Request*</u>
VOLUNTARY STANDARDS UNDER DEVELOPMENT:			
Fire/Electrocution Hazards	16	14	16
Pool Drowning/Children’s Hazards	32	28	32
Child Poisoning/C hemical Hazards	5	4	4
Household/Recreation Hazards.....	<u>14</u>	<u>11</u>	<u>16</u>
Total Voluntary Standards	67	57	68
 MANDATORY STANDARDS UNDER DEVELOPMENT:			
Fire/Electrocution Hazards	4	5	6
Pool Drowning/Children’s Hazards	0	0	0
Child Poisoning/C hemical Hazards	2	2	2
Household/Recreation Hazards.....	<u>0</u>	<u>0</u>	<u>0</u>
Total Mandatory Standards	6	7	8

*It is anticipated that these numbers will change to reflect 2006 resource reduction and activities changed during the operating plan period.

INFRASTRUCTURE INIATIVES STATUS

This section provides a status report on two major infrastructure initiatives the Commission is pursuing: Laboratory Modernization and Information Technology Improvements.

Laboratory Modernization Status

The laboratory provides critical support to our compliance investigations and development of safety standards. GSA studies have shown that simply maintaining the existing 1950s era facility is not cost effective. Over the past several years, we have worked with GSA to develop a concept plan that has been approved by CPSC, GSA and the National Capital Planning Commission. GSA is now assessing the total cost of the project and developing a request for possible GSA funding of the construction costs starting in 2007 using GSA's Public Building Fund. If GSA is successful in securing funding, construction could begin as early as fiscal year 2008. The modernization would take several years to complete.

*Testing
key to
safety*

Information Technology Status

CPSC is a data-driven agency dependent on technology. Protecting the public by making risk-based decisions requires timely and accurate data. Our information technology (IT) systems need sustained investment because of constantly evolving technology.

*Data-driven
work rests on
Information
Technology*

IT Development at CPSC

In 1993, CPSC, as part of its relocation to a new headquarters site, received special funding that enabled us to move from a mainframe environment to a client-server or networked-based IT infrastructure. Since that time we have made investments in our IT infrastructure with funding received through varying operating budget savings.

In the last decade, the nature of the way the Federal Government, our stakeholders, and CPSC conduct business has changed dramatically. The demand for the electronic sharing of information has increased both internally and externally. New Federal requirements such as the

New Requirements:

- *Clinger-Cohen*
- *GPEA*
- *GISRA/FISMA*
- *Telecommuting*
- *PMA/E-Gov*
- *Public demand*

Government Paperwork Elimination Act (GPEA), Teleworking Act, and the President's Management Agenda (PMA) have created the need for greatly enhanced IT systems. In addition, the Government Information Security Reform Act (GISRA) and the Federal Information Security Management Act (FISMA) mandate a whole new level of IT security requirements to protect the quality and integrity of our data.

Current Status

Achievement of the agency mission has become dependent on our IT systems because our work requires the accessibility of information electronically to maintain productivity. Future goals include modernizing our systems to take advantage of new productivity possibilities (such as one-stop data searching of our several hazard databases), implementing new software systems (such as converting our databases to modern, Web-accessible software), and replacing our aging network infrastructure.

CPSC IT Facts:

- *Over 500 desktop computers, network connected*
- *Over 250 full-time & part-time teleworkers*
- *Web Site & Intranet*
- *50 databases*
- *Enterprise Architecture plan completed*
- *24 FTEs; 6 contract staff*

IT buying power challenged

Our total 2006 IT budget is about \$4 million or 6 percent of the total 2006 President's Request for CPSC. About \$3 million funds CPSC IT staff (24). The remaining \$1 million funds telephone and data communications, programming services, annual software licenses, help desk services, and emergency equipment replacements. Our base funding faces continual challenges by increasing costs and/or new service needs. For example, as a result of our first GISRA audit recommendations, we have devoted a new staff position to IT security. While some IT costs have decreased, such as computers and telecommunication costs, software licenses have become more expensive and programming and help desk service demands continue to grow.

The agency has completed an IT Enterprise Architecture (EA) plan. This plan, required under the Clinger-Cohen Act and recommended in our first IT security audit, guides our IT development and investment requests.

Future Priorities

We have identified several IT priorities to which we will apply future operational savings and funding opportunities over the next few years.

1. Network Replacement

A little over a decade ago, very few staff had personal computers on their desktops (and these computers were not networked). Now, we conduct virtually all of our data analysis business electronically through our networked desktop computers.

We need to replace our Storage Area Network (SAN) controllers and increase data storage capacity, replace our file servers, network switches, routers, and firewalls. We installed two SAN data storage systems (one on-site, one off-site) in 2003 and 2004 and the SAN system is a critical piece of our IT infrastructure. Beginning in 2007, our SAN controllers, servers, switches, routers, and security firewalls will be between three and six years old and nearing the end of their useful life.

In the 1990s, CPSC changed from a mainframe-computing environment to a client-server network. Now, to take advantage of today's internet based IT efficiencies, we have to change from a client-server environment to a Web-based environment. This upgrade will provide us additional storage capability required by a Web-based environment and our own data and information needs.

Next generation network

We estimate that about \$800,000 of future funds will be needed to complete this effort. Of the \$800,000, \$300,000 is for the SAN controllers and \$500,000 is for the replacement of network servers, switches, routers, and security firewalls.

2. Web-Based Data Applications Development

Databases serve CPSC, other Federal agencies, and the public

CPSC staff depends on our IT systems to perform all aspects of their work from the rapid sharing of hazard data and product-related information, both internally and externally, to the timely distribution of safety information to the public. At the current funding level, we provide maintenance support of our data application systems, including the National Electronic Injury Surveillance System (NEISS). Our ability to take advantage of more efficient data applications would be enhanced by the adoption of new generation software. Many of the E-Gov initiatives under the President's Management Agenda (PMA) are dependent on Web-based applications such as government-to-citizen. With a one-time salary savings in 2002, we were able to launch the Web-based application, NEISS On-Line, which enables the public to search our NEISS system for injury data. We have also begun developing interactive Web-based applications for government-to-government, which will allow data sharing such as in the case of our State Partners Program where state designees assist us in product investigations and recall effectiveness activities.

In addition, programming work is needed to provide staff with one-stop searching capability. Presently, staff must search at least 4 databases when researching a hazard. Using new Web-based applications, staff would be able to run a comprehensive search of all our databases much quicker.

We estimate that future funding of about \$600,000 will be needed over the life of this effort to develop Web-based, integrated data applications. These expenditures would also be guided by our EA plan. Funds would permit the hire of contract programmers to achieve the following: (a) Web programming, including development or major enhancement of our existing Web site; (b) conversion of our existing client server software applications to a new Web-based environment, using Extensible Markup Language (XML); (c) implementation of President's Management Agenda E-Gov initiatives that will provide better communication of data among government agencies, the public, and firms; (d) conversion of our key data collection tool, PC NEISS, to a Web-based system; and (e) addition of a specialized contract backup database administrator to meet security and continuity needs.

3. Continuing Security Enhancements

Security is on-going effort as systems become more complex and accessible

In 2004, we completed addressing the high-level security weaknesses identified in our initial GISRA audit. But, as the requirements for remote access increase, particularly with continued expansion of Web-based applications, it is necessary to continually address IT security. External requirements, such as the E-Gov initiative requiring all agencies to move to new e-payroll and e-travel systems, continue to place extraordinary burdens on our internal security controls. These activities require new and on-going security measures to protect our data and to meet requirements of the FISMA. The need to increase our internal controls to strengthen our automated information security continues. Currently, we are experiencing a daily

average of 300 intrusion attempts and 1,800 virus-laden email messages. New threats continually occur and new software or upgrades is an annual requirement in order to protect our systems. We estimate we will have to invest about \$75,000 annually to fund security items such as periodic purchases of enhanced and updated intrusion-protection software.

Conclusion

Information technology constantly evolves. IT systems continually require maintenance, enhancement, or replacement over time. Unimproved IT systems may limit access to vital information; cost more as vendor support moves on to newer technology; become unsupportable and fail; and do not capture new productivity gains made possible by advancing technology.

CPSC has been fortunate to have been able to tap into IT productivity gains with its limited budget. CPSC is now very dependent on its IT infrastructure to achieve its daily safety work. It will be a priority of the agency to pursue future IT investments.

Program: Consumer Product Safety Commission

Rating: Results Not Demonstrated

Agency: Consumer Product Safety Commission

Program Type: Regulatory Based

Bureau: Consumer Product Safety Commission

Last Assessed: 2 years ago

Key Performance Measures	Year	Target	Actual
Long-term Measure: The rate of death in the U.S. from fire related causes (measured per million people)	1995	10.3	11.4
	1997	10.3	10.3
	1999	10.3 ^a	8.8
	2005		
Long-term Measure: The rate of death in the U.S. from electrocutions (measured per 10 million people)	1999	7.1	7.4
	2000	7.1	6.1
	2001	7.1	5.3
	2004	7.1 ^b	
Annual Measure: Recalls initiated within 20 days under the Fast Track Product Recall Program	2001	90%	95%
	2005	95%	
	2006	95%	

Recommended Follow-up Actions

Develop more ambitious long-term strategic goals.

Status

Completed

Review the conduct of cost-benefit analyses on PPPA regulations to ensure that these regulations are conducted in a more comprehensive, consistent and thorough manner, and propose legislative change when appropriate.

Action taken, but not completed

Develop a plan to systematically review its current Regulations to ensure consistency among all regulations in accomplishing program goals.

Action taken, but not completed

Discussion:

CPSC revised its strategic plan and set more ambitious goals for long term and annual measures, including fire-related deaths by 20% by 2013 and maintain the number of recalls initiated within 20 days under the Fast Track program at 95%. CPSC is conducting pilot cost benefit analyses on Poison Prevention Packaging Act (PPPA) regulations and formed a task force to implement a more systematic review of regulations.

Program Funding Level (in millions of dollars)

2004 Actual	2005 Estimate	2006 Estimate
60	62	62

^aThis target was set in our original strategic plan. It was been superceded by a new target of 7.9 deaths per million people.

^bThe target of 7.1 reflects the original plan. Our new strategic plan no longer has a goal for electrocutions because we achieved this goal under the original plan.

Additional excerpts from the PART analysis:

1. CPSC has a clear and unique Federal role.
2. CPSC has addressed its data problems by developing new methodologies and procedures for data collection. This will enable the agency to adjust its strategic goals.
3. CPSC’s annual performance goals are discrete, quantifiable, and measureable, and directly support the agency’s mission.
4. CPSC currently conducts cost-benefit analyses for all of its substantive regulations (except Poison Prevention Packaging (PPPA) regulations and those regulations directed by Congress that waive the statutory requirements for cost-benefit analysis).
5. CPSC routinely uses performance data to recommend program improvements.

PART Recommendations and Status

PART Recommendation 1

Recommendation 1: Develop more ambitious long-term goals	Completed Date: 9/30/03	On Track? Completed	Comments on Status: Strategic Plan developed with ambitious goals
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OMB Recommendation: *"Develop more ambitious long-term strategic goals. (CPSC is now revising its strategic plan and setting new targets.)"*

Background. Under our first Strategic Plan in 1997, CPSC set 10-year strategic goals to reduce fire-related deaths, electrocutions, and carbon monoxide (CO) poisoning deaths, as well as other hazards. Targets for reductions were based on 1994 or 1995 data, the latest years for which data was available in 1997. By 2000, we had exceeded the targets for these three hazard reduction strategic goals. The agency, however, chose not to adjust targets for the strategic goals because there had been major changes in the way injury and death data were collected or classified and staff believed new baseline data was needed.

Progress. Our new Strategic Plan was adopted at the start of 2004. In this plan we set ambitious strategic goals. Staff experts met in hazard teams and developed goal candidates based on selection criteria that included the frequency and severity of product-related injuries, the addressability of the hazard, and the vulnerability of the population at risk. Staff recommended targets for each goal candidate based on their knowledge of the hazard, products likely to be targeted for injury reduction, and the extent to which remedial action could address the hazard.

This process resulted in three hazard reduction strategic goals: reducing fire-related deaths, reducing CO poisoning deaths and preventing child-related drownings. Strategic goals for fire and CO poisonings are carry-over goals from the first Strategic Plan. We *changed* the target for reducing fire-related deaths to 20 percent from 1998 to 2013 from the previous goal of 10 percent from 1995 to 2005. We retained the target of 20 percent for reducing CO poisonings because new data shows that the total number of deaths is smaller (180 in 1998 and an average of 126 deaths for 1999-2000) and given this smaller universe of deaths, we believe a 20 percent reduction is an ambitious target. The strategic goal for child drownings is new and the target set based on current knowledge of the hazard. In the 2006 Performance Budget Request, we made an interim adjustment to the child drowning strategic goal based on new information and now plan to reduce child drownings by 20 percent from the 1999-2000 average to 2013.

PART Recommendation 2

Recommendation 2: Review the conduct of cost-benefit analyses on PPPA regulations	Completion Date: 10/30/05	On Track? Delayed	Comments on Status: Pilot Study being conducted
Next Milestone: Second cost benefit study completed.	Next Milestone Date: 06/01/06	Lead Org: Hazard Identification and Reduction	Lead Official: Assistant Executive Director

OMB Recommendation: *"Review the conduct of cost-benefit analyses on PPPA regulations to ensure that these regulations are conducted in a more comprehensive, consistent, and thorough manner, and propose legislative change when appropriate."*

Background. CPSC conducts cost-benefit analyses for all of its substantive regulations except for Poison Prevention Packaging Act (PPPA) regulations and regulations directed by Congress that waive the statutory requirements for cost-benefit analysis. The Act does not explicitly require the Commission to compare the costs and benefits of a rule, nor is it explicitly precluded. In the past, the Commission made decisions on rules based on several considerations in the Act (see PPPA sec 3, 15 U.S.C. § 1472) including the reasonableness of the proposed rule. Thus staff has not performed cost-benefit analyses of the type that are developed for products regulated under the FHSA, CPSA or FFA.

Progress. To address OMB's recommendation and explore legal requirements, we planned to conduct "pilot" cost benefit analyses for the next several proposed PPPA briefing packages. To-date, staff completed a draft cost-benefit analysis for hydroxides (found in some cleaning products and cosmetics such as hair relaxers, depilatories and cuticle removers) that is currently being reviewed by the Commissioners. A second cost-benefit analysis was delayed due to higher priority work on mattresses and upholstered furniture.

Conducting a pilot is important. Because cost benefit analysis has not been performed in PPPA projects in the past, staff needs to evaluate the adequacy of existing data sources and determine what additional resources may be needed. After the pilot is completed, staff will provide recommendations for consideration by the Commission.

PART Recommendation 3

Recommendation 3: Develop a plan to systematically review its current regulations	Completion Date: 06/01/05	On Track? Y	Comments on Status: Pilot study being conducted
Next Milestone : Respond to Commission comments and begin development of systematic review process.	Next Milestone Date: 03/31/05	Lead Org: Hazard Identification and Reduction	Lead Official: Assistant Executive Director

OMB Recommendation: *"Develop a plan to systematically review its current regulations to ensure consistency among all regulations in accomplishing program goals."*

Background. In the detailed section of its PART analysis, OMB agreed that we systematically review our current regulations but recommended that a more formal procedure be established. In the past, CPSC used a number of different methods to review mandatory and voluntary standards to assure they are necessary. During the course of these reviews, if staff found evidence that supported the need to revise a specific regulation, staff initiated action. For example, a detailed review of the Commission's regulation on the flammability of clothing textiles showed that the procedures and test equipment specified in the standard had become outdated. These outdated procedures had resulted in confusion by industry and other affected parties in how to apply the standard's requirements. As a result of the review, staff sent a briefing package to the Commission that recommended the publication of an advance notice of proposed rulemaking to update the standard to reflect current technologies and practices.

Progress. We formed a task force comprised of staff from the offices of the General Counsel, Directorate for Economic Analysis, Compliance, Budget, Planning and the Inspector General with the goal of implementing a more formal systematic review. The task force updated CPSC's inventory of rules and further refined the inventory by identifying those rules that staff considered substantive. This refined inventory can be used to select the rules for systematic review.

For the second phase of the project, the task force directed staff to conduct a pilot study to review one rule from each statute (with the exception of the Refrigerator Safety Act). A briefing package addressing the four rules reviewed in the pilot study was completed and sent to the Commission. The Commission expects that, subject to the availability of personnel and fiscal resources and the priority of other needs for Commission action, it would apply the results of the pilot program to developing and implementing a systematic review process for the remainder of its substantive regulations.

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