



U.S. CONSUMER PRODUCT SAFETY COMMISSION
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STATEMENT OF COMMISSIONER ANNE M. NORTHUP ON THE
CREATION OF THE OFFICE OF EDUCATION, GLOBAL OUTREACH,
AND SMALL BUSINESS OMBUDSMAN

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Creating a new Office of Education, Global Outreach, and Small Business Ombudsman at the Consumer Product Safety Commission (CPSC) is neither necessary nor fiscally prudent. Although I appreciate the underlying objective of increasing Commission outreach to stakeholders such as small businesses, I do not believe that creating a brand new office for this purpose will even begin to address such stakeholders' ongoing frustrations with Commission actions, add value to our core mission of product safety, or represent a wise use of taxpayer dollars.

In the midst of a recession, when increased federal spending and the national debt threaten to drag our economy down further, the creation of any new government office or program is simply irresponsible. It is precisely such mission creep in federal spending that continues to make headlines every day and with which the American people are fed up. Congressman Paul Ryan (R-WI) and American Enterprise Institute President Arthur Brooks describe well the downside of creating even small, new federal programs in their recent op-ed in *The Wall Street Journal*:

Individually, these things might sound fine. Multiply them and add them all up, though, and you have a system that most Americans manifestly oppose—one that creates a crushing burden of debt and teaches our children and grandchildren that government is the solution to all our problems. Seventy percent of us want stronger free enterprise, but the other 30% keep moving us closer toward an unacceptably statist America—***one acceptable government program at a time.***¹

As their article warns, the concept for this new office has grown steadily from where it started. It began as a proposal to expand a part-time Small Business Ombudsman position to a full-time position (in our fiscal year 2011 budget) and has now swelled to include “global” outreach, a new Director, and an unspecified budget and number of staff. I was cautiously optimistic about a similar idea put forth by Chairman Henry Waxman (D-CA) in his CPSEA legislation² earlier this year, but I expressed concern even then that making any sort of new office like this a permanent, statutory fixture (which we know will become impossible to scale back or eliminate) would be entirely unnecessary and unwise during tight budget times. Most importantly, now that both the President and Congress are calling for shrinking or freezing federal spending over the next several years, it seems particularly ill-advised to promote new spending on an office that we do not need.

¹ Arthur C. Brooks and Paul Ryan. “The Size of Government and the Choice This Fall,” *The Wall Street Journal*. September 13, 2010.

² The Consumer Product Safety Enhancement Act (CPSEA) is draft legislation proposed by House Energy and Commerce Chairman Henry Waxman to amend the Consumer Product Safety Improvement Act of 2008 (CPSIA).

In addition to my opposition to growing the size of government, I am concerned with the stated purpose of the new office to have a more “coordinated approach to education and outreach activities,” implying that it will provide additional, helpful communications to industry stakeholders. While I believe that this purpose can be fulfilled under existing Commission offices, I have particular concerns with the inference that the new outreach to *small businesses* will help those who are struggling with the CPSIA. Small businesses are not clamoring simply for more information from the Commission about how to comply with this law—they are asking for relief from this law because it is killing them. The solution is not *more* government; the solution is repealing the portions of the CPSIA that impose tremendous costs without increasing safety. Furthermore, no matter how successful this new office may be, small businesses will still have to hire their own lawyers to fully grasp their particular obligations under the complex, far-reaching new regulations being promulgated by the Commission. In that respect, creating this office is like offering a Band-Aid™ for a problem that actually requires major surgery.

If we really wanted to help small businesses, this Commission would do everything in its power to mitigate the unintended consequences of the CPSIA through its rulemakings—something I have continued to argue for with limited success. It would add clarity and factor risk into our policies as much as the statute allows. Even better, we would unanimously approach Congress and ask that the law be reformed or repealed in a meaningful way so that *only risky products* are impacted—since the CPSIA has clearly taken us away from our core mission of product safety. Anything short of these steps will not help the small business community or a floundering economy.

Finally, I have concerns that creating a new office to govern the “education and outreach” responsibilities to industry stakeholders may complicate or even overtake the outreach we already perform under other offices such as our Office of Compliance. Right now, if a small company needs to know if its product falls under the purview of a particular regulation, it can call the Office of Compliance for advice. It is a key function of that office to assess products every day in the course of its enforcement responsibilities. By creating a new office in charge of “outreach” duties, we create unnecessary complications and risks in our communications with the public, including: 1) having two offices that could answer the same question differently; and/or 2) moving the agency away from its pure enforcement responsibilities and instead providing something akin to product pre-approval services. The latter course could potentially turn a relatively small CPSC into a behemoth more like the Food and Drug Administration. It is depressing to think it is even remotely possible we could have a government office dedicated to “pre-approving” all consumer products before they go to market.

In sum, I have a number of concerns with the creation of this new office and decline to support it.