



UNITED STATES
 CONSUMER PRODUCT SAFETY COMMISSION
 4330 EAST WEST HIGHWAY
 BETHESDA, MD 20814

**THIS MATTER IS NOT SCHEDULED FOR A BALLOT VOTE.
 A DECISIONAL MEETING FOR THIS MATTER IS SCHEDULED ON: May 18, 2016**

This document has been electronically approved and signed.
 Date: May 4, 2016

TO : The Commission
 Todd A. Stevenson, Secretary

FROM : Patricia H. Adkins, Executive Director
 Mary T. Boyle, Acting General Counsel

SUBJECT : FY 2016 Midyear Review and Proposed Operating Plan Adjustments

By the attached memorandum, the Executive Director requests Commission approval of recommendations to amend the fiscal year ("FY") 2016 Operating Plan to allocate future unexecuted balances to new project work. In addition, as discussed in the memorandum, staff is recommending three adjustments to the mandatory standards activities and one adjustment to the voluntary standards activities.

Please indicate your vote below:

I. Approve the FY 2016 Midyear Review and Proposed Operating Plan Adjustments, as drafted.

 Signature Date

II. Approve the FY 2016 Midyear Review and Proposed Operating Plan Adjustments, with changes (please specify).

 Signature Date

III. Do not approve the FY 2016 Midyear Review and Proposed Operating Plan Adjustments.

Signature

Date

IV. Take other action (please specify):

Signature

Date

Attachment:

Executive Director's Memorandum on the *FY 2016 Midyear Review and Proposed Operating Plan Adjustments*.



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May 4, 2016

TO: The Commission

THROUGH: Todd A. Stevenson, Secretary
Mary Boyle, Acting General Counsel

FROM: Patricia H. Adkins
Executive Director

SUBJECT: Fiscal Year (FY) 2016 Midyear Review and Proposed Operating Plan Adjustments

This memorandum summarizes staff's recommendations to allocate future unexecuted balances to support existing project work. In addition, staff is recommending three adjustments to the mandatory standards activities and one adjustment to the voluntary standards activities. Attachment 1 provides a detailed description of each recommended project from Table 1. Attachments 2 and 3 summarize changes to the voluntary and mandatory standards activities as presented in the FY 2016 Operating Plan.

The Commission's decisions in response to this memorandum's recommendations will be appended to, and will modify, the FY 2016 CPSC Operating Plan approved by the Commission on February 24, 2016.

Unexecuted Balances Currently Total \$1.2 million

As of March 31, 2016, the CPSC has an unexecuted salary and expense balance of approximately \$1.2 million. These unexecuted balances are attributable to lower-than-planned spending on employee salaries in the first half of the fiscal year because actual staffing levels were below the 567 full-time equivalent (FTE) planning level approved in the FY 2016 Operating Plan. Current unexecuted balances are not necessarily an indicator of future unexecuted balances because costs related to salary and benefits are not linear over the 12-month fiscal year. There are material expenses that happen at discrete intervals, such as employee performance awards, workers' compensation, and transit benefit obligations, to name a few. In addition, the agency is actively hiring new staff, which, depending on timing and pay level, could affect the current unexecuted balance estimate.

Recommendation #1: Authorize Projects to Fund from Unexecuted Balances, if Available

Similar to past practice, and given the uncertainty of the amount of year-end unexecuted balances, staff is recommending a prioritized list of projects for funding consideration. Because unexecuted balances are unplanned and not recurring, staff's recommendations for reallocation of unexecuted balances are generally limited to nonrecurring requirements (*e.g.*, contracts). Staff has identified ~\$5.0 million in projects for funding consideration that are summarized in Table 1. If authorized by the Commission, the agency would fund the recommended projects in priority order, subject to available unexecuted balances and acquisition feasibility. Projects that are not funded this year could be revisited in a future fiscal year, subject to resources and identified needs.

Table 1 lists staff's recommended projects for funding consideration in overall priority order. None of the projects recommended for funding materially affects the planned mandatory standards agenda for FY 2016.

Table 1. Recommended Projects

(see attachment 1 for a detailed description of each project)

				COLUMN A
Priority Number	Org	Project Title	Project Number	Mid-Year: New Requested Funding (\$ in thousands)
1	EXHR	Smoke Alarms and CO Sensor Usage Survey	21518	\$500
2	EXHR	All-Terrain Vehicles (ATVs) Testing	22637	\$500
3	EXHR	National Playground Survey	22666	\$400
4	OCM	Anchor It	42616	\$250
5	EXHR	CO Sensors for Gas Appliances	23335	\$100
6	EXHR	Fuel Gels - Flame Mitigation Devices	21725	\$125
7	EXHR	Human Factors Standards Guideline	24505	\$70
8	EXHR	SRP Cyclic Lab Grand Tower Completion	24013	\$45
9	EXHR	Haas CNC Mill	24013	\$200
10	EXHR	Crib Shaker Upgrade and Integration with MTS Control System	24013	\$50
11	EXHR	Fortus 450mc 3D Printer	24013	\$300
12	EXIP	Product ID Modernization	99947	\$170
13	EXIT	Project Server - Proof of Concept	99951	\$150
14	OCM	OCM Recalls Workflow	99951	\$203
15	OCM	Open Data Initiative II	99953	\$430
16	EXHR	Recall Effectiveness - Behavioral Economics Study	14125	\$1,500
Total				\$4,993

Recommendation #2: Update the Fiscal Year 2016 Voluntary and Mandatory Standards Targets

Staff has identified changes to the Commission-approved FY 2016 voluntary and mandatory standards activities (FY 2016 Operating Plan pages 6-10). Staff recommends adding “Hoverboards” to the FY 2016 voluntary standards activities to reflect staff’s active engagement in this new voluntary standard effort; the agency performance target (BK 2.1.4) will increase accordingly. For mandatory standards activities, staff recommends three changes. First, change the “Notice of Proposed Rulemaking” (NPR) for All-Terrain Vehicles (ATVs) to “Data Analysis/Technical Review” (DA/TR) as a result of the Specialty Vehicle Institute of America (SVIA) assessing agency recommended changes to the voluntary standard; a conforming change will be made to the agency performance target (BK 2.2.1). Second, change “Briefing Package” (BP) for Residential Elevators Petition to DA/TR because agency staff has information that ASME will likely publish a revised standard in October 2016, which will likely address the petitioners’ request. Third, change “Briefing Package” (BP) for Supplemental Mattresses for Play Yards Petition to DA/TR due to competing demands for resources. Staff proposes to bring this BP to the Commission in early 2017. Please see Attachments 2 and 3 for a presentation of the revised voluntary and mandatory standards activities.

For Additional Information

If you have any questions on these staff recommendations, please contact me directly, or contact Jay Hoffman. Thank you.

Attachments:

- Attachment 1:** Detailed Project Descriptions
- Attachment 2:** Changes to Voluntary Standards Table
- Attachment 3:** Changes to Mandatory Standards Table

Detailed Project Descriptions

Project	Amount	Description
Smoke Alarms and CO Sensor Usage Survey	\$500	<p>The CPSC Smoke Detector Operability Survey was last conducted in 1992, is no longer current, and has diminished utility. Accordingly, the fire safety community has articulated the need for CPSC to repeat the survey and update the results. The survey was the top priority in Vision 20/20, a consortium developing fire safety strategies. In addition, residential use of smoke and CO alarms has increased due to enhancements in residential building codes, a variety of state and local jurisdictional laws, and educational campaigns to increase the public awareness of residential fire and CO dangers. Significant interest has developed over residential CO alarm use and CPSC staff has determined that collecting information on CO alarms in conjunction with the smoke alarm survey would be efficient and beneficial. The survey data will be gathered through in-home inspections of smoke alarm and CO alarms by trained staff; and survey results will be used to develop a revised baseline for the number, type, and age of smoke alarms and CO alarms in US homes. Updated survey information on residential public use, in addition to functionality, awareness, and maintenance will provide better and more current information to the fire and CO safety community. For smoke alarms, this survey will represent the state of the market before smoke alarms meeting the new UL 217 standard enter the market and may also provide baseline information that will relate to understanding future changes in technology and effectiveness for smoke alarms meeting the new UL 217 standard. This funding will cover the development of an OMB-approved survey and also a small pilot of the survey. Additional funding of up to \$1.5M will be necessary in subsequent fiscal years to conduct the survey and aggregate the results. Discussions to develop an interagency effort are ongoing, and future funding may be provided by interagency partners. CPSC's future funding commitment will likely be approximately \$400K. CPSC staff will develop the appropriate funding proposals and funding prioritization for Commission consideration in subsequent fiscal years.</p>

Detailed Project Descriptions

Project	Amount	Description
All-Terrain Vehicles (ATVs) Testing	\$500	<p>This project funds an ATV applied research and testing program to address hazards related to ATVs. In the FY 2014 Operating Plan, the Commission directed staff to address the following activities, pursuant to resource availability: (1) consulting with the National Highway Traffic Safety Administration (NHTSA) regarding the categorization of youth ATVs, as well as the establishment of additional safety standards for ATVs (completed FY2014); (2) assessing the inclusion in the NPR of a performance standard related to preventing passengers on ATVs (completed FY 2014); (3) contracting for further testing of a child-resistant ATV ignition prototype device (targeted for completion by the end of FY 2016); (4) conducting a literature review and developing a testing strategy to evaluate steering and stability issues related to ATVs (ongoing, mid-year request supports this work); (5) conducting a literature review and analysis regarding roll-over protection systems for ATVs (FY 2017/future); and (6) conducting an ATV off-road exposure survey, the first year of a three-year effort (FY 2017/future). This mid-year project supports item #4 and will focus on rider action impacts on vehicle/rider dynamics, comparing dirt and pavement performance and completion of the Attribute Modification Study. Some work may be done jointly with SVIA. This \$500,000 mid-year request only partially fulfills the needed funding to complete all work associated with item #4; an additional \$250,000 (est) will be required in a future fiscal year(s) to complete item #4. This subsequent work will be dependent on the completion of the initial \$500K. In addition, staff estimates that \$2.5M will be required to complete Commission directed items #5 and #6 in future fiscal years. In total, and including this mid-year request, ~\$3.2M is required to complete the remaining Commission directed activities (#4, #5, and #6), and future funding will need to be identified either through Operating Plan prioritization, mid-year unexecuted balances, or a future budget request to Congress.</p>

Detailed Project Descriptions

Project	Amount	Description
National Playground Survey	\$400	This project funds a contract for a national survey of safety hazards on playgrounds to include questions about surfacing derived from recycled tire crumb. The CPSC will conduct a national survey to understand chemical exposure hazards to children on playgrounds. The survey will be an extension of focus group discussions and contextual interviews. Because exposure depends on use patterns, survey topics will cover supervision, how children are using playground equipment (particularly new designs), age-appropriate design, and playground surfacing. A portion of the funding would be allocated for impact-attenuation testing on a variety of playground surfaces. Selection of playground locations will be based on demographics of major cities throughout the United States. Results of the study will be used to evaluate the extent to which playgrounds comply with existing voluntary standards, including the head injury criterion (HIC) values under ASTM F1292 impact attenuation standard, and the ASTM 1487 public playground equipment safety standard. Results may also be used to inform future updates to the current (2010) version of the CPSC Public Playground Safety Handbook. This project builds upon and goes beyond the FY 2016 commitments the CPSC has made to the Federal Research Action Plan on recycled tire crumb used on playing fields and on playgrounds, a partnership with EPA and CDC.
Anchor It	\$250	The Anchor It Campaign launched in FY 2015 can be extended to new and wider audience groups through continued effort. Services to include: re-starting placement of existing public service announcements, expanding collaborations with Anchor It Advocates, and leveraging the existing contract vehicle to assess the campaign's reach after one year. This assessment of the campaign includes outreach to Anchor It Campaign collaborators and targeted families for their assessment of the effectiveness of AnchorIt.gov content, video content, and campaign materials.
CO Sensors for Gas Appliances	\$100	The project funds a contract to conduct accelerated life testing and/or performance testing of carbon monoxide/combustion sensors to determine the expected lifespan and performance of carbon monoxide/combustion sensors operating within the heat exchangers of vented gas appliances. This data would support the efforts of the Gas Appliance CO Sensor Project, provide additional evidence to CPSC staff's CO shutoff/response proposal for gas furnaces, boilers, and wall and floor furnaces, and also inform the ANSI Z21 gas appliance voluntary standards group as they evaluate CPSC staff's proposed changes to the voluntary standard. This project is unrelated to portable generators.

Detailed Project Descriptions

Project	Amount	Description
Fuel Gels – Flame Mitigation Devices	\$125	Study of and Test Development for Flame Mitigation Devices. This project funds a contract for a study and report on the state of the flame-mitigation devices industry (<i>i.e.</i> , literature review), development of recommendations for an effective flame-mitigation device for liquid flammable fuel containers, and development of a test method for measuring performance. This proposal directly supports the FY 2016 firepot/fuel gels voluntary standards effort. Staff believes that UL 30 may consider a revision to their voluntary standard and incorporate requirements for a flame-mitigation device for liquid flammable fuel containers, if supporting information becomes available from the results of this study.
Human Factors Standards Guideline	\$70	This project funds the development of a guideline of best-practice human factors design principles, processes, methodologies, and testing for firms that manufacture consumer products. This will allow the CPSC to request information from firms during Compliance actions that can show whether the proper analysis was conducted during product design. This document will provide the overview and process of critical human factors engineering design elements for firms to implement, such as function allocation, task analysis, human reliability analysis, use-case scenario development, and usability testing.
SRP Cyclic Lab Grand Tower Completion	\$45	This project funds completion of the Cyclic Lab Grand Tower (GT) build out, the power supply, electromechanical motor control hardware, and associated wiring must be contained within an approved electrical enclosure to safely operate the new GT Test System. CPSC staff does not have the certifications or expertise to perform this work. The GT will be used for regulatory tests and Section 15 investigations.
Haas CNC Mill	\$200	This project funds a replacement CNC Mill that is used to fabricate test fixtures and test rigs more efficiently in the SRP machine shop. The existing Haas CNC Mill was purchased in 2005, and the digital hardware can no longer be serviced. The data memory is too small, which limits the fabricated part size and complexity. A new control system cannot be retrofitted to the old mill chassis due to the improvements in digital control systems over the past 10 years. Additionally, the new mills have an improved door system with tempered glass, which increases operator safety.

Detailed Project Descriptions

Project	Amount	Description
Crib Shaker Upgrade and Integration with MTS Control System	\$50	This project funds upgrades to the crib shaker machine. The firm that designed the existing Crib Shaker Machine has elected to transition away from linear motor machine design, leaving the existing crib shaker machine unsupported and un-serviced. This project recommends integrating the crib shaker machine into the CPSC's controller infrastructure to extend the life of the crib shaker, harmonize the interface, reduce complexity between test equipment, improve training efficiency, and reduce high-voltage risks to employees. The Crib Shaker Machine is required for 16 C.F.R. part 1219.
Fortus 450mc 3D Printer	\$300	This project funds the acquisition of a new Fortus 450mc 3D printer. The existing 3D printer cannot produce dimensionally accurate probes and brackets in high-strength plastic. Since most dimensional probes and some brackets can be printed in structural plastic, acquiring a Fortus 3D Printer will eliminate the need for costly aluminum custom designs. The Fortus has multiple safety interlocks allowing printing outside of work hours.
Product ID Modernization	\$170	This project will evaluate relative strengths and weaknesses associated with the product identification approach currently in use at CPSC; identify systems using these standards and processes; evaluate the characteristics of Global Product Classification and Global Trade Item Number and how it could support CPSC mission functions; provide recommendations for GPC and GTIN implementation to identify areas where a new standard could improve processes either through replacement or additional incorporation into CPSC processes; develop example cases for the use of GPC and GTIN and the benefits; identify standards and processes associated with product identification across CPSC mission areas; and provide a recommended sequence for implementation and cost estimates for implementation.
Project Server - Proof of Concept	\$150	This project supports a business application proof of concept within EXIT to evaluate the capabilities of Project Server (a project management software) better and provide reporting metrics on enhanced processes in managing the IT project portfolios. This project will also include training on using the software.
OCM Recalls Workflow	\$203	This project recommends improving efficiency and transparency of OCM workflow processes for recalls by integrating the data with DCM/Section 15 and IFS.

Detailed Project Descriptions

Project	Amount	Description
Open Data Initiative II	\$430	<p>The goal of this project is to increase all CPSC stakeholders' access to CPSC's data and continue to align to CPSC's Open Government Plan (http://www.cpsc.gov/en/About-CPSC/Agency-Reports/open/), consistent with Executive Order No. 13642 to make government information open and machine readable. CPSC's objective, through an open data approach, is to establish the openness of its publicly available NEISS and LOA data and to make the NEISS and LOA data and the data structure compliant with all federal open data standards. CPSC intends to adapt modern big data technology, on top of a high availability and high scalability environment, to provide greater accessibility in the overall operation of big data infrastructure and its performance. Once completed, this project will provide the modern, open, machine readable, and highly available NEISS and LOA data in open data formats. To promote open data and increase participation, CPSC needs to make the data in NEISS and LOA available via open architecture and Web API.</p>
Recall Effectiveness – Behavioral Economics Study	\$1,500	<p>This project funds a study on behavioral economics related to recall effectiveness. The Recall Effectiveness contract will include a study of the level of impact recall communications have on consumers, the difficulties of the recall message reaching consumers, and consumers' considerations when deciding whether to participate in recalls. The study will also collect data on alternative communication methods that would motivate consumer participation; the use, impact, and effectiveness of social media; and best practices for negotiating and implementing recalls. The study may use surveys, focus groups, and/or other means to gather the data. The funding for the study could be divided and executed over 2 years, depending on unexecuted balance availability.</p>

Changes to Voluntary Standards Table

Product		FY 2016 Op Plan	FY 2016 Op Plan Revised
Voluntary Standards Activities Related to Existing CPSC Regulations Issued Under the CPSIA, as amended by Pub. L. No. 112-28, and including the Danny Keysar Child Product Safety Notification Act (Section 104 of the CPSIA)			
1	ATVs	•	•
2	Bassinets/Cradles	•	•
3	Bed Rails (Children's)	•	•
4	Bedside Sleepers	•	•
5	Child Frame Carriers	•	•
6	Commercial Cribs	•	•
7	Full-Size Cribs	•	•
8	Handheld Carriers, Handheld	•	•
9	Infant Bath Seats	•	•
10	Infant Swings	•	•
11	Infant Walkers	•	•
12	Non-Full-Size Cribs and Play Yards	•	•
13	Soft Carriers	•	•
14	Strollers	•	•
15	Toddler Beds	•	•
16	Toys	•	•
Voluntary Standards Activities Related to Existing CPSC Regulations			
17	Architectural Glazing	•	•
18	Bicycles	•	•
19	Child-Resistant Packaging	•	•
20	Fireworks	•	•
21	Garage Door Operators	•	•
22	Gasoline Containers	•	•
23	Swimming Pools/Spas (Drain Covers, VGB)	•	•
Voluntary Standards Activities Related to Petitions			
24	Adult Portable Bed Rails	•	•
25	Candles and Candle Accessories	•	•
26	Crib Bumpers	•	•
27	Torch Fuel Containers	•	•
Voluntary Standards Activities Related to Rule Review Projects			
28	Mattresses	•	•
Voluntary Standards Activities Related to Ongoing Rulemakings Under CPSIA, as amended by Pub. L. No. 112-28, and including the Danny Keysar Child Product Safety Notification Act (Section 104 of the CPSIA)			
29	Booster Seats	•	•
30	Changing Tables	•	•
31	Children's Folding (Youth) Chairs and Stools	•	•
32	High Chairs	•	•
33	Hook-on Chairs	•	•
34	Infant Bath Tubs	•	•
35	Infant Bouncers	•	•
36	Infant Gates and Other Enclosures	•	•
37	Infant Inclined Sleep Products	•	•
38	Infant Slings	•	•
39	Phthalates	•	•
40	Stationary Activity Centers	•	•
41	Window Coverings	•	•

Changes to Voluntary Standards Table

Product		FY 2016 Op Plan	FY 2016 Op Plan Revised
Voluntary Standards Activities Related to Ongoing or Potential Rulemaking Activities			
42	Firepots and Fuel Gels		
43	Flammable Liquids (Material Handling) (now includes Fuel Gels)	•	•
44	Portable Fireplaces (now includes Firepots and Unvented Alcohol Appliances)	•	•
45	Portable Generators	•	•
46	Power Equipment (Table Saws)	•	•
47	Recreational Off-Highway Vehicles (ROVs)	•	•
48	Upholstered Furniture	•	•
Other Planned Voluntary Standards Activities			
49	Baby Monitors	•	•
50	Batteries, Button, Lithium, Cell	•	•
51	Carbon Monoxide (CO) Alarms		
52	Clothes Dryers	•	•
53	Cooktops		
54	Electric Heaters		
55	Flammable Refrigerants	•	•
56	Formaldehyde in MDF	•	•
57	Formaldehyde in Particleboard	•	•
58	Fuel Tanks, Leakage	•	•
59	Furnaces (CO Sensors)	•	•
60	Furniture Tip Overs	•	•
61	Gas Grills		
62	Gasoline Containers (Flame Arrestors)	•	•
63	Glass Front Gas Fireplaces		
64	Hoverboards		▲ •
65	Inflatable Play Devices (Constant Air)	•	•
66	Laundry and Dishwasher Packets	•	•
67	Mowers	•	•
68	Nanotechnology	•	•
69	National Electrical Code	•	•
70	Playground Equipment (Children under 2 years)		
71	Playground Equipment (Home)	•	•
72	Playground Equipment (Public)	•	•
73	Pools, Portable Unprotected (Child Drowning)		
74	Ranges (Tip Over)	•	•
75	Ranges, Gas (Control Panels)	•	•
76	Recreational Headgear	•	•
77	Slow Cookers		
78	Smoke Alarms	•	•
79	Spray Polyurethane Foam Insulation	•	•
80	Tents	•	•
81	Trampolines		
82	Washing Machines, Front Loading		
Grand Total		70	71

Changes to Mandatory Standards Table

Items by Major Categories	FY 2016 Op Plan	FY 2016 Op Plan Revised
CPSIA, as amended by Pub. L. No. 112-28, and including Section 104, the Danny Keysar Child Product Safety Notification Act		
ATVs	NPR	Δ DA/TR
Booster Seats	DA/TR	DA/TR
Children's Folding Chairs	FR	FR
High Chairs	NPR*, FR	NPR*, FR
Changing Tables	NPR	NPR
Gates and Other Enclosures	NPR	NPR
Hook-on Chairs	FR	FR
Infant Bath Tubs	FR	FR
Infant Bouncer Seats	FR	FR
Infant Inclined Sleep Products	NPR	NPR
Infant Slings	FR	FR
Phthalates	FR*	FR*
Stationary Activity Centers	DA/TR	DA/TR
Rule Review		
Certificates of Compliance – 1110 Rule – E.O. 13659	DA/TR	DA/TR
Fireworks	BP*, NPR	BP*, NPR
Lead	BP	BP
1633 - Mattresses	BP	BP
Rule Review Plan	BP	BP
Other Ongoing or Potential Rulemaking-Related Activities		
Architectural Glazing	FR	FR
Adjudicatory Rules	NPR	NPR
Adult Portable Bed Rails Petition	BP	BP
Bedclothes Flammability		
Burden Reduction/Assure Compliance (replaces Third Party Testing - Determinations)	NPR, FR	NPR, FR
Crib Bumpers	BP*	BP*
Firepots and Fuel Gels	DA/TR	DA/TR
Flooring Petition	BP	BP
Furniture Tip-Over	BP	BP
Garage Door Operators	FR	FR
Information Disclosure Under Section 6b of the CPSIA – 1101 (OGC)	FR*	FR*
Organohalogens Petition	BP	BP
Portable Generators	NPR*	NPR*
Recreational Off-Highway Vehicles (ROVs)		
Residential Elevators Petition	BP	Δ DA/TR
Silk FFA Petition	BP	BP
Supplemental Mattresses for Play Yards Petition	BP	Δ DA/TR
Table Saws	NPR	NPR
Upholstered Furniture	BP, DA/TR	BP, DA/TR
Vacuum Diffuser Petition	BP	BP
Voluntary Recall (EXC/OCM)	FR*	FR*
Voluntary Standards Participation (1031)	FR	FR
Window Coverings	DA/TR	DA/TR
Number of candidates for rulemaking (ANPR, NPR, and FR)	23	22