



U.S. CONSUMER PRODUCT SAFETY COMMISSION

4330 EAST WEST HIGHWAY
BETHESDA, MARYLAND 20814-4408

Record of Commission Action Commissioners Voting by Ballot*

Commissioners Voting: Chairman Inez M. Tenenbaum
 Commissioner Thomas H. Moore
 Commissioner Nancy A. Nord
 Commissioner Anne M. Northup
 Commissioner Robert S. Adler

ITEM:

Proposed Minor Reorganization of the U.S. Consumer Product Safety Commission
(Briefing package dated July 13, 2011, OS No. 5032)

DECISION:

The Commission voted (4-1) to approve the reorganization of the U.S. Consumer Product Safety Commission as recommended by the Executive Director with changes, specifically, changing the name of the "Office of Congressional Relations" to the Office of Legislative Affairs." Chairman Tenenbaum and Commissioners Moore, Northup and Adler voted to approve the reorganization with changes. Commissioner Nord voted to not approve the reorganization.

Chairman Tenenbaum and Commissioner Nord issued the attached statements with their votes.

For the Commission:

A handwritten signature in black ink, appearing to read "Todd A. Stevenson".

Todd A. Stevenson
Secretary

* Ballot vote due July 29, 2011



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BETHESDA, MD 20814

CHAIRMAN INEZ M. TENENBAUM

August 11, 2011

**STATEMENT OF CHAIRMAN INEZ M. TENENBAUM ON
THE MINOR REORGANIZATION OF
THE U.S. CONSUMER PRODUCT SAFETY COMMISSION**

The environment in which the U.S. Consumer Product Safety Commission (CPSC) currently operates is vastly different than it was even a few years ago. We have been focused in recent years on successfully implementing the Consumer Product Safety Improvement Act (CPSIA), which granted us extensive new regulatory authorities and mandates to improve consumer product safety. As a result of this legislation, our agency is also expediting the modernization of its information technology systems; recently launched the new SaferProducts.gov Publicly Available Consumer Product Safety Information Database; has moved into its new, world-class National Product Testing and Evaluation Center; and for the first time in more than two decades, has a full complement of Commissioners and staff prepared and ready to execute our safety mission.

The world in which our agency operates is also changing. The marketplace of consumer goods has expanded rapidly in recent years requiring the CPSC to take an increasingly global view of consumer product safety. Globalization and technological advances have expanded the range of products on the market, increasing the risks and opportunities associated with these advancements and making the challenge of overseeing and regulating the thousands of product types within the agency's jurisdiction all the more complex. As a result of these changes, the value of U.S. imports under our jurisdiction has skyrocketed, reaching about \$637 billion in 2010. The value of all imports of consumer products from China and Hong Kong more than quadrupled from 1997 to 2008. Moreover, four out of five consumer product recalls involve imported products, making imports a critical area of attention for the agency.

In order to achieve our mission, the Commission must continue to adapt to these changes. To help align our resources with agency priorities to meet the immense challenges we face moving into the twenty-first century, the Commission has approved the minor reorganization of the agency outlined in this statement.

Creation of a Second Deputy Executive Director Position

As the Commission continues to grow and evolve, and as the world in which it operates expands, it is apparent that splitting the assistant operational management responsibilities between two Deputy Executive Directors is preferable and will lead to more efficient and effective management of the agency. Thus, a second Deputy Executive Director position has

been created—one Deputy Executive Director is now assigned to Safety Operations and the other to Operations Support. The Deputy Executive Director for Safety Operations will focus on harmonizing the operations and workflow of our Offices of Compliance and Field Operations; Hazard Identification and Reduction; Import Surveillance and Inspection; and Education, Global Outreach, and Small Business Ombudsman. In doing so, this individual will help ensure that potential hazards—whether involving products produced domestically or products stops at U.S. ports of entry—are identified quickly, and unsafe products are kept out of the hands of consumers. The Deputy Executive Director for Operations Support will focus on harmonizing the operations and workflow of our Offices of Information Technology; Human Resources Management; Facilities Services; and Financial Management, Planning, and Evaluation. By coordinating the efforts of the agency’s operations support offices, this individual will ensure CPSC resources are managed wisely and efficiently such that the agency can continue to effectively fulfill its safety mission.

Moving the Import Surveillance Division to Report Directly to the Deputy Executive Director for Safety Operations

In February 2008, the CPSC established an Import Surveillance Division, which resulted in the agency colocating staff at selected ports of entry. Since that time, CPSC’s Import Surveillance Division has operated as a semi-autonomous division in the Office of Compliance and Field Operations. The Commission approved change to the reporting structure of this division—from reporting to the Director of Compliance and Field Operations to directly reporting to the Deputy Executive Director for Safety Operations—will elevate the level of management support and oversight received by this critical and strategically important function, and will increase the office’s visibility to outside stakeholders.

While there will always be a need to coordinate the efforts of our import team with other CPSC offices, as is currently done, there are overriding benefits to allowing the new “Office of Import Surveillance and Inspection” to work independently from the Office of Compliance and Field Operations. For example, given their unique roles at the ports and very close coordination with U.S. Customs and Border Protection, our import experts are in the best position to make decisions regarding the disposition of import cargo held for inspection. By reducing the number of people involved in this process and placing the responsibility for import decisions with the individuals in the best position to make them, I expect that we will reduce the number of days we hold cargo that is ultimately deemed safe and compliant. This is one example of the many efficiencies that will be created by putting the ultimate responsibility for decisions regarding imports with our experts in the new Office of Import Surveillance and Inspection. The new office reports directly to the Deputy Executive Director for Safety Operations, who is the same individual that supervises the Office of Compliance and Field Operations. This new organizational structure will increase efficiencies at the ports, reduce the already heavy management responsibilities of the Office of Compliance and Field Operations, and continue to ensure harmony and coordination in our overall approach to compliance operations.

Changes to the Office of Information and Public Affairs

The formerly titled Office of Information and Public Affairs is taking a new, dynamic approach to strategic communications. To reflect this twenty-first century approach, including increased emphasis on traditional and nontraditional media relations and social engagement, the Commission has elected to change the name of the Office of Information and Public Affairs to the “Office of Communications.” The Commission has also approved a change to this office’s reporting structure so that its director reports directly to the Chairman of the agency rather than the Executive Director. The Chairman, as head of the Commission, serves as the public face and voice of the agency, and the Office of Communications needs direct access to the Chairman in order to successfully implement the Chairman’s strategic communications plan and consumer information agenda. The Office of Communications will continue to serve the Commission as a whole, represent policy decisions made by the Commissioners to the news media and public, and work in close coordination with all offices and divisions.

Changes to the Office of Information Technology

As currently structured, the Office of Information Technology includes the Facilities Management and Support Services Branch and the Commission’s Secretariat (Office of the Secretary). In light of the Commission’s increased IT requirements, including the IT Modernization project currently underway, the functions handled by this office have simply grown too large, with responsibilities too diverse, to continue to operate as a single business unit. In order to allow the IT group and its managers to focus on their core competency of information technology, the Commission has approved breaking the Facilities Management and Support Services Branch and the Commission’s Secretariat out from the Office of Information Technology.

Facilities Management and Support Services Branch

The Facilities Management and Support Services Branch has little in common with the core functions of the Office of Information Technology. Creating a stand alone office dedicated to facilities services functions allows this group, as well as the Information Technology managers, to spend more time executing their primary responsibilities rather than trying to oversee and execute on a variety of disparate activities. Pursuant to this reorganization, this office has been renamed the “Office of Facilities Services” and reports directly to the Deputy Executive Director for Operations Support.

Secretariat (Office of the Secretary)

The activities of the Commission’s Secretariat (Office of the Secretary) also have very little in common with the primary functions of the Office of Information Technology; however, many of this division’s tasks are inherently legal in nature. In fact, close coordination with the Office of General Counsel—often on a daily basis—is typically required in the execution of the functions of the Commission’s Secretariat. Given the necessary interaction between these two groups in

fulfilling their responsibilities, the Commission has moved the Secretariat into the Office of General Counsel.

Renaming the Office of Congressional Relations the Office of Legislative Affairs

The Commission approved renaming the Office of Congressional Relations the “Office of Legislative Affairs” to harmonize the name of this office with the terminology used by almost every Cabinet department, as well as many other independent agencies like the Federal Communications Commission. This change also clarifies that the work undertaken by this office extends beyond merely dealing with Members of Congress and their staff.

Conclusion

These Commission approved changes, which are already effective, will enable CPSC to continue our transformation into a proactive safety agency determined to protect the public against unreasonable risks of injury from consumer products, and will facilitate achievement of CPSC’s vision to be the recognized global leader in consumer product safety.



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STATEMENT OF COMMISSIONER NANCY NORD ON
THE PROPOSED REORGANIZATION OF
THE U.S. CONSUMER PRODUCT SAFETY COMMISSION

July 29, 2011

I do not believe that the proposed agency reorganization is well-advised and I cannot support it. Contrary to the briefing memo, the proposed reorganization is certainly not “minor” as it has been styled. It makes an important change to agency operations. While I have a number of concerns about the proposal, two are highlighted here.

My first concern is the proposal removing the Import Surveillance Division from the Office of Compliance and establishing it as a stand-alone operation, independent of the Office of Compliance. The Import Surveillance Division was established in 2008 to provide focused compliance resources to the issue of unsafe imports. The Division has grown significantly since it was established and this reflects the important role that import surveillance plays in our compliance activities. Vigilance at our ports and vigilance in the marketplace are two sides of the same compliance coin. I have not heard any persuasive rationale for this move other than recognition of the fact that import surveillance is a fast growing function of the agency. While this is true, import surveillance is still totally a compliance function. I question how removing it from the supervision of the Office of Compliance will do anything other than create the potential for internal confusion, inconsistent decision making and inefficiency.

I also question the need for creating a second deputy position to assist the agency executive director. This adds another layer of management between our important program offices, especially the Office of Compliance, and the leadership of the agency. This top-heavy management direction does not reflect the fact that the agency’s budget is shrinking, not growing. I would prefer to see the agency add compliance officers, scientists and technicians, rather than add another layer of management.