

UNITED STATES

CONSUMER PRODUCT SAFETY COMMISSION

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STATEMENT OF COMMISSIONERS PETER A. FELDMAN AND DOUGLAS DZIAK SUPPORTING THE FINAL RULE ON ELECTRONIC FILING

DECEMBER 18, 2024

eFiling targets de minimis foreign e-commerce shipments that threaten American families

Today the U.S. Consumer Product Safety Commission (CPSC) approved a final rule to implement electronic filing of certificate of compliance data at import. eFiling will improve CPSC's ability to target higher risk products for screening and interdiction. At the same time, it will reduce inspection delays and allow compliant products to clear the entry process more efficiently. This initiative is the result of more than a decade of work and study.

America faces a flood of foreign direct-to-consumer shipments, and the tide is rising. These e-commerce shipments often originate from countries that do not respect U.S. safety laws. At the same time, CPSC has a limited capacity to monitor the millions of small parcels that enter the U.S. marketplace duty free each day under the *de minimis* exemption. As the U.S.-China Economic and Security Review Commission <u>noted recently</u>, many Chinese companies are able to sell unsafe goods directly in the U.S. market and are unlikely to ever be found out, let alone held accountable for the harm their products cause. eFiling helps to change that.

This rule does not create additional testing and certification burdens for firms. Importers already must provide testing certificates in paper format upon request. This new rule will bring the Commission's tracking and targeting system into the 21st century by requiring electronic filing of certificate data. In doing so, this rule will make it more difficult for foreign manufacturers who ignore existing testing and certification requirements to evade detection.

While we want to realize the full benefits of the new rule as soon as possible, we nevertheless recognize as a practical matter that many firms will need to overhaul their software and data management systems to transition to electronic filing. Rather than set unrealistic effective dates that could place the entire eFiling rule at risk (as we have seen in other <u>rulemakings</u>), we believe an 18-month deadline is reasonable based on numerous stakeholder meetings, comments in the rulemaking, and our discussions with agency staff.

We are pleased that our amendment to allow additional time to comply was adopted on a bipartisan basis. This will allow the Commission and industry to work through final punch list items in the system's development and ensure it works the way we expect it to, ultimately strengthening our ability to keep unsafe products out of American homes.