

UNITED STATES CONSUMER PRODUCT SAFETY COMMISSION

4330 EAST WEST HIGHWAY BETHESDA. MD 20814

COMMISSIONER PETER A. FELDMAN

STATEMENT OF COMMISSIONER PETER A. FELDMAN NEW PENALTY CAPS MAY PROVIDE INSUFFICIENT DETERRENCE AGAINST THE LARGEST E-COMMERCE PLATFORMS

November 23, 2021

Today the U.S. Consumer Product Safety Commission (CPSC) is voting to adjust its maximum civil penalty amounts. The Consumer Product Safety Act (CPSA), as amended, requires us to make this adjustment every five years to account for inflation, among other things. The new civil penalty caps under consideration are \$120,000 for a single violation, and less than \$18 million for a series of related violations. The purpose of CPSC's statutory civil penalties is to deter and punish safety violations, not to put any company out of business.

While I support today's vote, I write to express my concern that the current maximum civil penalty caps, even as adjusted, may leave CPSC with insufficient tools to enforce against large ecommerce platforms, some of which measure their annual revenue in the hundreds of billions of dollars. In an era where CPSC is asserting jurisdiction to keep pace with 21st Century commerce, and consumer safety depends on CPSC's ability to provide effective enforcement and deterrence, it now may be time to rethink the agency's maximum civil penalty caps. I look forward to working with my colleagues to review CPSC's penalty provisions and to determine if CPSA updates are needed.