



April 22, 2026

TO: Peter A. Feldman, Acting Chairman
THROUGH: Alberta E. Mills, Secretary
Matthew Campbell, General Counsel
FROM: Brien Lorenze, Executive Director
SUBJECT: Fiscal Year (FY) 2026 Mid-Year Review

OVERVIEW

This memorandum summarizes staff's recommendations for the FY 2026 Proposed Operating Plan Alignment and Midyear Review. The recommendations propose the following:

1. Align funding levels of the FY 2026 Operating Plan with the FY 2026 Consolidated Appropriations Act (Pub. L. No. 119-75) enacted on February 3, 2026.
2. Identify prioritized projects for allocation of unexecuted balances should they become available.

RECOMMENDATION 1: ENACTED LEVEL ALIGNMENT

At the start of FY 2026, CPSC operated under a Continuing Resolution at \$135 million with 459 Full Time Equivalents (FTE), while the President's Budget (PB) - requesting identical levels – awaited Congressional authorization. To maintain operational readiness until an appropriation was passed, staff prepared dual FY 2026 Operating Plan scenarios aligned with both the President's Budget and the House Mark, which the Commission approved and published on January 6, 2026.

On February 3, 2026, Congress enacted an annual appropriation of \$150.975 million for CPSC—an increase of \$15.975 million above the requested \$135 million. The appropriation includes no-year funds for two grant programs: A) \$2.0 million for the Nicholas and Zachary Burt Memorial Carbon Monoxide Poisoning Prevention Act (NZB) and B) \$2.5 million for the Virginia Graeme Baker (VGB) Act.

RECOMMENDATION 2: USE OF UNEXECUTED BALANCES FOR PRIORITIZED PROJECTS

Unexecuted balances become available from FTE variances, delayed or unawarded contracts, or obligations that come in below the cost estimates. [Table 1](#) reflects the highest-priority projects totaling \$12.2 million and [Table 2](#) reflects the project summaries. The actual amount of year-end unexecuted balances is currently unknown but is estimated to be in the \$7 million range.

Upon approval of the list in Table 1, requirements may need to be funded out of sequence due to the timing, such as period of performance, and other acquisition planning requirements.

Table 1. Prioritized Projects

MY #	Org	Office	Project	Amount (in \$000)
1	EXRR	EPI	NEISS-EHR (Sep – Dec 2026) * **	\$566
2	EXRR	EPI	Legacy NEISS (July - Sep 2026)	\$1,188
3	EXRR	EPI	Legacy NEISS (Oct - Dec 2026)	\$1,626
4	EXIT	-	RAM Azure Cloud Architect	\$171
5	CDO	CDO	Call Order #2 – Data Management **	\$1,100
6	EXRR	-	Coder Support	\$388
7	CDO	CDO	Call Order #1 – Data Analytics **	\$2,100
8	EXFM	FMFS	Financial Audit Remediation/Audit Liaison Support (Jul – Dec 2026) **	\$250
9	EXIS	-	eFiling Tier 1 and 2 Additional Support **	\$133
10	EXRR	ECON	Deregulation Support	\$500
11	EXC	CRE	AI Integration for Sample Evaluation and Processing	\$413
12	EXC	CRE	eSafe AI **	\$574
13	EXIS	-	GDSN Subscription	\$67
14	EXFS	-	Additional cameras at SSF	\$89
15	EXIT	-	Everbridge Mass Notification System	\$13
16	EXC	-	CMS AI Chatbot	\$440
17	EXFS	-	Sample destruction	\$30
18	EXRR	LS	PFAS Contract Supplement **	\$250
19	EXRR	LS	XRF Upgrade	\$62
20	EXRR	ES	Recall Effectiveness	\$300
21	EXRR	HS	Refinements to functional stochastic CO to COHB tool	\$50
22	EXRR	-	AI Enabled Consumer Toy Testing	\$4
23	EXRR	ES	Full Face Snorkel Mask Study	\$75
24	EXRR	ES	Predictive Modeling for Child Strength Data	\$90
25	EXRR	HS	Evidence-based Chemicals-of-Concern and Safer Alternative	\$100
26	EXRR	HS	Evidence integration for skin/eye irritants and corrosives	\$200
27	EXRR	HS	Identifying Chemical Hazards with Next Gen Tools	\$75
28	EXRR	HS	Exposure Testing Fluorotelomer Alcohols in Paints & Coatings	\$250
29	EXRR	LS	PFAS In-House Analysis Package	\$620
30	EXRR	ECON	Incorporate ICM Revised Model	\$400
31	EXIS	-	Compliance Investigator Screening Application	\$50
32	EXRR	LS	Mechanical Lab Upgrades	\$45
Total				\$12,219

Symbol

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Description

Project may be used as a “filler” based on residual year-end unexecuted balances

Project that will continue in FY 2027

Table 2. Prioritized Project Descriptions

MY#	Project	Amount (in \$000)	Project Description
1	NEISS-EHR (Sep – Dec 2026)	\$566	Expand NEISS Electronic Health Records (EHR) to 100 integrations.
2	Legacy NEISS (Jul to Sep 2026)	\$1,188	Maintain continuous receipt of manually coded data during July–Sept to ensure uninterrupted national injury surveillance while the Commission transitions to EHR based data collection.
3	Legacy NEISS (Oct to Dec 2026)	\$1,626	Maintain continuous receipt of manually coded data during Oct–Dec to ensure uninterrupted national injury surveillance while the Commission transitions to EHR based data collection.
4	RAM Azure Cloud Architect	\$171	CPSC’s mandate to move all applications to Azure requires continued support to ensure continuity for RAM and eFiling services.
5	Call Order #2 – Data Management	\$1,100	Advance the Azure Data Lake into a governed, analytics-ready platform that supports agency analytics, AI/ML, NEISS modernization, and Sentinel risk detection.
6	Coder Support	\$388	Funds three coders to continue processing manual records and non-machine-readable documents and create labeled datasets to train AI/ML models.
7	Call Order #1 – Data Analytics	\$2,100	Modernize CPSC’s data infrastructure and analytical capabilities to enhance its mission of protecting consumers from product-related risks.
8	Financial Audit Remediation/Audit Liaison Support (Jul – Dec 2026)	\$250	Continue FSA remediation by closing at least two material weaknesses, one significant deficiency, and two minor audit findings, and strengthen the audit liaison workflow to ensure audit requests are properly managed and submitted on time.
9	eFiling Tier 1 and 2 Additional Support	\$133	Provide a support engineer to maintain service quality and meet increased demand for eFiling assistance. The added capacity will help sustain performance and improve response times.
10	Deregulation Support	\$500	Provide economic analysis capabilities, market information, regulatory analyses, and regulatory flexibility analyses in support of deregulation.
11	AI Integration for Sample Evaluation and Processing	\$413	Develop an AI-driven compliance support tool that integrates with CPSC systems and internal data to streamline casework. The tool would interpret sample records, provide preliminary violation assessments, flag inconsistencies or risks, compare findings against Enforcement Guidance to recommend preliminary actions, generate Notices of Violation for review, and assign case audits.
12	eSafe AI	\$574	eSAFE RAPID Tool automation project adding AI/ML capabilities to identify and process recalled or banned products and expand eSAFE’s search of consumer reviews and online information to support Compliance casework.
13	GDSN Subscription	\$67	Utilizing GDSN will enhance efficiency at ports by enabling RAM to access standardized product data directly from the GS1 data pool. With the integration architecture already developed, subscription renewal will allow full implementation and focus field resources on high-risk shipments.
14	Additional cameras at SSF	\$89	Replace noncompliant system and enhance coverage with strategically placed cameras.
15	Everbridge Mass Notification System	\$13	Strengthen emergency communication and incident response while advancing the shift from on premises systems to cloud based solutions.
16	CMS AI Chatbot	\$440	Integrate a Large Language Model chat interface into the CMS to answer natural-language queries and generate on-demand case summary reports.
17	Sample destruction	\$30	Funds additional labor to reduce the sample backlog and create space for incoming samples.
18	PFAS Contract Supplement	\$250	Conduct supplemental PFAS testing on clothing and textile products that fail in-house screening. Leadership will determine whether to use Tier IIA contract testing or Tier IIB in-house testing.

MY#	Project	Amount (in \$000)	Project Description
19	XRF Upgrade	\$62	The XRF equipment inventory is aging and with a shrinking fleet and long replacement lead times, the lab lacks redundancy and faces potential disruptions in lead and heavy-metal testing.
20	Recall Effectiveness	\$300	Explore remedy design and consumer choice; incentive structures, communication strategies, digital outreach, consumer perception and behavioral drivers, AI-driven personalization for recall notifications, revised metrics, predictive analytics for identifying high-risk recalls.
21	Refinements to functional stochastic CO to COHB tool	\$50	Continues development of a tool that estimates COHB levels from constant CO exposures. Now in beta testing, this update will improve usability and expand support for CO-poisoning scenarios.
22	AI Enabled Consumer Toy Testing	\$4	Evaluate AI-enabled toys to identify potential risks to children, including exposure to harmful content, inappropriate marketing or labeling, and any physiological, psychological, environmental, or physical hazards. Results will inform voluntary standards.
23	Full Face Snorkel Mask Study	\$75	Evaluate 10 models to assess airflow pathways, dead volume, oral–nasal seal performance, breathing effort, and hypercapnia or drowning risk. The results will support recall decisions and inform efforts to advance a voluntary safety standard.
24	Predictive Modeling for Child Strength Data	\$90	Develop predictive models including interpolation functions and relationships between strength and body dimensions to fill data gaps and estimate forces children can exert in various scenarios.
25	Evidence-Based Framework for Chemicals of Concern	\$100	Public health agencies increasingly use evidence to flag chemicals of concern and promote safer alternatives. Applying this to consumer products would strengthen CPSC’s leadership, speed hazard identification, clarify industry guidance, and enhance proactive protection.
26	Evidence Integration for Irritant and Corrosive Chemicals	\$200	Continues the project that identified chemical substances with toxicological data for skin irritation, eye irritation, and corrosivity.
27	Identifying Chemical Hazards with Next Gen Tools	\$75	Unifies efforts across CPSC to identify products containing chemicals of concern. A database driven approach will create a scalable, repeatable method to link products with flagged chemicals and identify similar items cited by health authorities.
28	Exposure Testing Fluorotelomer Alcohols in Paints & Coatings	\$250	Conduct testing to measure fluorotelomer alcohol content and emissions in paints and coatings by implementing exposure testing protocol. Results will refine exposure estimates to support risk assessment and guide risk management actions.
29	PFAS In-House Analysis Full Analysis Package	\$620	Provide external testing for PFAS in paints and coatings identified alongside textiles in the CPSC Risk Assessment Report as major contributors to fluorotelomer alcohol exposure.
30	Incorporate ICM Revised Model	\$400	Integrate the FY 2020-revised ICM model to strengthen CPSC cost-benefit analysis.
31	Compliance Investigator Screening Application	\$50	Develop a Copilot-enabled mobile app to serve as a field toolkit for Compliance Investigators, supporting standardized port and warehouse examinations, reducing reliance on HQ for sample-collection guidance, minimizing human bias, and integrating with CPSC systems.
32	Mechanical Lab Upgrades	\$45	New equipment (FARO Arm, wireless temp and pressure gauges and a waterjet) will enhance testing consistency and expand capability for reverse engineering and destructive analysis.
Total		\$12,219	