

Fiscal Year 2016 Performance Budget Request



UNITED STATES OF AMERICA
**CONSUMER PRODUCT
SAFETY COMMISSION**

Submitted to Congress

February 2, 2015

CPSC ORGANIZATION CHART

The Commission consists of five members appointed by the President with the advice and consent of the Senate. The Chairman is the principal executive officer of the Commission. The following chart depicts the organizational structure of the CPSC:

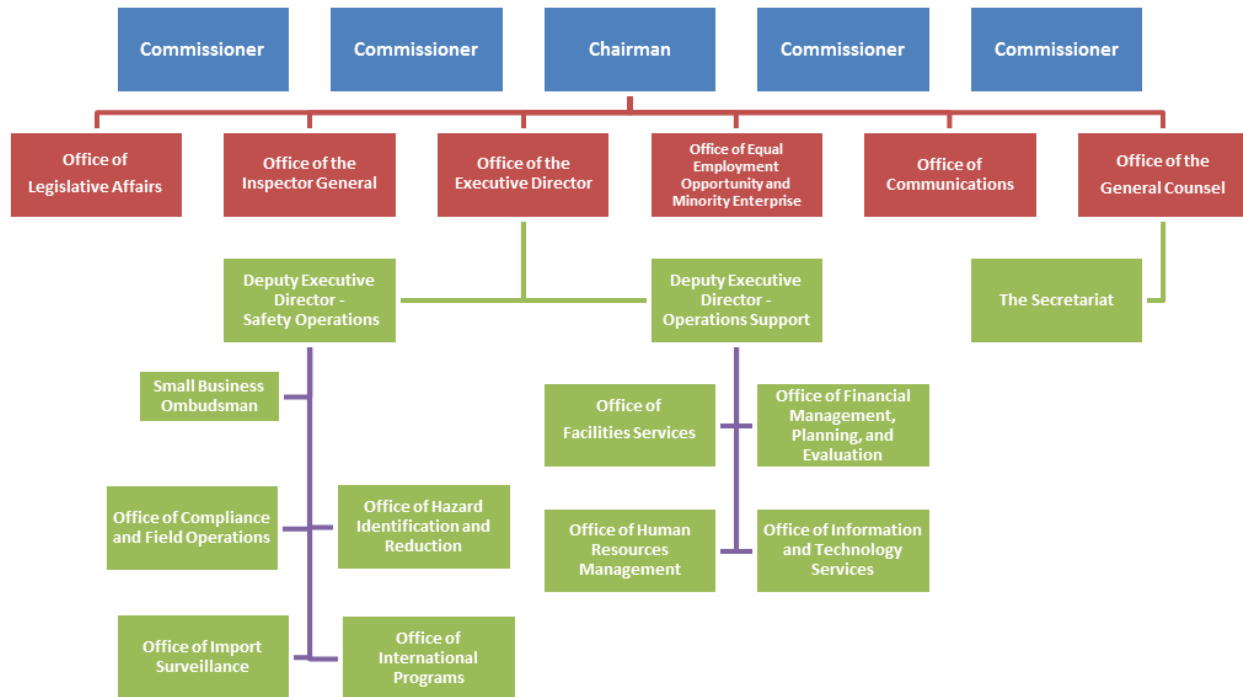


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APPROPRIATIONS LANGUAGE

U.S. CONSUMER PRODUCT SAFETY COMMISSION SALARIES AND EXPENSES

For necessary expenses of the U.S. Consumer Product Safety Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable under 5 U.S.C. 5376, purchase of nominal awards to recognize non-Federal officials' contributions to Commission activities, and not to exceed \$4,000 for official reception and representation expenses, \$129,000,000, of which \$7,000,000 shall remain available until September 30, 2017, to implement section 2 of Public Law 108–153 (15 U.S.C. 7501), the 21st Century Nanotechnology Research and Development Act.

User Fee General Provision:

(a) Section 17(h) of the Consumer Product Safety Act (15 U.S.C. 2066(h)) is amended by adding at the end the following:

“(4)(A) Beginning on October 1, 2016, the Commission may prescribe a schedule of fees to be paid by persons who import consumer products, or other products or substances regulated under this Act or any other Act enforced by the Commission, into the customs territory of the United States to cover the expenses of the Commission in carrying out the program required by paragraph (1).

“(B) Amounts collected under this paragraph shall be deposited into “Consumer Product Safety Commission—Salaries and Expense” as offsetting collections. The amounts shall be collected and shall be available only to the extent and in such amounts as are provided in advance in appropriations Acts—

“(i) to cover the costs expended to carry out the program required by paragraph (1);

“(ii) to cover the costs expended to carry out the administration of this paragraph; and

“(iii) to maintain a reasonable reserve for purposes of clauses (i) and (ii).

“(C) In prescribing a schedule of fees under subparagraph (A), the Commission shall ensure that the amount of the fees collected are commensurate with the costs described in subparagraph (B).

“(D)(i) The Commission may enter into an agreement with another Federal agency to collect fees under this paragraph on behalf of the Commission.

“(ii) In any case in which another Federal agency collects fees on behalf of the Commission under clause (i), the Commission shall reimburse such agency for such expenses as such agency may have incurred in the course of collecting fees under clause (i).

“(E) The Commission may prescribe such regulations as the Commission considers appropriate to carry out this paragraph.”

TABLE 1
SUMMARY OF CHANGES
FROM FY 2015 ENACTED BUDGET
(DOLLARS IN THOUSANDS)

	Dollars	FTE
FY 2015 Enacted Budget	\$123,000	567
Program Adjustments for Critical Initiatives and Priorities:		
1. Emerging Technology and Consumer Safety Issue – Nanotechnology Research Center	5,000	-
2. Address Immediate Agency Security Issues – Cyber, Physical, and Personnel	1,000	-
Proposed FY 2016 Budget	\$129,000	567

SUMMARY OF CHANGES DISCUSSION

Program Adjustments for Critical Initiatives and Priorities

1. Emerging Technology and Consumer Safety Issue – Nanotechnology Research Center (+\$5 million):

To help enable safe commercialization of consumer products containing nanomaterials by developing test methods to quantify exposures and assess health risks, consistent with U.S. research and development (R&D) priorities, including those set by the White House Office of Science and Technology Policy (OSTP), the CPSC recommends a \$5 million increase to the agency's existing nanotechnology work, currently \$2 million annually, to establish the CPSC Center for Consumer Product Applications and Safety Implications of Nanotechnology (CPASION). CPASION will be an academically based consortium of scientists focused on supporting the CPSC's unique mission through research directed toward the development of robust methods to identify nanomaterials in consumer products and to understand human exposures to those materials. The research will target the development of methods for quantifying and characterizing the presence, release, and mechanisms of consumer exposure to nanomaterials from consumer products. The Center will also serve as a resource for manufacturers and distributors of nano-enabled products by developing approaches to provide for the safe use of this technology in consumer products, as well as for consumer groups and others in the public who have a desire to learn more about nanomaterial use and implications. To establish the CPASION, the CPSC would enter into a 5-year interagency agreement with the National Science Foundation (NSF), modeled on a similarly sized, existing NSF-EPA research center studying nanotechnology's environmental implications and effects on flora and fauna in aquatic environments. (See pages 12-13 for additional explanation.)

2. Address Immediate Agency Security Issues – Cyber, Physical, and Personnel (+\$1 million):

The CPSC has security funding shortfalls in cyber, physical, and personnel security. The CPSC recommends a \$1 million increase in agency funding to address these security shortfalls.

The CPSC has identified unfunded cyber security requirements necessary to meet the Administration's priorities defined in the 2015 Cross Agency Priority (CAP) Goals for "Cybersecurity," Insider Threat and Security Clearance, and Smart IT Delivery, as well as the Federal Information Security Management Act of 2002 (FISMA) requirements. A FY 2013 CPSC Inspector General (IG) FISMA audit identified cyber security and compliance deficiencies regarding configuration management, identity and access management, remote access, risk management, and contingency planning. Funding is required to address the IG's reported findings, as agreed by agency management. In addition, the CPSC intends to bolster its cyber security capability by acquiring and implementing Information Security Continuous Monitoring (ISCM), consistent with the "Cybersecurity" CAP Goal. ISCM will enable the CPSC to assess, analyze, and enhance the agency's cyber security posture.

The FY 2016 request for FISMA Identity & Access Management, Remote Access Management, and Risk Management funding will allow the CPSC to address the FY 2013 IG audit findings and the Identity, Credential, and Access Management (ICAM) priority items of the "Cybersecurity" CAP goal. The FY 2016 request for Configuration Management funding will allow the CPSC to address the IG's findings and resolve the Anti-Phishing & Malware Defense priority, as set in the CAP goal.

Regarding physical security, the Federal Protective Service (FPS), a U.S. Department of Homeland Security (DHS) component agency, recently assessed the security risks and requirements at the CPSC's National Product Testing and Evaluation Center. Because of the assessment, the CPSC determined that, due to the value of equipment at this facility, the guard surveillance, currently limited to business hours, needed to be increased to 24 hours/7 days a week to protect agency assets adequately. In addition, CPSC requires funding for the backlog of employee and contractor security

investigations. The requested funding would address these security shortfalls and is aligned with the Insider Threat and Security Clearance CAP goal.

KEY PERFORMANCE MEASURES AND TARGETS SUMMARY

	ID	Program	Performance Measure Statement	FY2015 Target	FY2016 Target
Strategic Goal 1: Leadership in Safety					
	1.2.1	International	Number of training or outreach seminars for foreign manufacturers conducted by CPSC staff	6	13
	1.2.2	International	Number of staff exchanges with foreign counterparts undertaken as part of the Extended Training Exchange Program	3	3
	1.2.4	Executive	Number of collaborations undertaken with domestic nongovernment organizations such as trade associations, universities, or federations	2	3
	1.6.1	Personnel	Employee retention rate	85%	85%
	1.6.2	Personnel	Average hiring time (recruitment time using OPM's End-to-End hiring process) (days)	80	80
	1.6.3	Personnel	Training participation rate	88%	90%
Strategic Goal 2: Commitment to Prevention					
	2.1.2	Hazard	Number of collaborations established or maintained with other organizations to work on nanotechnology research or issues affecting consumer products	5	5
	2.1.3	Hazard	Number of reports produced on the results of collaboration on nanotechnology issues affecting consumer products	5	5
	2.1.4	Hazard	Number of voluntary standards activities that are actively participated in by CPSC staff	81	77
	2.1.5	Hazard	Establish CPSC's Center for Consumer Product Applications and Safety Implications of Nanotechnology (CPASION) to develop robust methods in identifying and characterizing nanomaterials in consumer products; to understand their effects on human exposure; and to develop scientists to advance nanomaterials in consumer product safety research	--	Establish Center
	2.2.1	Hazard	Number of candidates for rulemaking prepared for Commission consideration	20	19
	2.3.1	Executive	Number of domestic training activities made available to industry stakeholders	11	7
Strategic Goal 3: Rigorous Hazard Identification					
	3.1.1	Hazard	Percentage of National Electronic Injury Surveillance System (NEISS) member hospitals evaluated at least once a year	98%	98%
	3.1.2	Hazard	Percentage of consumer product-related injury cases correctly captured at NEISS hospitals	90%	90%
	3.2.1	Hazard	Time from incident received to integrated team adjudication of incident report (business days)	10	10
	3.2.2	Hazard	Percentage of priority import regulated samples (excluding fireworks) tested within 30 days of collection	85%	85%
	3.2.3	Hazard	Percentage of priority import fireworks samples tested within 60 days of collection	90%	90%
	3.2.4	Hazard	Percentage of all regulated non-import product samples that are tested within 90 days of receipt at NPTEC	Baseline	TBD
	3.2.5	Hazard	Percentage of section 15 Product Safety Assessment requests that are completed within the Hazard Level Completion time assigned	Baseline	TBD
	3.4.1	Import	Number of import examinations	25,000	30,000
	3.4.3	Import	Percentage of import shipments processed through the Risk Assessment Methodology (RAM) pilot system that are cleared within one business day	99%	99%
	3.4.4	Import	Percentage of CPSC import entry hold requests acted on by CBP	86%	86%

	ID	Program	Performance Measure Statement	FY2015 Target	FY2016 Target
	3.4.6	Import	Percentage of first-time violators who are engaged with an informed compliance inspection within 30 days of violation determination	Baseline	TBD
	3.4.7	Import	Percentage of entries sampled as identified through the Risk Assessment Methodology (RAM) pilot system	Baseline	TBD
	3.5.3	Hazard	Number of hazard characterization annual reports completed on consumer product-related fatalities, injuries, and/or losses for specific hazards	10	10
	3.5.4	Compliance	Total number of products screened by CPSC field staff (excluding imports)	200,000	200,000
Strategic Goal 4: Decisive Response					
	4.1.1	Compliance	Number of establishment inspections conducted by CPSC field staff	3,000	3,000
	4.3.1	Compliance	Percentage of all cases for which the preliminary determination is made within 85 business days of the case opening	70%	70%
	4.3.2	Compliance	Percentage of cases for which the corrective action is accepted within 60 business days of the preliminary determination	80%	80%
	4.3.3	Compliance	Percentage of cases in which the firm is notified of a violation in a timely manner	90%	90%
	4.3.4	Compliance	Percentage of Fast-Track cases with corrective actions initiated within 20 business days	90%	90%
	4.4.2	Communications	Average number of business days between establishment of first draft and issuance of recall press release for the most timely 90% of all recall press releases	20	20
	4.5.2	Compliance	Percentage of compliance defect investigation cases referred within 20 business days to OGC for review of firms' timely reporting pursuant to §15(b)	75%	75%
Strategic Goal 5: Raising Awareness					
	5.2.1	Communications	Number of public information campaigns conducted by CPSC on targeted consumer product safety hazards	24	24
	5.2.2	Communications	Number of impressions of CPSC safety messages received by consumers on targeted consumer product safety hazards (in millions)	6,245	6,500
	5.2.3	Communications	Number of media events involving collaborations with other federal, state or local governments; consumer advocacy organizations; medical or industry groups; or other stakeholders focus on a targeted hazard with high public concern	5	5
	5.3.1	Communications	Number of impressions of CPSC safety messages received by consumers on priority hazards in vulnerable communities (in millions)	1,795	1,795
	5.3.2	Communications	Number of underserved communities reached through consumer product safety education grants	--	Baseline
	5.3.3	Communications	Number of consumer product safety educational materials distributed by grantees to underserved communities	--	Baseline
	5.3.4	Communications	Number of media events involving collaborations with other federal, state or local governments; consumer advocacy organizations; medical or industry groups; or other stakeholders that focus on a priority hazard in vulnerable communities	15	15

-- Data not available.

Baseline: Indicates a performance measure newly established for which a target is not established. A target will be established in a future fiscal year based on analysis of the baseline data collected.

BUDGET DISCUSSION

SUMMARY OF THE CPSC BUDGET REQUEST

The U.S. Consumer Product Safety Commission (CPSC) requests \$129.0 million for FY 2016. The FY 2016 request is a \$6.0 million increase above the FY 2015 enacted budget of \$123.0 million. The additional \$6.0 million in FY 2016 supports work evaluating the safety of nanomaterials in consumer products and bolstering agency cyber, physical, and personnel security. This FY 2016 budget request includes, in the baseline, the funding in the FY 2015 enacted budget to continue the expansion of the Import Surveillance pilot program to a full-scale national program over 5 years and repeats the agency's authorization request for an Import Surveillance user fee to fund Import Surveillance program activities.

CPSC Strategic Plan and the FY 2016 Funding Request

The CPSC's 2011–2016 Strategic Plan guides the performance targets and funding proposals outlined in this request. The CPSC established five strategic goals:

1. Leadership in Safety;
2. Commitment to Prevention;
3. Rigorous Hazard Identification;
4. Decisive Response; and
5. Raising Awareness.

These goals constitute the overarching strategy for how the CPSC is working toward fulfilling its mission to protect the public against unreasonable risks of injury from consumer products through safety standards activities, regulation, enforcement, and education.

TABLE 1

FY 2016 REQUEST BY STRATEGIC GOAL AND PROGRAM COMPONENT (DOLLARS IN THOUSANDS)

FY 2016 Request						
Organization	FY 2016 Request	FY 2016 FTE	Goal 1: Leadership in Safety	Goal 2: Commitment to Prevention	Goal 3: Rigorous Hazard Identification	Goal 4: Decisive Response
Chairman & Commissioners	\$3,119	21	\$3,119	\$0	\$0	\$0
Hazard Identification and Reduction	\$36,125	167	\$736	\$17,090	\$14,000	\$3,981
Compliance and Field Operations	\$24,342	159	\$1,240	\$308	\$4,238	\$18,231
Import Surveillance	\$7,295	44	\$0	\$14	\$7,254	\$27
International Programs	\$1,564	7	\$1,564	\$0	\$0	\$0
General Counsel	\$7,631	50	\$0	\$3,238	\$486	\$2,318
Communications	\$4,085	10	\$0	\$0	\$1,059	\$0
Information Technology	\$21,044	42	\$1,687	\$2,862	\$11,145	\$4,405
Agency Management, Rent, and Security	\$22,677	60	\$1,794	\$5,564	\$7,285	\$6,617
Inspector General	\$1,119	7	\$224	\$224	\$224	\$224
Total	\$129,000	567	\$10,363	\$29,300	\$45,691	\$35,802

Note: Agency Management, Rent, and Security includes Financial Management, Planning, & Evaluation; Facilities Services; Human Resources Management; EEO & Minority Enterprise; Executive Director; and Legislative Affairs.

Agency Priorities

Priority: Improving U.S. effectiveness at ports of entry in identifying and interdicting noncompliant trade

Import Surveillance: The Consumer Product Safety Improvement Act of 2008 (CPSIA) was enacted, in part, in reaction to identification of a large number of noncompliant imported products targeted at children. One of CPSIA's congressional requirements for the CPSC was to develop a risk assessment methodology to address these products. During calendar year 2013, more than 235,000 importers brought into the United States imports of consumer products under CPSC jurisdiction having a total estimated value of approximately \$723 billion. That averages to nearly \$2 billion per day in imports of consumer products under the Commission's jurisdiction. More than 80 percent of consumer product recalls in FY 2013 involved an imported product. The Consumer Product Safety Improvement Act of 2008 (CPSIA) was enacted, in part, because of a wave of noncompliant imported products targeted at children. The CPSC proposes expanding the import surveillance program to address this priority [see pages 17-19].

Priority: Identifying emerging technology and consumer safety issues in nanotechnology

Nanotechnology: Nanotechnology R&D is rapidly being commercialized into consumer products, including products for children. In a 2011 report, the National Science Foundation (NSF) estimated a \$3 trillion worldwide market for final products incorporating nanotechnology by the year 2020, with more than a third of that total contributed by the United States; this represents an increase of 10 times the level reported in 2009. Global trading partners are investing in the manufacturing infrastructure to produce and export new products to the United States, including the Chinese nanotechnology commercialization hub called Nanopolis Suzhou. To help facilitate the safe commercialization of this game-changing technology, it is important that the requisite

testing methods for characterizing and quantifying nanotechnology materials in consumer products, identifying and quantifying consumer exposures, and assessing the potential health risks are developed. The CPSC has a unique role regarding the risks posed by nanotechnology to consumers and proposes a Nanotechnology Research Center in collaboration with the NSF to develop the required research testing capability [see pages 12-13].

Priority: Empowering stakeholders and the public through education and information

Public Outreach: Communicating safety responsibilities to industry and educating the public on best safety practices and recalled products continue to be regarded as cost-effective methods of reducing injuries and deaths. Useful, timely information helps make consumers aware of hazardous products in the marketplace and can instruct consumers to act quickly if they own recalled products. Continuing to reach consumers and businesses, including at-risk communities and constituents, is an ongoing priority.

Priority: Implementing congressional requirements in a prudent and timely manner

CPSIA: The CPSIA increased the mission requirements of the CPSC, requiring new regulations and mandates to improve consumer product safety. The Danny Keysar Child Product Safety Notification Act (Section 104 of the CPSIA) requires the Commission to study and develop safety standards for at least two durable infant or toddler products every 6 months. CPSIA-mandated rulemaking is ongoing, and the agency will consider six CPSIA Section 104 draft proposed rules in FY 2016, which are children's folding chairs, high chairs, hook-on chairs, infant bathtubs, infant bouncer seats, and infant slings. In FY 2016, the CPSC will consider draft notices of proposed rulemaking for changing tables, infant gates and other enclosures, infant inclined sleep products, and stationary activity centers, (see mandatory standards table on pages 30-32).

Goal 1: Leadership in Safety (\$10 million)

Quick Facts:

- *In June 2014, participated with the European Union and China in the Fourth Trilateral Summit of the three jurisdictions, as well as a bilateral meeting with the CPSC's Chinese counterpart agency.*
- *In FY 2014, coordinated an extended training exchange with the consumer product regulatory authority of Vietnam.*
- *In August 2014, with the European Commission, initiated a product safety buyer training program for sourcing professionals based in China, who purchase consumer goods for export to the United States and Europe.*
- *In June 2014, participated as a founding party in the OECD's global consumer outreach project, beginning with an international campaign to alert consumers about the dangers of coin cell battery ingestion by children.*
- *In FY 2014, provided regulatory capacity-building training to product safety officials from 20 foreign jurisdictions.*

The request for FY 2016 allocates \$10 million to work on education and outreach to advance product safety with international and domestic stakeholders, including foreign governments, manufacturers, retailers, resellers, small businesses, and consumers. As part of a strategy for addressing the growing complexity and risk associated with additional global sources of production, the CPSC works to reduce the number of recalls through outreach and education for foreign manufacturers and regulators. International programs include education and capacity building to help ensure that manufactured products meet U.S. safety requirements. This reduces the need for remedial action or recalls later, benefiting both the U.S. consumer and the manufacturer. The CPSC's Small Business Ombudsman (SBO) is another important component of this strategic goal. This position is the dedicated CPSC contact for small businesses and provides information and guidance tailored to small businesses. The SBO continues to develop regulatory summaries and "plain English" regulatory guidance in an easy-to-understand format for manufacturers and retailers.

The FY 2016 budget request will support three fellowship exchanges; one outbound with CPSC staff and two inbound with technical staff from other nations' consumer product safety

regulatory agencies. These exchanges will benefit the United States and the participating nations by providing valuable information and alternative perspectives on processes, test procedures, analysis, and enforcement. The CPSC also participated in a U.S.–European Union (E.U.)–China Trilateral Safety Summit in Europe during 2014. A

North American Consumer Product Safety Summit is scheduled to be held in Mexico City in 2015. In addition, the CPSC will support ongoing training opportunities for product safety regulators in the Western Hemisphere through the Organization of American States. The CPSC led the effort by the Working Party on Consumer Product Safety of the Organization of Economic Cooperation and Development (OECD) to establish the first global recalls portal, a single site on the Internet to view recall announcements from around the world to help regulators, businesses, and consumers make informed decisions about how a recall might affect their country, company, or family.



Goal 2: Commitment to Prevention (\$29 million)

* Source: *Federal Register* documents relevant to the CPSIA, as amended by Public Law No. 112-28 and other laws administered by the CPSC during the period of January 1, 2008 to September 30, 2014.

The request for FY 2016 allocates \$29 million to analyze, research, develop, and implement safety standards. CPSIA-mandated rulemaking will continue in FY 2016, and 19 rulemaking packages, including 11 required by the CPSIA, will be sent to the Commission (see Mandatory Standards Summary table on pages 30-32). Mandatory standards are federal rules set by statute or regulation that define requirements for consumer products. Mandatory standards typically are performance requirements that consumer products must meet or warnings they must display to be imported, distributed, or sold in the United States. The CPSC participates in the voluntary standards process to reduce the risks associated with hazardous consumer products. The CPSC's statutory authority requires the agency to rely on voluntary standards rather than promulgate mandatory standards, if compliance with a voluntary standard would eliminate or adequately reduce the risk of injury identified and it is likely that there will be substantial compliance with the voluntary standard. Voluntary standards for consumer products are developed through a consensus process coordinated by Standards Development Organizations (SDOs). In FY 2016, the CPSC has a goal of supporting or monitoring 77 voluntary standards activities (see Voluntary Standards Summary table on pages 26-29).

Implementing the CPSIA (Pub. L. No. 110-314): The CPSIA mandated a number of new regulations and new requirements. Most of the required actions have been completed, including:

- development of rules for third party testing and certification;
- identification of requirements for the accreditation of third party conformity assessment bodies;
- development of mandatory standards for toy safety;
- development of rules to reduce lead content limits in children's products;
- establishment of the SaferProducts.gov public database of product safety incidents;
- establishment and receipt of a final report from a Chronic Hazard Advisory Panel (CHAP) to study the effects of phthalates on children's health; and
- issuance of final guidance on inaccessible component parts in children's toy or child care articles subject to the phthalates provisions, Section 108, of the CPSIA.

Several actions are ongoing, including:

- rulemaking proceedings related to the CHAP final report on the effects of phthalates on children's health;
- implementing the Danny Keysar Child Product Safety Notification Act, which requires the CPSC to promulgate standards for durable infant or toddler products after consultation with the voluntary standards organization;

- conducting periodic reviews of the mandatory toy safety standards;
- adopting, as it arises, a revision or a section of a revision of ASTM F 963, the voluntary standard for toy safety, into the mandatory children's product safety rule, unless the revision does not improve the safety of the product covered by the mandatory rule; and
- performing research activities related to a final rule on all-terrain vehicles.

Public Law No. 112-28 amended certain sections of the CPSIA, and includes:

- a requirement to adopt revisions to voluntary standards for durable infant or toddler products, unless a proposed revision does not improve the safety of the consumer product covered by the standard;
- mandates to issue guidance for an exclusion for inaccessible component parts that contain phthalates; and
- establishing a completion date for a final rule on all-terrain vehicles.

Burden Reduction/Assure Compliance:

In FY 2013, after fulfilling Public Law No. 112-28's requirement that the Commission solicit and review comments regarding potential opportunities to reduce the cost of third party testing requirements consistent with assuring compliance with any applicable consumer product safety rule, ban, standard, or regulation, the Commission issued a Request for Information (RFI) on four potential opportunities. Following up on that work, the Commission in FY 2014 further directed staff to undertake additional necessary research and/or testing, with priority given to materials that will most likely provide the widest scope of relief through the determinations process. On April 3, 2014, Commission staff held a public workshop and provided the opportunity for the public to comment on potential ways to reduce third party testing costs through determinations consistent with assuring compliance. On May 9, 2014, the Commission voted to initiate a study to determine whether unfinished wood or other natural materials do not, and will not, contain any of the eight specific heavy metals, in levels

that exceed the allowable limits, listed in the Toy Standard, ASTM F-963.

To potentially reduce the third party testing burden for children's products while assuring compliance with all applicable rules, bans, regulations, and standards, the CPSC allocated \$1 million in FY 2015 to this effort. This initiative received unanimous Commission support. As part of this initiative, the Commission has directed agency staff to prepare a draft notice of proposed rulemaking (NPR) in FY 2015 to reduce third party testing costs while assuring compliance on up to seven materials categories. In addition, the Commission has set a goal of potentially issuing a final rule (FR) in FY 2016.

Major Investments

Nanotechnology & Center for Consumer Product Applications and Safety Implications of Nanotechnology (\$7 million, a \$5 million increase from FY 2015):

The United States set the pace for nanotechnology innovation worldwide, catalyzed by the National Nanotechnology Initiative (NNI) (www.nano.gov), started in 2000. Nanotechnology enables scientists to produce a wide array of materials in the size range of 1–100 nanometers (nm), with unique physical and chemical properties that can be incorporated into products to improve performance in areas such as greater strength, flexibility, stain resistance, or cleaning ability. The NNI is a U.S. government R&D initiative involving the nanotechnology-related activities of 25 departments and independent agencies, including the CPSC. The multiyear, multibillion dollar global R&D effort is rapidly maturing and there is increased emphasis on promoting the commercialization of products containing nano-scale materials (nanomaterials). Agencies across the globe with regulatory responsibility for nanotechnology, are developing approaches to address the potential health implications for the wide range of nano-enabled products that are introduced into commerce annually, including textiles and children's products. The Chinese, for example, are investing heavily in a nanotechnology commercialization hub called Nanopolis Suzhou, intended to accelerate the

manufacture and export of products containing nanotechnology materials, among other goals.

In a 2011 report, NSF estimated a \$3 trillion worldwide market for final products incorporating nanotechnology by the year 2020, with more than a third of that total contributed by the United States; this represents an increase of more than 10 times the level reported in 2009. In a separate report, NSF data showed exponential growth in both the number of patents and the number of scientific publications related to nanotechnology, supporting the view that rapid commercialization of nanotechnology is under way.

The CPSC does not have the requisite robust testing methods for characterizing and quantifying nanotechnology materials in consumer products that are already entering U.S. consumer markets. As a result, the CPSC does not have the capability to identify and quantify readily consumer exposures to nanotechnology materials in consumer products and to assess the potential health risks of exposure to those materials in consumer products. Furthermore, the CPSC lacks the consistent mechanism for obtaining reliable data on identifying new products containing nanotechnology materials and information on consumer use and interaction with these products once they are introduced into the marketplace.

To help enable safe commercialization of consumer products containing nanomaterials by developing test methods to quantify exposures and assess health risks, consistent with U.S. R&D priorities, including those set by the White House Office of Science and Technology Policy (OSTP), the CPSC recommends a \$5 million increase to the agency's existing nanotechnology work, currently \$2 million annually, to establish the CPSC's Center for Consumer Product Applications and Safety Implications of Nanotechnology (CPASION). CPASION will be a consortium of scientists focused on

supporting the CPSC's unique mission through research directed at developing robust methods to quantify and characterize the presence, release, and mechanisms of consumer exposure to nanomaterials from consumer products. The center will also be a resource for manufacturers and distributors of nano-enabled products and will develop approaches to providing information on the safe use of this technology in consumer products. The center will also be a resource for consumer groups and others in the public who wish to learn more about nanomaterial use and implications. To establish the CPASION, the CPSC would enter into a 5-year interagency agreement with the National Science Foundation (NSF), modeled on a similarly sized, existing NSF-EPA research center studying nanotechnology implications.

Laboratory Sciences Operations (\$1.3 million): The National Product Testing and Evaluation Center (NPTEC), which opened in June 2011, has significantly enhanced the CPSC's ability to protect families and consumers from harm, by expanding the CPSC's testing capabilities, increasing the efficiency of agency staff and equipment, and facilitating more rapid testing. The CPSC plans \$1.3 million in FY 2016 for the safe and efficient operation of NPTEC. This investment will help to ensure that laboratory equipment is maintained and replaced, as needed, to support ongoing analysis of samples collected by CPSC investigators. Key life cycle equipment replacements supported by this budget request include: an Inductively Coupled Plasma (ICP) Spectrometer, used to measure content of lead and other elements in children's products; several gas analyzers, used to measure carbon monoxide and other gases generated from products that use fossil fuels for heating, cooking, and emergency power; and an upgrade/replacement of an infrared camera unit that is more than 15 years old, to include newer features and technology for measuring heat emissions from products.

Risk Assessment and Project Prioritization

CPSC staff uses a risk assessment and prioritization approach based on 16 C.F.R. § 1009.8 and the Commission's implementing Directive 0606.1 to help identify product hazards and prioritize work to use resources most effectively to address the identified hazards. Factors considered in the prioritization of these hazards include: risks of death and injury from a hazard, such as the severity of injuries associated with a product; the probability of consumers' exposure to a hazard; analysis of the population at risk, including children, teenagers, people with disabilities, and/or the elderly; whether the hazard can be addressed through CPSC authorities; and the expected effectiveness, cost, and time to implement CPSC's approach. Among other projects CPSC is working on in FY 2016, the CPSC also plans to prioritize work on:

- Expanding the senior safety initiative to address the growing segment of the U.S. population over age 55 across several product areas, where CPSC data have shown an increase in deaths and injuries that may be related to product design and performance considerations (e.g., adult bed rails);*
- Developing critical research collaborations as part of the National Nanotechnology Initiative (NNI) to evaluate the exposure and effects of the commercial deployment and use of nanomaterials in consumer products;*
- Improving all-terrain vehicle (ATV) rider safety; and*
- Continuing efforts toward completing CPSIA-mandated actions related to durable nursery products.*

Goal 3: Rigorous Hazard Identification (\$46 million)

Quick Facts:

- *Collected and reviewed more than 373,000 National Electronic Injury Surveillance System (NEISS) reports and more than 10,000 death certificates and medical examiner and coroner reports during FY 2014.*
- *In FY 2014, approved registration for 1,145 businesses through www.SaferProducts.gov. As of September 30, 2014, 5,520 businesses are registered. The cumulative number of reports of harm posted in CPSC's searchable public database from March 2011, when the database was launched, until September 30, 2014 is 21,535.*
- *Received nearly 100,000 calls to the CPSC Hotline in FY 2014.*
- *Received more than 2.4 million visits and nearly 33 million page views to www.SaferProducts.gov in FY 2014.*

The request for FY 2016 allocates \$46 million to help provide for the timely and accurate detection of consumer product safety risks. The CPSC uses a systematic approach to enhance the quality of crucial product hazard data and reduce the time required to identify trends. This approach consists of improved collection and assessment of hazard data, regular scanning of the marketplace, expanded import surveillance, and increased surveillance of used consumer products offered for resale. The CPSC has made significant investments in information technology to enhance and streamline hazard detection processes and improve analytic capabilities. This includes development of the CPSIA-mandated, open government public database (available at: www.SaferProducts.gov), which enables consumers and others to submit reports of harm to the CPSC and view publicly reported incident information in a Web-based, searchable format. The agency also developed the Consumer Product Safety Risk Management System (CPSRMS) to standardize how data are captured and to enable expanded and expedited data collection and analysis.

Major Investments

NEISS (\$2.2 million): Each year, through the National Electronic Injury Surveillance System (NEISS), the CPSC collects information about product-related injuries treated in hospital emergency rooms. This unique system provides statistically valid national estimates of product-related injuries from a probability sample of hospital emergency rooms (www.cpsc.gov/library/neiss.html). The FY 2016 budget request for NEISS will fund the

following activities: collection and review of data from approximately 100 hospitals; technical and statistical support for data collection; coordination of NEISS activities funded by other federal agencies through reimbursable agreements; and travel to hospitals for training, quality control, and recruitment of additional hospitals into NEISS to maintain the statistically valid sample size. The CPSC renewed contracts with participating NEISS hospitals in 2014. The new contracts will enable NEISS data collection through 2018.

Consumer Product Safety Risk Management System (\$2.7 million): CPSRMS was developed in response to the CPSIA. CPSRMS has several components: SaferProducts.gov, which consists of a public portal, a business portal, and a searchable incident database; an internally facing application for CPSC staff to analyze and triage incident reports; and a case management system for CPSC staff to respond to incidents. CPSRMS is the agency's primary tool for managing domestic incident data and makes more information available so that agency staff can quickly process domestic incidents. This funding is to continue to support the domestic incident management system for ongoing operations and maintenance, including user support, bug fixes, minor enhancements, hardware, software licenses, security, and project management support costs.

Consumer Hotline (\$0.9 million): The CPSC's toll-free customer service Hotline (800) 638-2772, will enter its 42nd year of operation in FY 2016. In FY 2014, it is estimated that nearly 90,500 calls were received; 2,850 incident

reports were filed; nearly 356,400 publication requests were fulfilled; and 6,100 e-mails were processed. Consumers are encouraged to contact

the Hotline for information and assistance related to consumer product safety issues.

IMPORT SURVEILLANCE PROGRAM EXPANSION AND USER FEE AUTHORIZATION REQUEST

Import Surveillance Program Cost Estimates (in \$ millions)						
	<i>Budgeted</i>	<i>w/ user fee</i>				
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
RAM Targeting System	\$ 3.5	\$ 15.0	\$ 15.0	\$ 15.0	\$ 15.0	\$ 8.0
Port Presence and Technical Support	\$ 13.5	\$ 21.0	\$ 21.0	\$ 21.0	\$ 21.0	\$ 28.0
	\$ 17.0	\$ 36.0	\$ 36.0	\$ 36.0	\$ 36.0	\$ 36.0
FTE	77	90	100	100	100	127

Product Import Problem

In FY 2013, \$723 billion in products under the CPSC's jurisdiction, nearly \$2 billion per day, were imported into the United States. More than 80% of consumer product recalls in FY 2013 involved an imported product. American consumers run a higher risk of purchasing a noncompliant product, due in part to product imports entering the United States that do not comply with federal safety standards or laws. Furthermore, the United States does not have a sufficient number of consumer product inspectors at the 327 U.S. ports of entry to review consumer product imports; nor does the United States have the necessary computer targeting systems to identify systematically noncompliant products before they leave U.S. ports for store shelves and ultimately consumers' homes.

Congressional Mandate

Congress is aware of the consumer product import problem and has mandated that the CPSC address it. The CPSIA, Section 222, requires the CPSC to create a Risk Assessment Methodology (RAM) to identify products imported into the United States that are most likely to violate consumer product safety statutes and regulations.

Proposed CPSC Solution and Cost

Currently, the CPSC can staff fewer than 5% of U.S. ports. The CPSC proposes an expanded import surveillance program in close coordination with U.S. Customs and Border Protection (CBP), aimed at reducing the number of noncompliant products entering the United States, and clearing compliant cargo faster. The CPSC solution adds approximately 50 federal staff to establish a CPSC presence at key ports of entry and also develops and deploys a robust RAM targeting system that increases the CPSC's ability to analyze import manifest data. When fully implemented, the RAM targeting system will analyze 100 percent of incoming import product lines under the CPSC's jurisdiction and designate high-risk entries before those imports reach U.S. ports and allow trusted firms who have demonstrated consistent compliance to proceed using expedited procedures. High-risk entries would be stopped at the port for inspection by the CPSC and CBP, building upon an existing and effective collaboration to interdict noncompliant cargo. The CPSC estimates the annual cost of the fully-implemented import surveillance program to be \$36 million. A component of the \$36 million annual program cost is to develop and deploy a RAM targeting system. The component costs of the envisioned import surveillance program are described in the table above.

Product Safety User Fees to Fund Only Import Surveillance Program

To fund the import surveillance program, the CPSC is requesting that Congress authorize a product safety user fee in FY 2016, with collections beginning in FY 2017 (*see page 2, general provision*). The proposed product safety user fee would be collected on imported products under the CPSC's jurisdiction. CBP has the necessary statutory authority and administrative capability to collect the product safety user fee on CPSC's behalf. The product safety user fee, when fully implemented, would allow CPSC to offset the \$36 million annual cost of the envisioned import surveillance program and RAM targeting system. The CPSC is currently budgeted at approximately \$17 million within the

appropriated baseline for its import surveillance and related program activities, \$19 million less than the needed funding level. The CPSC's proposal to fund import activities with a product safety user fee is consistent with other federal agencies that have importation responsibilities and fund analogous activities through a user fee (e.g., U.S. Food and Drug Administration, Animal and Plant Health Inspection Service, and CPB). The CPSC has the necessary financial reporting and transaction-recording capabilities to record import surveillance program costs correctly and fund only those costs using the product safety user fee. The CPSC is committed to full transparency in reporting the annual user fee collections and disbursements through the agency's Annual Financial Report and independent financial statement audit, and other federal financial reporting requirements. The CPSC estimates that the proposed product safety user fee is negligible as a percent of the value of total products most likely covered by a product safety user fee (~.007%, or ~7 cents per \$1,000 of import value)¹.

Industry Benefits

An expanded import surveillance program and deployment of a robust RAM targeting system benefits industry and importers. First, a fully implemented RAM targeting system will enable the CPSC to clear compliant cargo faster, by allowing CPSC to focus inspections on shipments with a high probability of violation or defect, as determined by the RAM risk calculation. CPSC estimates that more than 99 percent of compliant cargo can be released within 1 day with a fully implemented RAM targeting system. Second, the CPSC initiated preplanning and analysis work in FY 2015 to explore expanding and possibly making permanent the Importer Self-Assessment-Product Safety (ISA-PS) pilot program, or "Trusted Trader" program. The Trusted Trader program allows importers to provide additional information to CPSC on their compliance with U.S. laws and regulations, qualifying for streamlined procedures and thereby, expedite clearance of their imports through the RAM targeting system. This pilot program envisions similar benefits, as described in the American Association of Exporters and Importers (AAEI) recent report, "A Blueprint to Trust."²

Engaging Industry through Rulemaking

CPSC has endeavored to work with industry on the import surveillance program. In fact, 41 associations representing consumer product businesses expressed their general support for CPSC's import surveillance program. In a May 7, 2014 letter, those associations stated: ***"...we support the CPSC's overall import surveillance and enforcement activities and the import surveillance program mission..."*** Although CPSC appreciates industry's support of our efforts, the agency also acknowledges that industry has important questions about the proposed import surveillance program and product safety user fee. The CPSC is committed to working with industry to answer those questions. Upon congressional authorization of a product safety user fee, the CPSC will initiate a rulemaking process, as provided in OMB Circular A-25, to structure the proposed product safety user fee. The rulemaking will be an open, public process that collects and considers viewpoints from all interested stakeholders. The CPSC's overriding interest is to formulate a user fee that is reasonable, simple, and that works for everyone affected.

Single Window and Electronic Certificates (1110 Rule)

In February 2014, the President signed Executive Order 13659, *Streamlining the Export/Import Process for America's Businesses*, which is intended to implement the Safe Ports Act of 2006. The Executive Order requires an electronic information exchange capability, or "single window," through which businesses will transmit data required by participating agencies for the importation or exportation of cargo. The CPSC is a single-window participating agency and serves as the vice-chair of the Border Interagency Executive Council (BIEC), which oversees the implementation of the Executive Order. The CPSC embraces the single-window concept and is considering collecting CPSC import specific data accordingly, including certificates of compliance. The CPSC is actively working with CBP and stakeholders on the technical requirements to collect certificates electronically

¹ The exact fee structure and amount would be set through the required rulemaking process as defined by OMB Circular A-25.

² <http://www.aaei.org/aaei-releases-blueprint-for-trusted-traders/>

through the single-window portal by participating in a pilot. This pilot will inform the open rulemaking related to certificates of compliance, known as the 1110 rule. Advanced filing of certificate data avoids the need to move cargo to an exam site for inspection. In addition, electronically collecting certificate data and piloting e-filing will test the addition of certificate data into RAM targeting ability. The goal is to increase the efficiency of targeting by using both CBP entry data and certificate data to identify risky cargo. Trade groups, specifically AAEL, have stated: “they believe operational efficiencies resulting from data submission sharing will generate significant cost savings.”³

³ Ibid.

Import Surveillance Pilot Success Stories

Since October 2012, CPSC investigators have examined shipments of hair dryers in enforcement of the substantial product hazard rule. The hair dryers lacked an immersion protection plug, a violation that increases the risk of serious injury or death when the product is used near water. CBP has seized nearly 25,000 units of hair dryers.

In 2012, CPSC investigators examined shipments identified in the RAM system for health and safety reasons. Products sampled from the shipment examinations were found violative because of excessive lead content, excessive phthalate levels, and small parts that presented choking, aspiration, or ingestion hazards. CBP seized the shipments for the CPSC. Subsequently, the U.S. Department of Justice, with the cooperation of CBP and the CPSC, charged the five responsible individuals and corporations in a multiple-count indictment for importing and selling toys that posed significant health hazards to children, as well as intellectual property rights infringement, smuggling, and money laundering.

In a February 26, 2013 letter to CPSC Chairman Inez Tenenbaum, Toy Industry Association President Carter Keithley lauded the CPSC for its ongoing efforts to work cooperatively with Homeland Security to stop unsafe or counterfeit toys from entering the United States. Keithley offered the continued assistance of the toy industry as the CPSC and other government agencies develop and refine procedures at the ports.

See page 2 for User Fee General Provision.

Goal 4: Decisive Response (\$36 million)

Quick Facts:

- Conducted nearly 390 recalls in FY 2014, involving approximately 119 million units.
- In FY 2014, sent nearly 2,060 Notices of Non-Compliance and negotiated more than 350 corrective action plans (CAPs) to address safety in consumer products.
- Negotiated more than \$4 million in civil penalties through out-of-court settlements in FY 2014.
- In FY 2014, completed nearly 3,680 establishment inspections of firms for compliance with the CPSC's laws and regulations.

The request for FY 2016 allocates \$36 million for CPSC enforcement of CPSIA-mandated and other safety standards. Most substantially, this funding allocation supports CPSC Compliance Field Investigators and staff located across the country who are the CPSC's first responders when a product is associated with an injury or fatality. Ongoing regulatory compliance activities include: data analysis, investigations, and assessments of the level of compliance with new regulations. Additional regulatory areas include: fire hazards, fireworks, all-terrain vehicles (ATVs), and durable infant or toddler products; CPSIA-mandated requirements for cribs, toddler beds, play yards, children's portable bed rails, strollers, and swings; and Federal Hazardous Substances Act (FHSA) regulations for toys, bath seats, rattles, pacifiers, infant pillows, refuse bins, and refrigerators.

Major Investments

Field Investigator Workforce (\$16 million):

The FY 2016 request supports 103 CPSC Compliance Field Investigators and other staff located in 37 states. Compliance Field Investigators are responsible for carrying out investigative, compliance, consumer information, and marketplace surveillance activities within their geographic areas. They conduct inspections of manufacturers, importers, wholesalers, and retailers to encourage compliance with the laws and regulations administered by the Commission and to

investigate the illegal distribution of hazardous, banned, or previously recalled consumer products. Field Investigators coordinate with federal, state, and local government offices to identify consumer product-related incidents and conduct on-site investigations of incidents involving serious injuries or deaths. Field Investigators routinely screen the retail marketplace and Internet websites for dangerous products, new and used; and these investigators provide support to the CPSC's import surveillance capabilities by covering ports, as resources permit, where the CPSC does not have a permanent presence. Field Investigators work out of their homes, teleworking 100 percent of the time, enabling the CPSC to have a national presence without procuring related leased space.

Pool Safety Grant Program (PSGP update):

The PSGP, which received \$1 million in grant funds in FY 2014 to carry out the requirements in Section 1405 of the Virginia Graeme Baker Pool and Spa Safety Act (VGB), will close out during FY 2016. The PSGP is intended to support qualifying state and local governments that implement education and enforcement programs to prevent drownings and drain entrapments in pools and spas. The VGB Act, Pub. Law No. 110-140, Title XIV, established the *Pool Safety Grant Program*. The CPSC is actively preparing a funding opportunity announcement to solicit applications for the program.

Goal 5: Raising Awareness (\$8 million)

Quick Facts:

- *More than 11 billion impressions of CPSC safety messages were received by consumers in FY 2014, including about 536 million impressions for the CPSC's crib safety education program (Safe to Sleep®); approximately 146 million impressions for minority outreach efforts; and an estimated 1.7 billion impressions for the pool drowning and drain entrapment prevention program.*
- *Estimated 34,000 followers of CPSC safety messages on Twitter in FY 2014 . More than 146 million impressions from Hispanic media and media interviews in Spanish for all major media events.*

Note: "Impressions" represent the estimated number of people hearing or seeing CPSC safety messages via TV and radio broadcasts, online stories, and social media mentions.

The FY 2016 request allocates \$8 million to raise public awareness through timely and targeted information about consumer product safety issues, helping to empower individual citizens with information. This includes proactive outreach on major drivers of death and injury, and notifying the public about recalls and new Commission-implemented safety requirements. The CPSC uses a variety of platforms to reach the public, including the CPSC website (www.cpsc.gov); Web pages hosted by consumers and other organizations that provide real-time recall information via the CPSC's free recall widget; e-mail alerts; tweets; and videos. The CPSC posts recalls and press releases in an RSS feed format, which allows blogs, TV stations, and other media to obtain information from the CPSC's website, and in seconds, have the information posted on their websites. A strong Web presence is a key component of achieving the CPSC's safety mission.

Major Investment

Pool and Spa Safety Act Information and Education (\$1 million): To advance the goals of the VGB Act, the CPSC continues to expand its vigorous national and grassroots *Pool Safely* campaign. This safety information and education campaign is designed to reduce child drownings and nonfatal submersion injuries and to maintain zero fatalities from drain entrapments. The multifaceted initiative includes consumer and industry education efforts through participation in industry and consumer group events; press events raising consumer awareness of issues; expansion of the partnership base to carry CPSC messages to broader audiences; outreach to local, national, and minority organizations that share CPSC messages; and advertising via public service announcements and social media to build greater awareness of pool safety issues. These combined outreach efforts are intended to engage a broad target audience and help the CPSC surpass the FY 2014 annual target of more than 1.1 billion impressions.

TABLE 2

PROGRAM AND FINANCING SCHEDULE

(DOLLARS IN MILLIONS)

	FY2014	FY2015	FY2016
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>
Obligations by program activity:			
Leadership in Safety	12	10	10
Commitment to Prevention	21	26	29
Rigorous Hazard Identification	43	44	46
Decisive Response	31	35	36
Raising Awareness	9	8	8
Direct program activities, subtotal	116	123	129
Reimbursable program	3	3	3
Total new obligations	119	126	132
Budgetary Resources:			
Unobligated balance:			
Unobligated balance brought forward, Oct 1	0	1	1
Budget authority:			
Appropriations, discretionary:			
Appropriation	118	123	129
Spending authority from offsetting collections, discretionary:			
Collected	3	3	3
Budget authority (total)	121	126	132
Total budgetary resources available	121	127	133
Memorandum (non-add) entries:			
Unobligated balance expiring	0	0	0
Unexpired unobligated balance, end of year	0	0	0
Change in obligated balance:			
Obligated balance, start of year (net):			
Unpaid obligations, brought forward, Oct 1 (gross)	26	32	34
Obligations incurred, unexpired accounts	119	126	132
Obligations incurred, expired accounts	0	0	
Outlays (gross)	-110	-124	-129
Recoveries of prior year unpaid obligations, expired			
Obligated balance, end of year (net):			
Unpaid obligations, end of year (gross)	32	34	37
Budget authority and outlays, net:			
Discretionary:			
Budget authority, gross	121	126	132
Outlays, gross:			
Outlays from new discretionary authority	92	101	105
Outlays from discretionary balances	18	23	24
Outlays, gross (total)	110	124	129
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
Federal sources	-1	-3	-3
Budget authority, net (total)	118	123	129
Outlays, net (total)	109	121	126

TABLE 3

OBJECT CLASSIFICATION SCHEDULE & PERSONNEL SUMMARY

(DOLLARS IN MILLIONS)

	FY 2014 <u>Actual</u>	FY 2015 <u>Enacted</u>	FY 2016 <u>Request</u>
Direct Obligations:			
Personnel Compensation:			
11.1 Full-Time Permanent	\$51	\$57	\$58
11.3 Other than Full-Time Permanent	3	4	4
11.5 Other Personnel Compensation	1	1	1
11.9 Total Personnel Compensation	55	62	63
Personnel Benefits:			
12.1 Civilian	15	17	17
12.7 Federal Employees Compensation Act	0	0	0
13 Benefits for Former Personnel	0	0	0
Subtotal, Compensation and Benefits	70	79	80
21 Travel and Transportation of Persons	1	1	1
22 Transportation of Things	0	0	0
23.1 Rental Payments to GSA	9	9	9
23.2 Rental Payments to Others	0	0	0
Communication, Utilities and Miscellaneous			
23.3 Charges	1	1	1
24 Printing and Reproduction	0	0	0
25.1 Advisory and Assistance Services	0	0	0
25.2 Other Services	27	24	24
25.3 Purchases from Other Federal Agencies	1	1	1
25.4 Operation and Maintenance of Facilities	0	0	0
25.5 Research and Development	2	2	7
25.7 Operation and Maintenance of Equipment	2	2	2
26 Supplies and Materials	1	1	1
31 Equipment	2	2	2
41 Grants	0	1	1
42 Insurance Claims and Indemnities	0	0	0
99 Subtotal, Direct Obligations	116	123	129
Reimbursable Obligations:	3	3	3
Total Obligations:			
99.9 Total Obligations	119	126	132
Personnel Summary			
Total Direct Compensable Work Years:			
Full-Time Equivalent Employment	527	567	567

TABLE 4
CPSC FTEs BY ORGANIZATION

	FY 2014 <u>Actual</u>	FY 2015 <u>Enacted</u>	FY 2016 <u>Request</u>
Chairman & Commissioners	16	21	21
Hazard Identification and Reduction	157	167	167
Compliance and Field Operations	151	159	159
Import Surveillance	32	44	44
International Programs	7	7	7
General Counsel	50	50	50
Communications	11	10	10
Information Technology	39	42	42
Agency Management, Rent, and Security	57	60	60
Inspector General	7	7	7
Total	<u>527</u>	<u>567</u>	<u>567</u>

*Note: Agency Management, Rent, and Security includes Financial Management, Planning, & Evaluation; Facilities Services; Human Resources Management; EEO & Minority Enterprise; Executive Director; and Legislative Affairs.

TABLE 5
INSPECTOR GENERAL BUDGET REQUEST
(DOLLARS IN THOUSANDS)

In compliance with Public Law No. 110-409, the Inspector General Reform Act of 2008, the following information is presented:

Resource	FY 2014 <u>Actual</u>	FY 2015 <u>Enacted</u>	FY 2016 <u>Request</u>
FTEs	7	7	7
Salaries & Expenses	\$921	\$965	\$983
Contracts & Operating Expenses	\$103	\$131	\$119
Training	\$4	\$5	\$17
Total Amount	\$1,028	\$1,101	\$1,119

The CPSC Inspector General certifies that the amount requested for training satisfies all known IG training requirements for FY 2016.

VOLUNTARY STANDARDS SUMMARY

A consumer product voluntary standard is a prescribed set of rules, conditions, or requirements concerning definitions of product-related terms; classification of components; specification of materials, performance, or operations; delineation of procedures; or measurement of quantity and quality in describing products, materials, systems, services, or practices relating to the safety of consumer products used in and around the home, outdoors, and in schools.

The CPSC's statutory authority requires the agency to rely on voluntary standards rather than promulgate mandatory standards if compliance with a voluntary standard would eliminate or adequately reduce the risk of injury identified and it is likely there will be substantial compliance with the voluntary standard. CPSC staff works with organizations that coordinate the development of voluntary standards.

Voluntary standards activity is an ongoing process that may involve multiple revisions to a standard within 1 year or over multiple years; and such activity may continue in subsequent years, depending on the activities of the voluntary standards committees and the priorities of the Commission.

CPSC staff expects to participate actively in voluntary standards activities for the products listed in the table on the pages to follow. Active participation extends beyond attendance at meetings and may include, among other things, providing injury data and hazard analyses; encouraging the development of a voluntary safety standard; identifying specific risks of injury; performing research; developing health science data; performing laboratory technical assistance; and/or taking other actions that the Commission, in a particular situation, determines may be appropriate. A list of these activities can be found at 16 C.F.R. §1031.7.

Key to Table	
✓	A check mark in the FY 2014 Actual column indicates that a support or monitoring activity occurred. Details of the 2014 voluntary standards activity will be reported in the biannual V-STAR report.
•	Denotes active participation in related voluntary standards activities.
*	Denotes CPSIA Section 104 activities for which the voluntary standard has been incorporated by reference into a Commission mandatory standard. Public Law No. 112-28 sets forth a process for updating mandatory standards that the Commission has issued under the authority of section 104(b) of the CPSIA. Consequently, the staff continues to participate in these products' activities to keep knowledgeable about any potential revisions to the voluntary standards that may require Commission decision making regarding updates to the mandatory standards.
**	Architectural glazing is also the subject of a petition before the Commission. The evaluation of this specific petition requires a review of certain provisions of the existing statute, and it is accounted for in this section.

VOLUNTARY STANDARDS SUMMARY

	Product	FY 2014 Actual	FY 2015 Op Plan	FY 2016 Request
Voluntary Standards Activities related to CPSIA, as amended by Pub. Law No. 112-28, and including the Danny Keysar Child Product Safety Notification Act (Section 104 of the CPSIA)				
1	ATVs		•	•
2	Bassinets/Cradles*	✓	•	•
3	Bath Seats, Infant*	✓	•	•
4	Bath Tubs, Infant	✓	•	•
5	Bed Rails (Children's)	✓	•	•
6	Beds, Toddler*	✓	•	•
7	Bedside Sleepers*	✓	•	•
8	Booster Seats	✓	•	•
9	Bouncers, Infant	✓	•	•
10	Carriers, Child Frame	✓	•	•
11	Carriers, Handheld*	✓	•	•
12	Carriers, Soft*	✓	•	•
13	Chairs, Children's Folding (Youth)	✓	•	•
14	Chairs, High	✓	•	•
15	Chairs, Hook-on		•	•
16	Changing Tables	✓	•	•
17	Cribs, Commercial*	✓	•	•
18	Cribs, Full-Size*	✓	•	•
19	Cribs, Non-Full Size and Play Yards*	✓	•	•
20	Gates and Other Enclosures, Infant	✓	•	•
21	Inclined Sleep Products, Infant	✓	•	•
22	Phthalates	✓	•	•
23	Slings, Infant	✓	•	•
24	Stationary Activity Centers	✓	•	•
25	Strollers*	✓	•	•
26	Swings, Infant*	✓	•	•
27	Toys*	✓	•	•
28	Walkers, Infant*	✓	•	•
Voluntary Standards Activities Related to Existing CPSC Statutes				
29	Architectural Glazing**	✓	•	•
30	Bicycles	✓		
31	Child-Resistant Packaging	✓	•	•
32	Fireworks	✓	•	•
33	Garage Door Operators		•	•
34	Gasoline Containers (Child-Resistant Closures)		•	•
35	Lighters, Cigarette	✓		
36	Swimming Pools/Spas (Drain Covers, VGB)	✓	•	•
Voluntary Standards Activities Related to Petitions				
37	Bed Rails (Adult)	✓	•	•
38	Beds, Bunk	✓	•	
39	Candles and Candle Accessories	✓	•	•
40	Crib Bumpers		•	•
41	Torch Fuel Containers	✓	•	•
42	Window Coverings	✓	•	•
Voluntary Standards Activities Related to Rule Review Projects (as listed in the Mandatory Standards Summary Table)				
43	Mattresses		•	•

	Product	FY 2014 Actual	FY 2015 Op Plan	FY 2016 Request
Voluntary Standards Activities Related to Ongoing or Potential Rulemaking Activities (as listed in the Mandatory Standards Summary Table)				
44	Drywall	✓	•	
45	Firepots and Fuel Gels		•	•
46	Portable Generators	✓	•	•
47	Power Cords	✓	•	
48	Power Equipment (Table Saws)	✓	•	•
49	Recreational Off-Highway Vehicles (ROVs)	✓	•	•
50	Seasonal Lights		•	
51	Upholstered Furniture	✓	•	•
Other Planned Voluntary Standards Activities				
52	Air Cleaners (Ozone-Generating)	✓		
53	Amusement Rides, Portable	✓		
54	Baby Monitors	✓	•	•
55	Batteries, Button, Lithium, Cell	✓	•	•
56	Bedding Accessories (Infant)	✓		
57	Building Materials and Furnishings (Emissions)	✓		
58	Carbon Monoxide (CO) Alarms	✓	•	•
59	Cellulosic Insulation	✓		
60	Clothes Dryers	✓	•	•
61	Clothing Textiles	✓		
62	Cooktops	✓	•	•
63	Firearm Security Containers	✓		
64	Flammable Liquids (Material Handling)	✓	•	•
65	Flammable Refrigerants	✓	•	•
66	Fuel Tanks, Leakage	✓	•	•
67	Furnaces (CO Sensors)	✓	•	•
68	Furniture Tip Overs		•	•
69	Gasoline Containers (Flame Arrestors)	✓	•	•
70	Glass Front Gas Fireplaces	✓	•	•
71	Grills, Gas		•	•
72	Headgear, Recreational	✓	•	•
73	Heaters, Electrical	✓	•	•
74	Inflatable Play Devices (Constant Air)	✓	•	•
75	Ladders	✓		
76	Laundry and Dishwasher Packets	✓	•	•
77	Mattresses, Inflatable Air	✓		
78	Microwave ovens	✓		
79	Mowers		•	•
80	Nanotechnology	✓	•	•
81	National Electrical Code	✓	•	•
82	Non-Integral Firearm Locking Devices	✓		
83	Playground Equipment (Children under 2 years)	✓	•	•
84	Playground Equipment (Home)	✓	•	•
85	Playground Equipment (Public)	✓	•	•
86	Pools, Portable Unprotected (Child Drowning)		•	•
87	Ranges, Gas (Control Panels)		•	•
88	Ranges (Tip Overs)	✓	•	•
89	Slow Cookers	✓	•	•
90	Smoke Alarms	✓	•	•
91	Soccer Goals	✓		
92	Spray Polyurethane Foam Insulation	✓	•	•

	Product	FY 2014 Actual	FY 2015 Op Plan	FY 2016 Request
93	Trampolines	✓	•	•
94	Trampoline Courts	✓		
95	Tree Stands (Hunting)	✓		
96	Unvented Alcohol Appliances	✓	•	•
97	Washing Machines, Front Loading		•	•
Total		83	81	77

MANDATORY STANDARDS SUMMARY

Mandatory standards are federal rules set by statute or regulation that define requirements for consumer products. They typically take the form of performance requirements that consumer products must meet or warnings they must display to be imported, distributed, or sold in the United States.

The CPSC may set a mandatory standard when it determines that compliance with a voluntary standard would not eliminate or adequately reduce a risk of injury or finds that it is unlikely that there will be substantial compliance with a voluntary standard.¹ The Commission may also promulgate a mandatory ban of a hazardous product when it determines that no feasible voluntary or mandatory standard would adequately protect the public from an unreasonable risk of injury.

CPSC staff plans to work on the projects listed in the table on the next page. This work will involve continuation of rulemaking activities related to the CPSIA, as well as other laws, and it will include data analysis and technical activities supporting ongoing or potential future rulemaking activities.

Key to Table	
The terms ANPR, NPR and FR indicate that a briefing package with a draft ANPR, draft NPR, or a draft FR was or will be submitted to the Commission. It does not indicate the final action of the Commission.	
ANPR	Advance notice of proposed rulemaking
NPR	Notice of proposed rulemaking
FR	Final rule
BP	Briefing package
DA/TR	Data analysis and/or technical review
*	Carryover from FY 2014
**	Starting in FY 2015, a separate line item will be listed for each product.

¹ The CPSIA requires the Commission to promulgate mandatory standards by adopting existing voluntary standards (in whole or in part) for some products, such as durable infant or toddler products, children's toys, and all-terrain vehicles. For additional information, please refer to the CPSIA at: www.CPSC.gov/cpsia.pdf.

MANDATORY STANDARDS SUMMARY

Items by Major Categories		FY 2014 Actual	FY 2015 Op Plan	FY 2016 Request
CPSIA, as amended by P.L. No. 112-28, and including Section 104, the Danny Keysar Child Product Safety Notification Act				
ATVs – Rulemaking		DA/TR	DA/TR	NPR
Bedside Sleepers		FR		
Booster Seats				DA/TR
Chairs, Children’s Folding		DA/TR	NPR	FR
Chairs, High		DA/TR	NPR	FR
Changing Tables			DA/TR	NPR
Gates and Other Enclosures		DA/TR	DA/TR	NPR
Hook-on Chairs		DA/TR	NPR	FR
Infant Bath Tubs		DA/TR	NPR	FR
Infant Bouncer Seats		DA/TR	NPR*	FR
Infant Carriers, Frame		NPR	FR	
Infant Carriers, Handheld		FR		
Infant Carriers, Soft		FR		
Infant Inclined Sleep Products		DA/TR	DA/TR	NPR
Infant Slings		NPR	DA/TR	FR
Phthalates or Phthalate Substitutes		DA/TR	NPR*, FR	
Stationary Activity Centers			DA/TR	NPR
Strollers		FR		
Drywall Safety Act of 2009				
Adoption of Voluntary Standard as Mandatory Standard			BP	
Rule Review				
Caps Intended for Use with Toy Guns		FR		
Certificates of Compliance – 1110 Rule – E.O. 13659		DA/TR	DA/TR	FR
Fireworks		DA/TR	BP	NPR
Mattresses		DA/TR	DA/TR	BP
Lead			DA/TR	BP
Other Ongoing or Potential Rulemaking-Related Activities				
Architectural Glazing		DA/TR	NPR*	FR
Bed Rails (Adult) Petition		DA/TR	BP	DA/TR
Bedclothes Flammability		DA/TR		BP
Crib Bumper		DA/TR	BP*	DA/TR
Durable Nursery Products Exposure Survey		DA/TR	DA/TR	
Firepots and Fuel Gels		DA/TR	DA/TR	DA/TR
Garage Door Operators			NPR	FR
Information Disclosure under § 6b of the CPSA – 1101 Rule		DA/TR	FR*	
Participation in Voluntary Standards (GAO Report) – 1031 Rule		DA/TR		
Poison Prevention Packaging Act – Hydroxides		DA/TR		
Portable Generators		DA/TR	NPR	FR
Procedures for the Importation of Consumer Products and Substances – 1066 Rule		DA/TR		
Rare Earth Magnet Sets		FR		
Recreational Off Highway Vehicles (ROVs)		NPR	FR	
Residential Elevators Petition				BP

Items by Major Categories		FY 2014 Actual	FY 2015 Op Plan	FY 2016 Request
	Revisions to FHSA Definition of “Strong Sensitizer”	FR		
	Substantial Product Hazard List – 15(j) Rule: Seasonal Lights	DA/TR**	NPR*, FR	
	Substantial Product Hazard List – 15(j) Rule: Extension Cords		NPR, FR	
	Surrogate Smoldering Ignition Source	DA/TR		
	Table Saws	DA/TR	DA/TR	NPR
	Third Party Testing – Determinations	DA/TR	NPR	FR
	Upholstered Furniture	DA/TR	DA/TR	NPR
	Voluntary Recall Rule	DA/TR	FR*	
	Window Coverings	BP	ANPR	DA/TR
Number of candidates for rulemaking (ANPR, NPR, and FR)		10	20	19

Following is a list of CPSIA final rules promulgated and accreditation standards established in reverse chronological order since passage of the CPSIA in 2008:

Final Rules

1. Final rule on “Safety Standard for Soft Infant and Toddler Carriers,” 79 FR 17422 (March 28, 2014)
2. Final rule on “Safety Standard for Carriages and Strollers,” 79 FR 13208 (March 10, 2014)
3. Final rule on “Safety Standard for Bedside Sleepers,” 79 FR 2581 (January 15, 2014)
4. Final rule on “Safety Standard for Bassinets and Cradles,” 78 FR 63019 (October 23, 2013); correction notice 78 FR 77574 (December 24, 2013)
5. Revisions to Safety Standards for Infant Bath Seats, Toddler Beds, and Full-Size Cribs, 78 FR 73692 (December 9, 2013)
6. Final rule on “Safety Standard for Hand-Held Infant Carriers,” 78 FR 73415 (December 6, 2013)
7. Final rule on “Safety Standard for Play Yards,” 78 FR 50328 (August 19, 2013)
8. Final Rule on “Children’s Products Containing Lead; Procedures and Requirements for Exclusions from Lead Limits under Section 101(b) of the Consumer Product Safety Improvement Act,” 78 FR 41298 (July 10, 2013)
9. Revisions to Safety Standards for Infant Walkers and Infant Swings, 78 FR 37706 (June 24, 2013)
10. Final Rule on “Requirements Pertaining to Third Party Conformity Assessment Bodies, 16 C.F.R. parts 1112 and 1118” 78 FR 15836 (March 12, 2013)
11. Final Guidance on “Children’s Toys and Child Care Articles Containing Phthalates; Final Guidance on Inaccessible Component Parts,” 78 FR 10503 (February 14, 2013)
12. Final Rule “Testing and Labeling Pertaining to Product Certification Regarding Representative Samples for Periodic Testing of Children’s Products,” 77 FR 72205 (December 5, 2012)
13. Final Rule on “Safety Standard for Infant Swings,” 77 FR 66703 (November 7, 2012)
14. Final Rule on “Safety Standard for Play Yards” 77 FR 52220 (August 29, 2012)
15. Final Rule on “Revisions to Safety Standards for Durable Infant or Toddler Products: Infant Bath Seats and Full-Size Cribs” 77 FR 45242 (July 31, 2012)
16. Final Rule on “Audit Requirements for Third Party Conformity Assessment Bodies,” 77 FR 31074 (May 24, 2012)
17. Final Rule on “Standard for All-Terrain Vehicles,” 77 FR 12197 (February 29, 2012)
18. Final Rule on “Safety Standard for Portable Bed Rails,” 77 FR 12182 (February 29, 2012)
19. Final Rule on “Requirements for Consumer Registration of Durable Infant or Toddler Products,” 77 FR 9522 (February 17, 2012)
20. Final Rule on “Testing and Labeling Pertaining to Product Certification,” 76 FR 69482 (November 8, 2011)
21. Final Rule on “Conditions and Requirements for Relying on Component Part Testing or Certification, or Another Party’s Finished Product Testing or Certification, to Meet Testing and Certification Requirements,” 76 FR 69546 (November 8, 2011)
22. Final Rule on “Substantial Product Hazard List: Children’s Upper Outerwear in Sizes 2T to 12 With Neck or Hood Drawstrings and Children’s Upper Outerwear in Sizes 2T to 16 With Certain Waist or Bottom Drawstrings,” 76 FR 42502 (July 19, 2011)
23. Final Rule on “Substantial Product Hazard List: Hand-Supported Hair Dryer” 76 FR 37636 (June 8, 2011)

24. Final Rule on “Safety Standard for Toddler Beds,” 76 FR 22019 (April 20, 2011)
25. Final Rule on “Revocation of Requirements for Full-Size Baby Cribs and Non-Full-Size Baby Cribs,” 75 FR 81766 (December 28, 2010)
26. Final Rule on “Safety Standards for Full-Size Baby Cribs and Non-Full-Size Baby Cribs,” 75 FR 81766 (December 28, 2010)
27. Final Rule on “Publicly Available Consumer Product Safety Information Database,” 75 FR 76832 (December 9, 2010)
28. Final Rule on “Interpretation of Children’s Product,” 75 FR 63067 (October 14, 2010)
29. Final Rule on “Safety Standard for Infant Walkers,” 75 FR 35266 (June 21, 2010)
30. Final Rule on “Revocation of Regulations Banning Certain Baby Walkers,” 75 FR 35279 (June 21, 2010)
31. Final Rule on “Safety Standard for Infant Bath Seats: Final Rule,” 75 FR 31691 (June 4, 2010)
32. Final Rule on “Civil Penalty Factors,” 75 FR 15993 (March 31, 2010)
33. Final Rule on “Guidelines and Requirements for Mandatory Recall Notices,” 75 FR 3355 (January 21, 2010)
34. Final Rule on “Children’s Products Containing Lead; Exemptions for Certain Electronic Devices,” 75 FR 3154 (January 20, 2010)
35. Final Rule on “Requirements for Consumer Registration of Durable Infant or Toddler Products,” 74 FR 68668 (December 29, 2009)
36. Final Rule on “Children’s Products Containing Lead; Determinations Regarding Lead Content Limits on Certain Materials or Products,” 74 FR 43031 (August 26, 2009)
37. Final Rule on “Children’s Products Containing Lead; Interpretative Rule on

Inaccessible Component Parts,” 74 FR 39535 (August 7, 2009)

38. Final Rule on “Children’s Products Containing Lead; Final Rule; Procedures and Requirements for a Commission Determination of Exclusion,” 74 FR 10475 (March 11, 2009)
39. Final Rule on “Ban of Lead-Containing Paint and Certain Consumer Products Bearing Lead-Containing Paint,” 73 FR 77492 (December 19, 2008)
40. Final Rule on “Information Disclosure Under Section 6(b) of the Consumer Product Safety Act,” 73 FR 72334 (November 28, 2008)
41. Final Rule on “Certificates of Compliance,” 73 FR 68328 (November 18, 2008)
42. Final Rule on “Labeling Requirement for Toy and Game Advertisements; Final Rule,” 73 FR 67730 (November 17, 2008)
43. “Final Rule: Standard for All-Terrain Vehicles,” 73 FR 67385 (November 14, 2008)

Accreditation Requirements

1. “Third Party Testing for Certain Children’s Products; Notice of Requirements for Accreditation of Third Party Conformity Assessment Bodies to Assess Conformity with the Limits on Phthalates in Children’s Toys and Child Care Articles, 76 FR 49286 (August 10, 2011)
2. “Third Party Testing for Certain Children’s Products; Toys: Requirements for Accreditation of Third Party Conformity Assessment Bodies,” 76 FR 46598 (August 3, 2011)
3. “Third Party Testing for Certain Children’s Products; Clothing Textiles: Revisions to Terms of Acceptance of Children’s Product Certifications Based on Third Party Conformity Assessment Body Testing Prior to Commission’s Acceptance of Accreditation,” 76 FR 22608 (April 22, 2011)

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| <ol style="list-style-type: none"> 4. "Third Party Testing for Certain Children's Products: Toddler Beds; Requirements for Accreditation of Third Party Conformity Assessment Bodies," 76 FR 22030 (April 20, 2011) 5. "Third Party Testing for Certain Children's Products; Notice of Requirements for Accreditation of Third Party Conformity Assessment Bodies – Lead Paint," 76 FR 18645 (April 5, 2011) 6. "Third Party Testing for Certain Children's Products: Full-Size and Non-Full-Size Cribs; Requirements for Accreditation of Third Party Conformity Assessment Bodies," 75 FR 81789 (December 28, 2010) 7. "Third Party Testing for Certain Children's Products: Children's Sleepwear; Requirements for Accreditation of Third Party Conformity Assessment Bodies," 75 FR 70911 (November 19, 2010) 8. "Third Party Testing for Certain Children's Products: All-Terrain Vehicles; Requirements for Accreditation of Third Party Conformity Assessment Bodies," 75 FR 52616 (August 27, 2010) 9. "Third Party Testing for Certain Children's Products: Mattresses, Mattress Pads, and/or Mattress Sets; Requirements for Accreditation of Third Party Conformity Assessment Bodies," 75 FR 51020 (August 18, 2010) 10. "Third Party Testing for Certain Children's Products: Clothing Textiles; Requirements for Accreditation of Third Party Conformity Assessment Bodies," 75 FR 51016 (August 18, 2010) 11. "Third Party Testing for Certain Children's Products: Vinyl Plastic Film; Requirements for Accreditation of Third Party Conformity Assessment Bodies," 75 FR 42311 (July 21, 2010) 12. "Third Party Testing for Certain Children's Products: Carpets and Rugs; Requirements for Accreditation of Third Party Conformity Assessment Bodies," 75 FR 42315 (July 21, 2010) | <ol style="list-style-type: none"> 13. "Third Party Testing for Certain Children's Products; Infant Walkers; Requirements for Accreditation of Third Party Conformity Assessment Bodies," 75 FR 35282 (June 21, 2010) 14. "Third Party Testing for Certain Children's Products; Infant Bath Seats: Requirements for Accreditation of Third Party Conformity," 75 FR 31688 (June 4, 2010) 15. "Third Party Testing for Certain Children's Products; Notice of Requirements for Accreditation of Third Party Conformity Assessment Bodies To Assess Conformity With Part 1505 and/or § 1500.86(a)(5) of Title 16, Code of Federal Regulations," 75 FR 22746 (April 30, 2010) 16. "Third Party Testing for Certain Children's Products; Notice of Requirements for Accreditation of Third Party Conformity Assessment Bodies to Assess Conformity with the Limits on Total Lead in Children's Products," 74 FR 55820 (October 29, 2009) 17. "Third Party Testing for Certain Children's Products; Notice of Requirements for Accreditation of Third Party Conformity Assessment Bodies to Assess Conformity with Parts 1203, 1510, 1512, and/or 1513 and Section 1500.86(a)(7) and/or (a)(8) of Title 16, Code of Federal Regulations," 74 FR 45428 (September 2, 2009) 18. "Third Party Testing for Certain Children's Products; Notice of Requirements for Accreditation of Third Party Conformity Assessment Bodies To Test To the Requirements for Lead Content in Children's Metal Jewelry as Established by the Consumer Product Safety Improvement Act of 2008," 73 FR 78331 (December 22, 2008) 19. "Third Party Testing for Certain Children's Products; Notice of Requirements for Accreditation of Third Party Conformity Assessment Bodies to Assess Conformity With Part 1501 of Title 16, Code of Federal Regulations," 73 FR 67838 (November 17, 2008) |
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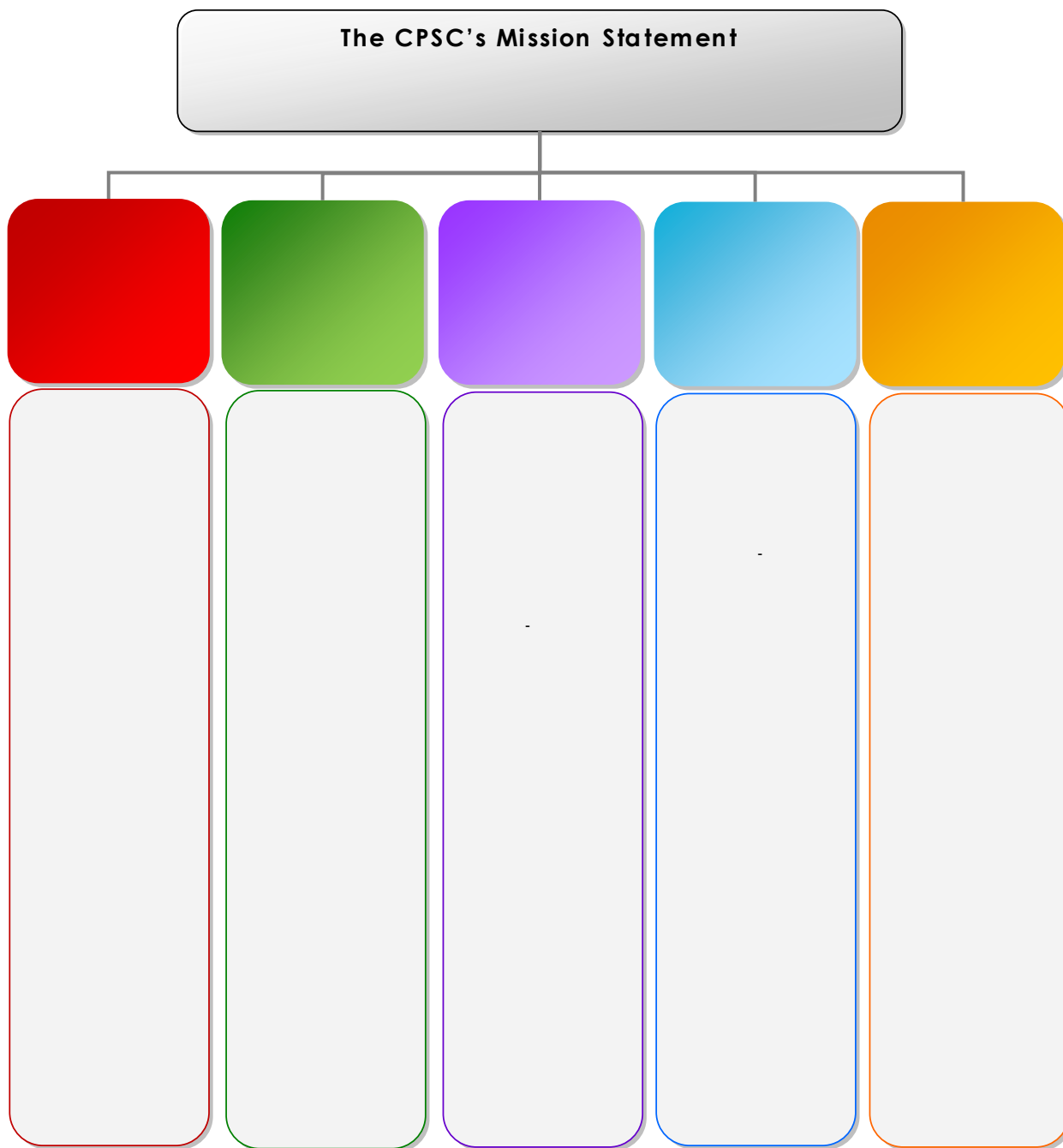
20. "Third Party Testing for Certain Children's Products; Notice of Requirements for Accreditation of Third Party Conformity Assessment Bodies To Assess Conformity With Part 1508, Part 1509, and/or Part 1511 of Title 16, Code of Federal Regulations," 73 FR 62965 (October 22, 2008)

21. "Third Party Testing for Certain Children's Products; Notice of Requirements for Accreditation of Third Party Conformity Assessment Bodies To Assess Conformity With Part 1303 of Title 16, Code of Federal Regulations," 73 FR 54564 (September 22, 2008)

ANNUAL PERFORMANCE PLAN

FY 2011–FY 2016 STRATEGIC PLAN SUMMARY

Vision: The CPSC is the recognized global leader in consumer product safety.



CPSC ANNUAL PERFORMANCE PLAN

AGENCY STRATEGY, PERFORMANCE MEASURES, AND TARGETS

LEADERSHIP IN SAFETY

STRATEGIC GOAL 1: Take a leadership role in identifying and addressing the most pressing consumer product safety priorities and mobilizing action.

Agency Strategy

Expansion of international trade, increasingly global supply chains, and technological advances have increased the spectrum of consumer products available to U.S. consumers. This has made the challenge more complex for the CPSC to oversee and regulate thousands of product types. The value of U.S. imports under the CPSC's jurisdiction has skyrocketed in recent years. Product safety can suffer in countries where domestic regulation is not effective and quality control systems are lacking. Led by CPSC, regulatory agencies, standards organizations, and consumer and industry groups worldwide are working to address consumer product safety across multiple geographies and priorities.

The CPSC is at the forefront of advancing the agenda for consumer product safety globally and seeks to mitigate the most pressing product

safety hazards by establishing a clearly defined leadership agenda and by working with key global and domestic stakeholders. The CPSC uses a risk assessment tool to determine the most critical consumer product hazards and suggest priorities for agency work on hazard reduction. The CPSC trains and collaborates with domestic and international stakeholders, including manufacturers and regulators, effectively leveraging its resources to improve product safety. The agency provides education and outreach activities to manufacturers, retailers, resellers, small businesses, and foreign governments. The CPSC also works to harmonize global consumer product standards as a way to improve consumer product safety, and recruits and retains leading experts to help accomplish its mission.

Performance Measures and Targets

Performance Measure Statement		FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2016 Target
	Goal: Increase training aimed at improving consumer product safety					
1.2.1	Number of training or outreach seminars for foreign manufacturers conducted by CPSC staff	8	12	34	6	13
1.2.2	Number of staff exchanges with foreign counterparts undertaken as part of the Extended Training Exchange Program	2	2	2	3	3
	Goal: Create and strengthen collaborations aimed at improving consumer product safety					
1.2.4	Number of collaborations undertaken with domestic nongovernment organizations such as trade associations, universities, or federations	--	--	--	2	3
	Goal: Recruit, retain, and develop a high-performing workforce					
1.6.1	Employee retention rate*	85%	84.7%	81%	85%	85%
1.6.2	Average hiring time (recruitment time using OPM's End-to-End hiring process) (days)	75	73	78	80	80
1.6.3	Training participation rate	74%	83%	93%	88%	90%

-- Data not available.

* Beginning FY 2015, this calculation will no longer include those employees for whom the CSPC initiated employee departure.

COMMITMENT TO PREVENTION

STRATEGIC GOAL 2: Engage public and private sector stakeholders to build safety into consumer products.

Agency Strategy

The value of consumer product imports under the CPSC's jurisdiction grew from \$411 billion in 2002, to \$723 billion in 2013, an increase of 76 percent over the period. Many consumer product hazards and safety defects arise in the very early stages of the supply chain, including product design and the selection and use of raw materials. Given the large volume and diversity of products under the jurisdiction of domestic and foreign regulatory agencies, enforcement activities alone are unlikely to succeed in completely preventing product hazards from occurring.

Preventing hazards from entering the marketplace is one of the most effective ways the CPSC can protect consumers. The CPSC participates in the development of new safety

standards, creates regulations, and educates manufacturers about safety requirements to build safety into consumer products. The CPSC has made significant progress toward creating stronger mandatory standards under the CPSIA. CPSC staff provides guidance and educational materials to explain federal safety regulations and conducts training and outreach events. The CPSC develops incentive programs to encourage industry to build safer consumer products and engages with foreign product safety regulators and foreign manufacturers to reduce the production of unsafe consumer products that may enter the U.S. market. By encouraging industry leaders and foreign safety agencies to focus on safety early in the global supply chain, the CPSC helps prevent hazardous products from entering consumer markets.

Performance Measures and Targets

Performance Measure Statement		FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2016 Target
Goal: Increase collaboration on nanotechnology issues affecting consumer products						
2.1.2	Number of collaborations established or maintained with other organizations to work on nanotechnology research or issues affecting consumer products	8	4	6	5	5
2.1.3	Number of reports produced on the results of collaboration on nanotechnology issues affecting consumer products	9	11	11	5	5
2.1.5	Establish CPSC's Center for Consumer Product Applications and Safety Implications of Nanotechnology (CPASION) to develop robust methods in identifying and characterizing nanomaterials in consumer products to understand their effects on human exposure; and to develop scientists to advance nanomaterials in consumer product safety research	--	--	--	--	Establish Center
Goal: Increase technical support or monitoring for voluntary standards activities						
2.1.4	Number of voluntary standards activities that are actively participated in by CPSC staff	--	--	--	81	77
Goal: Prepare rulemaking candidates for Commission consideration, as required						
2.2.1	Number of candidates for rulemaking prepared for Commission consideration*	28	14	10	20	19
Goal: Improve availability of training and guidance for industry stakeholders (domestic and foreign)						
2.3.1	Number of domestic training activities made available to industry stakeholders	--	14	23	11	7

-- Data not available.

* Starting in FY 2014, the agency's procedures for handling notices of requirements in rulemaking briefing packages changed, which affected the way the agency counted the candidates for rulemaking tracked by this performance measure. In FY 2013 and earlier years, the proposed and draft final notice of requirements for a product were submitted to the Commission in a separate package from the rulemaking briefing package for that product, which resulted in a count of two rulemaking packages for each applicable product. Beginning in FY 2014, the notices of requirements for a product were submitted in a single rulemaking briefing package, so each product was counted only once for this performance measure. As a result, data for FY 2013 and earlier years are not directly comparable to data for FY 2014 and later years.

RIGOROUS HAZARD IDENTIFICATION

STRATEGIC GOAL 3: Ensure timely and accurate detection of consumer product safety risks to inform agency priorities.

Agency Strategy

The CPSC must determine quickly and accurately which product hazards represent the greatest risks to consumer safety. Information on injuries, deaths, and other consumer product safety incidents comes from a wide range of sources, including consumers and consumer groups, hospitals and clinics, industry, and the press. Used and resale consumer products must also be monitored to prevent previously identified hazardous products from re-entering the marketplace. A large volume of data must be analyzed to identify patterns and trends that reflect potential emerging hazards. Moreover, the CPSC has to determine which addressable hazards present the greatest risk to the consumer to focus the agency's limited resources.

The CPSC uses a systematic approach to enhance the quality of crucial product hazard data and reduce the time needed to identify trends. The agency's approach includes systematic collection and assessment of hazard

data, scanning the marketplace regularly, expanding import surveillance efforts, and increasing surveillance of used consumer products offered for resale.

The CPSC has made significant investments in information technology to enhance and streamline hazard detection processes and improve analytic capabilities. This includes development and operation of the CPSIA-mandated public database (www.SaferProducts.gov), which enables consumers and others to submit reports of harm and view publicly reported incident information in a Web-based, searchable format. The CPSC collaborates with CBP to improve import surveillance at ports, and the CPSC developed a pilot RAM system that enables the CPSC to analyze systematically import line entries to identify the highest risk shipments. The CPSC also monitors the marketplace, including brick and mortar and Web-based businesses, for potentially hazardous consumer products.

Performance Measures and Targets

Performance Measure Statement		FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2016 Target
Goal: Ensure range and quality of consumer product-related incident data						
3.1.1	Percentage of National Electronic Injury Surveillance System (NEISS) member hospitals evaluated at least once a year	98%	99%	100%	98%	98%
3.1.2	Percentage of consumer product-related injury cases correctly captured at NEISS hospitals	92%	92%	91%	90%	90%
Goal: Reduce time to identify consumer product hazard trends, by improving the collection and assessment of hazard data						
3.2.1	Time from incident received to integrated team adjudication of incident report (business days)	--	6.5	3.4	10	10
Goal: Improve sample processing throughout the CPSC						
3.2.2	Percentage of priority import regulated samples (excluding fireworks) tested within 30 days of collection	85%	92%	98.8%	85%	85%
3.2.3	Percentage of priority import fireworks samples tested within 60 days of collection	99.7%	100%	90%	90%	90%

Performance Measure Statement		FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2016 Target
3.2.4	Percentage of all regulated non-import product samples that are tested within 90 days of receipt at NPTEC	--	--	--	Baseline	TBD
3.2.5	Percentage of section 15 Product Safety Assessment requests that are completed within the Hazard Level Completion time assigned	--	--	--	Baseline	TBD
Goal: Improved surveillance at ports						
3.4.1	Number of import examinations	18,131	26,523	28,007	25,000	30,000
Goal: Facilitate legitimate trade						
3.4.3	Percentage of import shipments processed through the Risk Assessment Methodology (RAM) pilot system that are cleared within one business day	--	99.5%	99.7%	99%	99%
Goal: Improve working effectiveness with the U.S. Customs and Border Protection (CBP) to harness existing federal port resources in the interdiction of noncompliant consumer product imports						
3.4.4	Percentage of CPSC import entry hold requests acted on by CBP	--	86%	87.2%	86%	86%
3.4.6	Percentage of first-time violators who are engaged with an informed compliance inspection within 30 days of violation determination	--	--	--	Baseline	TBD
Goal: Improve import surveillance targeting effectiveness						
3.4.7	Percentage of entries sampled as identified through the Risk Assessment Methodology (RAM) pilot system	--	--	--	Baseline	TBD
Goal: Complete annual statistical reports characterizing injuries and fatalities associated with specific consumer product categories or hazards						
3.5.3	Number of hazard characterization annual reports completed on consumer product-related fatalities, injuries, and/or losses for specific hazards	11	11	10	10	10
Goal: Increase market surveillance throughout the consumer product supply chain						
3.5.4	Total number of products screened by CPSC field staff (excluding imports)	--	--	--	200,000	200,000

-- Data not available.

Baseline: Indicates a performance measure newly established for which a target is not established. A target will be established in a future fiscal year, based on analysis of the baseline data collected.

DECISIVE RESPONSE

STRATEGIC GOAL 4: Use the CPSC's full range of authorities to quickly remove hazards from the marketplace.

Agency Strategy

The longer a hazardous consumer product remains on store shelves or in homes, the greater the potential for that hazard to cause injuries and deaths. Once hazardous products have been identified, the CPSC takes action to protect consumers, remove the products from the marketplace, and hold violators accountable. Industry and consumer groups demand that our response and enforcement efforts be predictable and carried out in a consistent manner.

The CPSC takes a multifaceted approach to addressing incidents and injuries. Field staff investigates reports of incidents and injuries; conducts inspections of manufacturers, importers, and retailers; and identifies potential regulatory violations and product defects that could harm the public. CPSC field staff conducts hundreds of establishment inspections every year and screens many consumer products. The CPSC also responds to industry-generated reports. The agency tests products and component parts for compliance with specific

standards and regulations at the National Product Testing and Evaluation Center (NPTEC), and technical staff determines which possible violations and defects warrant corrective action. When a recall is necessary, Compliance staff negotiates with the responsible firm to seek a voluntary recall, whenever possible. CPSC staff strives to reduce the time needed to conduct investigations and negotiate corrective actions, as well as to notify firms about violative or potentially hazardous products. Industry can participate in a streamlined recall process through the CPSC's Fast-Track Recall Program. This expedited recall process aims at removing potentially dangerous products from the marketplace more quickly, saving the company and the CPSC time and resources. The CPSC holds violators accountable for hazardous consumer products. When companies fail to report potentially hazardous products, as required, the CPSC uses its enforcement authority to seek civil, and in some cases, criminal penalties, as appropriate.

Performance Measures and Targets

Performance Measure Statement		FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2016 Target
	Goal: Increase market surveillance throughout the consumer product supply chain					
4.1.1	Number of establishment inspections conducted by CPSC field staff	1,184	3,680	3,672	3,000	3,000
	Goal: Improve timeliness of investigating potential unregulated hazards and negotiating corrective actions					
4.3.1	Percentage of all cases for which the preliminary determination is made within 85 business days of the case opening	--	84%	60.6%	70%	70%
4.3.2	Percentage of cases for which the corrective action is accepted within 60 business days of the preliminary determination	98%	88%	80.9%	80%	80%
	Goal: Improve timeliness of notifying firms of violative products					
4.3.3	Percentage of cases in which the firm is notified of a violation in a timely manner	--	94%	97.1%	90%	90%
	Goal: Reduce time to initiate Fast-Track recalls					
4.3.4	Percentage of Fast-Track cases with corrective actions initiated within 20 business days	99%	98%	100%	90%	90%
	Goal: Timely release of press releases announcing product recalls					
4.4.2	Average number of business days between establishment of first draft and issuance of recall press release for the most timely 90% of all recall press releases	--	--	--	20	20
	Goal: Improve timeliness of referral to the CPSC's OGC for review of firm's timely reporting pursuant to section 15 (b)					
4.5.2	Percentage of compliance defect investigation cases referred within 20 business days to OGC for review of firms' timely reporting pursuant to §15(b)	--	--	--	75%	75%

-- Data not available.

RAISING AWARENESS

STRATEGIC GOAL 5: Promote a public understanding of product risks and CPSC capabilities.

Agency Strategy

Raising awareness of product risks is crucial to empowering consumers to make informed safety choices. Useful, timely information helps make consumers aware of hazardous products in the marketplace and can instruct them to act quickly if they own recalled products. Minority, vulnerable, and underserved groups who might not otherwise receive safety messages, or who may be affected disproportionately by particular product-related hazards, need to be reached. Industry, safety advocates, and partner government agencies also need high-quality information about consumer product safety issues. However, the diverse audiences have different information needs and respond best to different methods of communicating information.

The CPSC uses a wide array of communication channels and strategies to provide the public

with timely and targeted information about safety issues and CPSC capabilities. The CPSC disseminates safety messages through press releases, social media, satellite and radio media tours, TV appearances, public appearances, and videos. The CPSC has significantly increased its presence on the Internet and uses a variety of social media platforms to disseminate information, including an OnSafety blog, Twitter, Google+, YouTube, Flickr, and Widgets. CPSC staff conducts public information campaigns on a wide variety of consumer product-related hazards, as well as outreach on specific high-profile topics, such as drowning and drain entrapment prevention, and Safe to Sleep® environments for babies. CPSC public information efforts entail working with a variety of partners, including collaborations with other government agencies and use of other agencies' websites.

Performance Measures and Targets

Performance Measure Statement		FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2016 Target
Goal: Increase access to timely, useful safety information on consumer product hazards						
5.2.1	Number of public information campaigns conducted by CPSC on targeted consumer product safety hazards	24	24	24	24	24
5.2.2	Number of impressions of CPSC safety messages received by consumers on targeted consumer product safety hazards (in millions)	4,209*	4,628	9,361	6,245	6,500
5.2.3	Number of media events involving collaborations with other federal, state or local governments; consumer advocacy organizations; medical or industry groups; or other stakeholders that focus on a targeted hazard with high public concern	--	--	--	5	5
Goal: Improve outreach campaigns conducted for priority hazards in vulnerable population groups						
5.3.1	Number of impressions of CPSC safety messages received by consumers on priority hazards in vulnerable communities (in millions)	437	1,395	2,408	1,795	1,795
5.3.2	Number of underserved communities reached through consumer product safety education grants	--	--	--	--	Baseline
5.3.3	Number of consumer product safety educational materials distributed by grantees to underserved communities	--	--	--	--	Baseline
5.3.4	Number of media events involving collaborations with other federal, state or local governments; consumer advocacy organizations; medical or industry groups; or other stakeholders that focus on a priority hazard in vulnerable communities	--	--	--	15	15

-- Data not available.

Baseline: Indicates a performance measure newly established for which a target is not established. A target will be established in a future fiscal year, based on analysis of the baseline data collected.

ENSURING THE QUALITY OF PERFORMANCE DATA

The CPSC has several processes and criteria in place to help ensure that data used to measure progress toward performance goals are reasonably accurate and reliable. Clearance procedures involve review by agency managers, the Office of the Executive Director, and the Office of the General Counsel, which helps confirm the accuracy of information to be provided to the public, including data on performance measures. In addition, senior managers must submit annual letters of assurance on the integrity of internal controls for programs, which includes providing reasonable assurance on the reliability and completeness of performance data. Most importantly, information on the quality of performance data reported for the agency's set of budget key performance measures is maintained in an agency Performance Management Database and is reviewed quarterly by senior managers via either a strategic data review or the publication of a quarterly performance report. The Performance Management Database system was designed to document detailed information on agency performance measures, including notes and links to information on data sources, definitions, collection procedures, and information on limitations of data quality. Additional information on the agency's key performance measures is provided on the CPSC's website.

ACRONYMS

ANPR	Advance Notice of Proposed Rulemaking
ATV	All-Terrain Vehicle
BP	Briefing Package
CAP	Cross Agency Priority (Goals)
CBP	U.S. Customs and Border Protection
C.F.R.	Code of Federal Regulations
CHAP	Chronic Hazard Advisory Panel
CO	Carbon Monoxide
CPASION	Consumer Product Applications and Safety Implications of Nanotechnology
CPSA	Consumer Product Safety Act
CPSC	U.S. Consumer Product Safety Commission
CPSIA	Consumer Product Safety Improvement Act of 2008
CPSRMS	Consumer Product Safety Risk Management System
CTAC	Commercial Targeting and Analysis Center
DA/TR	Data analysis/technical review
DHS	U. S. Department of Homeland Security
DOT	U.S. Department of Transportation
EEO	Equal Employment Opportunity
EHS	Environmental, Health, and Safety
EU	European Union
FHSA	Federal Hazardous Substances Act
FISMA	Federal Information Security Management Act
FOIA	Freedom of Information Act
FPS	Federal Protective Service
FR	Final Rule
FTE	Full-Time Equivalent
FY	Fiscal Year
GAO	U.S. Government Accountability Office
GSA	U.S. General Services Administration
HHS	U.S. Department of Health and Human Services
ICAM	Identity, Credential and Access Management
IG	Inspector General
IPERA	Improper Payments Elimination and Recovery Act
IRB	Investment Review Board
ISCM	Information Security Continuous Monitoring
IT	Information Technology
ITDS	International Trade Data System
LEP	Limited English Proficiency
MPF	Merchandise Processing Fee
MTIPS	Managed Trusted Internet Protocol Service
NEISS	National Electronic Injury Surveillance System
NGO	Nongovernmental Organization
NNI	National Nanotechnology Initiative
NPR	Notice of Proposed Rulemaking
NPTEC	National Product Testing and Evaluation Center
NSF	National Science Foundation
NSN	Neighborhood Safety Network
O&M	Operations and Maintenance
OGC	Office of the General Counsel
OMB	Office of Management and Budget
OPM	U.S. Office of Personnel Management

OSTP	Office of Science and Technology Policy
R&D	Research and Development
RAM	Risk Assessment Methodology
RFI	Request for Information
ROV	Recreational Off-Highway Vehicle
SBO	Small Business Ombudsman
S&E	Salary and Expense
SDO	Standards Development Organization
SES	Senior Executive Service
TIC	Trusted Internet Connection
VGB Act	Virginia Graeme Baker Pool and Spa Safety Act
XRF	X-Ray Fluorescence

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BETHESDA, MARYLAND 20814**