



U.S. CONSUMER PRODUCT SAFETY COMMISSION  
4330 EAST WEST HIGHWAY  
BETHESDA, MD 20814

STATEMENT OF COMMISSIONER ANNE M. NORTHUP ON THE 2011 MID-YEAR REVIEW  
RECOMMENDATIONS

June 2, 2011

Today, I voted against the Commission's mid-year budgeting recommendations for 2011. My vote is in opposition only to the agency's mid-year spending and budgeting decisions and not to the 2011 Operating Plan, which was included as part of today's ballot.

I appreciate that this Commission will have to keep a close eye on new hires and numbers of FTEs (full-time equivalents), which likely will mean we will need to do more with less in the coming months. However, in doing so, we do not also need to *spend* the cushion of money we may save by year's end (approximately \$3.4 million), including expected salary savings, on entirely new equipment, projects or otherwise non-essential items. Like last year, I instead proposed to my fellow Commissioners to send any unspent salary funds and other savings of the Commission back to the United States Treasury to help reduce the federal budget deficit. Unfortunately, my proposal was again rejected.

The number one issue facing Congress, reported on by the newspapers, and on the minds of most Americans is the national debt—and what a growing national debt and out-of-control federal spending means for families, the overall economy and the availability of jobs. For this reason, President Obama has called for freezes in annual discretionary spending and for all federal agencies to look at where they can cut back and reduce the unnecessary impact of federal regulations on industry. In less than four years, the federal debt held by the public has doubled in nominal terms.<sup>1</sup> The Congressional Budget Office's projections show the federal debt continuing to grow at an unsustainable rate. Those of us in positions to effect federal spending cannot simply ignore this fact, no matter how large or small our agency's annual budget may be in proportion to the overall problem.

Given this reality, as well as a reduced budget from Congress, the Commission's 2011 Operating Plan proposes to reduce the total number of estimated FTE's for the remainder of this fiscal year from a level of 576 in the Commission's original 2011 Budget Proposal, down to 540 in this year's Operating Plan. As a result, we anticipate accrued salary savings (and other unforeseen savings) of at least \$3.4 million by this October. The Commission voted today on a plan to *spend* that expected savings on various new equipment and projects. This decision amounts to spending money unnecessarily, because any new equipment and projects brought forward mid-year could not have been first priorities in our original budget. It also sends the confusing message to agency staff and the public that we are reducing new hires in order to "save"—when we are not actually planning to save any money. All we are doing is re-prioritizing spending. It is like a parent telling her child she will not be able to afford to send the child to a better school, and then buying a

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<sup>1</sup> <http://budget.senate.gov/republican/analysis/2011/2011-05-12WhitePaper.pdf>

brand new, more expensive car. Spending and saving are simply a matter of priorities – and I disagree with the priorities the Commission has set today.

As a Commissioner appointed to a federal agency, I am responsible not only for fulfilling the safety mission of this agency, but also for being a good steward of the taxpayers' hard-earned dollars. I believe there are a number of ways that this agency can save money for American taxpayers and better focus our priorities on genuine risks, including sending any accrued savings back to the Treasury to help reduce this year's federal deficit. I regret that my colleagues did not join in supporting my decision today to make a small contribution toward reducing the federal deficit.