



U.S. CONSUMER PRODUCT SAFETY COMMISSION
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**STATEMENT OF
CHAIRMAN INEZ M. TENENBAUM AND
COMMISSIONERS ROBERT S. ADLER AND THOMAS H. MOORE
REGARDING THE FISCAL YEAR 2012 PERFORMANCE BUDGET REQUEST**

February 14, 2011

Today the President released his proposed Budget of the United States Government, Fiscal Year (FY) 2012. Contained within this budget is the Consumer Product Safety Commission's Fiscal Year 2012 Performance Budget Request, (available at: <http://www.cpsc.gov/cpsc/pub/pubs/reports/2012plan.pdf>). This Budget Request has the bipartisan support of the Commission and reflects a measured, reasonable approach to resources necessary for CPSC to carry out its statutory duty to protect the public against unreasonable risks of injury or death while recognizing the need for government agencies to remain focused on operating as economically and efficiently as possible.

Historically, CPSC has had to survive with significantly fewer resources than its sister health and safety agencies. FY2012 continues this trend. While agencies such as FDA and USDA routinely receive budget outlays in the billions of dollars, as recently as FY2007 the CPSC had a budget of less \$63 million and fewer than 390 employees to regulate more than 15,000 types of consumer products, many of which are manufactured overseas. While we learned to do more with less over the years, this funding disparity was not without cost to the American consumer. During those lean times CPSC discovered, and Congress recently recognized, that the continued lack of sufficient funding and staff was beginning to make it nearly impossible for the agency to accomplish even the minimum that is required of a health and safety agency.

It is our belief that the FY2012 Performance Budget Request of \$122 million is essential to do our job on behalf of the American consumer. The FY2012 Budget will allow the agency to perform mission critical tasks, including:

- *Enforcement:*
 - CPSC's Import Surveillance Division, since its creation in 2008, has given CPSC its first significant and dedicated presence at U.S. ports. CPSC is colocated with U.S. Customs and Border Protection offices at 15 locations, enabling us to screen consumer products before they enter the U.S. In FY2010, CPSC found violative products in more than 50 percent of the 1700-plus samples that were collected. With approximately 85 percent of U.S. product recalls involving imported products, CPSC's presence at the ports is one of the American consumer's best, and most economical, lines of protection against these violative products reaching their homes.
 - The Virginia Graeme Baker Pool and Spa Safety Act (VGB Act) requires all public pools to comply with new safety standards that will prevent child drownings and entrapments. On average, approximately 400 children drown every year in pools in the United States. CPSC is charged with enforcing the Act and does so through both inspections and cooperative

relationships with state enforcement bodies. Further, CPSC's "PoolSafely" campaign aims to educate all pool users, public or private, of the need to act responsibly and proactively when it comes to all aspects of pool safety.

- *Education:*

- CPSC's newly created Office of Education, Global Outreach, and Small Business Ombudsman is charged with the significant task of creating an institutionalized, coordinated approach to industry education and outreach activities to both domestic and international stakeholders, including manufacturers, retailers, resellers, small businesses, and foreign governments. In particular, this Office is now offering and will continue to offer assistance to small businesses that fall under the agency's jurisdiction.
- The Safe Sleep Campaign, which emphasizes the need for a safe sleep environment for all of the nation's babies has been a key priority for CPSC and will continue to be in FY2012. This campaign focuses on educating new parents and child care providers about the dangers of placing babies to sleep in recalled, defective, or outdated cribs, and keeping soft bedding out of cribs, bassinets, and play yards.
- In the Internet age the most frequent method of interacting with consumers and businesses is in cyberspace. Accordingly, in FY2012 the CPSC Website will undergo a long overdue overhaul to make it friendlier and more useful to businesses and consumers alike.
- In FY2012, funds will be used to support the new Publicly Available Consumer Database, which is part of the Commission's overall IT modernization effort. This relatively new way for the public to interact with the Commission will allow for critical safety information to be disseminated faster to all concerned—but will require increased funds to modify our processes and organization to support the intake, processing, and review of incoming reports of harm and manufacturer comments.

- *Commitment to Prevention*

- CPSC is not only responsible for enforcing existing laws and regulations but also for proactively working to prevent the next hazard from arising. In the last few years the agency has not only continued to work with standards setting organizations, but we have also begun a long term effort of promoting the production of safe products at the design stage. Our effort to encourage more focus on safety earlier in the global supply chain will assist with CPSC's task of preventing hazards from entering consumer markets.
 - More specifically, CPSC is working to improve the effectiveness of carbon monoxide (CO) alarms as well as urging all Americans to install them in their homes to protect themselves from the nearly 200 deaths annually associated this silent killer. CPSC will also be working in 2012 with the United States Fire Administration on third generation prototype smoke alarms, as well as continued efforts to reduce carbon monoxide deaths resulting from improper use of portable generators through consumer education campaigns and rulemaking activities.
 - CPSC is also keeping a close eye on nanotechnology and studying whether the potential release of nanoparticles from consumer products create health effects. The explosive growth in the use of nanoparticles in consumer products merits closer scrutiny.

- *Emerging Hazards*
 - One of CPSC's greatest challenges during the last few years has been its leadership of the Interagency Drywall Task Force to investigate possible health and safety risks from problem drywall. This has been a challenge not only because it has been the single most expensive and largest compliance investigation in CPSC history, but also because it was not an area of concern prior to the first complaints arising about the product. In other words, when the next unexpected hazard emerges that CPSC must address, the agency's ability to respond will be dependent upon having received the appropriate level of resources.

- *Regulation*
 - The Consumer Product Safety Improvement Act (CPSIA) not only assisted in revitalizing the agency with an influx of resources and directives but also required CPSC to enter into rulemaking at a rate of more than three times its normal output on an annual basis. While many of these rules have now been successfully completed, FY2012 will see more rulemakings required to be either completed or initiated. For example, in FY2012 the CPSC expects to work on four final rules relating to durable nursery products and four more proposed rules on durable nursery products. The agency will also be considering important draft rules on portable generators, upholstered furniture and recreational off-road vehicles. Additionally, the agency will be undertaking a required review of the mandatory toy standard (ASTM F963) and continued activities associated with harmonizing these requirements with international toy standards.

- *Information Technology Modernization*
 - In addition to the CPSIA's mandate to create a publicly available database, the Act also required a modernization of CPSC's antiquated IT systems. Over the course of the agency's nearly forty years, too many overlapping and siloed technology systems were created. The long overdue and required IT overhaul will allow the data CPSC collects, no matter the source, to be used more effectively and more quickly by the agency because it will eliminate much of the stove-piped inefficiencies and redundancy that a lack of appropriate funding has allowed to develop over the years.