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## U.S. House of Representatives Committee on Energy and Commerce Washington, DC 20515-6115

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October 17, 2007

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## MEMORANDUM

TO:

Committee on Energy and Commerce

Members and Staff

FROM:

John D. Dingell, Chairman

Committee on Energy and Commerce

Bobby L. Rush, Chairman

Subcommittee on Commerce, Trade, and Consumer Protection

SUBJECT: Update on Committee Consumer Protection Agenda

Our nation's system for protecting consumers – and especially our children – from dangerous products is in need of reform. We cannot tolerate any more deaths of children caused by collapsing cribs, lead-filled jewelry, or "toys" containing loose, high-powered magnets due to a failure in the regulatory system.

Since the beginning of the 110<sup>th</sup> Congress, the Subcommittee on Commerce. Trade, and Consumer Protection (CTCP) of the Committee on Energy and Commerce has held three hearings to explore possible problems with the U.S. product safety system and potential corrective action as necessary. Over the course of the hearings held on May 15, June 6, and September 19-20, more than 20 witnesses, including Acting Chairman Nancy Nord and Commissioner Thomas Moore of the U.S. Consumer Product Safety Commission (CPSC), have testified on issues ranging from specific products that maim or kill children, the continuing spate of recalls of imported lead-tainted toys and children's products, the poor quality control practices employed by U.S. and foreign manufacturers, to the need for increased resources and authority for the CPSC. The Committee also received and reviewed responses to 19 letters sent on August 23, 2007, to companies whose products contained levels of lead beyond lawful standards, resulting in recalls of millions of toys and other products this year. Following the May 15 oversight hearing on CPSC operations, Chairman Rush and Ranking Member Stearns announced that the subcommittee would begin a comprehensive review of proposals to reform the agency.

As a prelude to that action, the Subcommittee worked on and reported four bipartisan bills intended to protect children from unsafe products:

- H.R. 814, the "Children's Gasoline Burn Prevention Act", a bill to protect children from death or serious injury from burns or ingestion hazards by requiring the same child-resistant caps for all gasoline containers, whether sold with or without gasoline.
- H.R. 1699, the "Danny Keysar Child Product Safety Notification Act", a bill to protect children from unsafe cribs, high chairs, and other durable infant and toddler products by requiring direct consumer notification of recalls of these products.
- H.R. 1721, the "Virginia Graeme Baker Pool and Spa Safety Act", a bill to
  protect children from drowning and other devastating injuries by requiring the
  use of proper anti-entrapment drain covers in pools and spas and by creating a
  swimming pool safety grant program to encourage States to adopt comprehensive
  safety laws.
- H.R. 2474, the "Product Safety Civil Penalties Improvement Act", a bill to promote compliance with product safety requirements by increasing the maximum civil penalty for violations of statutes enforced by the CPSC from \$1.825 million to \$10 million.

The Subcommittee approved these bills on July 27, 2007, and the full Committee then ordered the bills favorably reported to the House on September 27, 2007, by a voice vote. The four bills subsequently passed the House on October 9, 2007.

During the course of our September hearings on toy safety and during the full Committee markup of these bills, both Democrats and Republicans publicly stated their intention to work together in crafting comprehensive bipartisan legislation to strengthen the consumer product safety system in this country. We intend to introduce legislation shortly. The Committee is currently examining many suggestions intended to improve the safety of products, enhance recall effectiveness, and remove unsafe products from the stream of commerce as quickly as possible. Additionally, the Committee is examining the additional level of resources necessary to ensure that the Consumer Product Safety Commission can fulfill its mission as we look to reauthorize the agency. At this point, the specific issues the legislation will address include:

- Lead Ban. Effective limits on trace amounts of lead permitted in paint and in children's products.
- Enhanced Recall Authority. Improving CPSC's ability to structure recalls to notify consumers about dangerous products more quickly and more widely.

- Information Sharing. Improving information sharing between the CPSC, States, and foreign governmental authorities to enhance identification and recall of unsafe products in the increasingly global market.
- **Pre-testing.** Mandatory testing by accredited labs of children's products to ensure that they conform to applicable U.S. safety standards and do not contain banned hazardous substances.
- Ban on Unsafe Imported Toys. Banning importation of toys or other children's products that have not been tested and do not conform to U.S. standards.
- **Hazard Warnings.** Requiring the posting of warnings about small parts and other hazards on Web sites and in catalogues, in addition to product packaging.
- **Product Tracking.** Requiring tracking information on both packaging and the children's products themselves to aid parents in identifying recalled products and removing such products from their homes quickly.
- **Disposition of Recalled Products.** Prohibiting the domestic sale of recalled products and preventing their export for sale.
- CPSC Reauthorization and Updated Testing Lab. Reauthorizing CPSC, consistent with sound pay-for principles, to provide resources, including staff levels and improvements to its research and testing facilities to enable CPSC to do a better job of protecting children and all consumers from dangerous products.

Many of the agency reform suggestions we received reflect the contributions of a number of Members on both sides of the aisle, both through their participation at hearings and their introduction of bills relating to the topics referenced above. We also have received recommendations from the CPSC, industry groups, and consumer organizations. We intend to conduct our deliberations and actions in a fair, thorough, and transparent manner, and we look forward to working with you to that end. We have been discussing these issues with Ranking Member Stearns, and Republican Committee staff members are full participants in all meetings and negotiations. We look forward to bipartisan support of Committee Members when we introduce this legislation, and as the Committee considers the reform proposals through regular order of the Committee.

If you need additional information or have questions, please contact Judith Bailey or Andrew Woelfling with the Committee Majority staff at (202) 225-2927, or Brian McCullough or Shannon Weinberg with the Committee Minority staff at (202) 225-3641.