



UNITED STATES  
CONSUMER PRODUCT SAFETY COMMISSION  
WASHINGTON, DC 20207

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**Memorandum**

Date: June 27, 2000

TO : Commissioners  
THROUGH: Sadye E. Dunn, Secretary *SD*  
Michael S. Solender, General Counsel *M.S.S.*  
FROM : Pamela Gilbert *PG*  
Executive Director  
SUBJECT : Fiscal Year 2002 Budget Recommendation

This memorandum transmits the staff recommendation for CPSC's FY 2002 budget request. The staff recommends an increase of \$7.9 million over the FY 2001 budget currently pending before Congress. This FY 2002 funding level will allow the agency to maintain and enhance its mission of saving lives and preventing injuries. Despite a funding history that has left the agency with less purchasing power in FY 2000 than in FY 1994, CPSC has maintained its valuable, cost-effective service to the American public, preventing thousands of family tragedies and saving society hundreds of millions of dollars. However, without additional investments in technology, research, and expertise to address continuing deaths and injuries, the agency faces erosion of its effectiveness in the future. With additional funding, the agency can further reduce the high death and injury toll from hazardous consumer products.

**Recommendation Summary**

The FY 2002 request is \$60.5 million, an increase of \$7.9 million over our pending FY 2001 budget of \$52.5 million. The dollar increase requested for FY 2002 is 15%, the same increase as requested of OMB last year. For the first time in many years, staff is requesting an increase in FTEs, increasing by 7 from 480 to 487 FTEs.

**Requested Increases above Base Funding**

The following points explain the basis for the items making up the \$7.9 million increase in the proposed budget.

**1. Continue current safety programs** - Maintenance of our current program activity (or purchasing power) requires additional funding of \$3.8 million, or almost half of the total increase. The staff used OMB guidelines to develop the costs of maintaining current agency services. Statutorily mandated staff compensation increases alone will cost \$3.4 million in 2001. This amount reflects Federal pay increases proposed by the President as well as increases in salary costs due to the agency's recent hiring and promotion actions. In addition, the staff

NOTE: This document has not been reviewed or accepted by the Commission.  
Initial *rh* Date 6/29/00 CPSC Hotline 1-800-638-CPSC(2772) ★ CPSC's Web Site <http://www.cpsc.gov>

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estimates that \$210,000 will be necessary to meet increased costs (due to annual inflation) of non-compensation items such as travel, supplies, and services. There are also estimated space rent increases proposed by the GSA of \$150,000. GSA must confirm the space rent estimate - staff will insert the actual GSA amount for space rent increases when available.

**2. Reestablish applied research program** - As an agency that depends on science and engineering to evaluate and solve product hazards, CPSC needs a strong applied research program. In the early years, CPSC's budget included funding for "hazards contracts." The agency used these contracts to conduct applied research which, for example, helped the agency address the problems of carbon monoxide (CO) poisoning from gas-space heaters and toxic formaldehyde emissions in consumer homes. The budget reductions of the 1980's forced the agency to drastically reduce, and then eliminate, this research program. And while one of our candidates for research, Smoke Alarms, recently began on a partnership basis, it is several years later than desired and its completion is not guaranteed because we must rely on our partners to continue the funding. If we are to maintain our product safety leadership as we move into the 21<sup>st</sup> century and harness the power of technology to solve safety problems, we need to reestablish a stable research capability.

We requested the reestablishment of our research capability in our FY 2000 and FY 2001 requests, but deferred the program because of funding limitations. Both OMB and the Congress praised the concept. Thus, for FY 2002, we are again proposing funding that would permit two research projects. The total amount of the proposed research budget (\$1 million) is modest in comparison to other federal agencies with similar health and safety responsibilities. The staff is continuing to develop research topics from a group of candidates that support our Results Act goals. The Commission will choose the actual research projects at the start of the FY 2002 operating plan to reflect the most current information and priorities.

**3. Modernization of testing laboratory** - The FY 2001 request includes \$500,000 to begin implementing a redevelopment plan for our Engineering and Chemistry laboratories. CPSC's laboratories provide critical support to our compliance investigations and safety standards activities. In fact, involvement of the laboratories in agency work has been increasing in recent years. Although the Commission and the General Services Administration (GSA) have made modest investments in the physical facilities and equipment at the labs over the past 25 years, these investments have made only slight modifications to the existing structures, which were originally designed for military use.

We believe, and GSA agrees, that we can make significant productivity and efficiency gains by redeveloping the site. For example, we can make much better use of the limited available space by relocating and consolidating specialized laboratory and office sites. In FY 1999, we took the first step by funding the development of a long-range laboratory site plan. GSA is now developing this plan. We expect the final plan to require a multi-year investment of at least several million dollars. The proposed funding for 2002 would pay for the first increment of the plan. Again, we made this request to OMB last year but funding limitations caused it to be deferred. Last year's request was for \$1 million, however, we feel the \$500,000 requested this year is adequate to get the project underway. Final costs are dependent on completion of the GSA study expected later this year.

**4. Strengthen compliance** - Staff proposes \$1.2 million for two initiatives to strengthen our compliance activities to identify and remove hazardous products from the marketplace.

**a. Revitalize Special Investigations** - We propose \$1 million and 5 FTEs to revitalize the Special Investigation Unit with a special focus on identifying and correcting unreported product hazards. CPSC conducts 200 to 300 product recalls each year, yet half of the most serious product hazards are discovered by CPSC investigators – not reported by the companies as required by law. In the past five years, the agency has assessed almost \$6 million in penalties against 21 companies for failing to report to the Commission evidence that their products might pose substantial hazards to consumers. The products – including cribs, infant carriers, toys and household products – caused hundreds of serious injuries, ranging from burns to skull fractures, and in some cases, deaths. Despite an increase in the numbers and amounts of penalties assessed by CPSC in recent years, the trend of companies not reporting serious hazards continues.

In 1995, CPSC established a Special Investigations Unit (SIU) to develop new data sources and expand existing ones in order to identify serious product hazards that have not been reported by manufacturers. The SIU was also charged with following through on investigations of these products and, where appropriate, developing the cases for voluntary resolution or litigation. While some limited contacts with new data sources have been made and maintained, leading to some significant product recalls (baby monitors, go-carts, and dive sticks), a lack of resources has precluded us from devoting the time, money and effort necessary to make this process work effectively.

To revitalize the SIU, we propose adding 5 FTEs to provide us with the staff to identify and pursue violations vigorously and expeditiously. We also propose contract funding of \$500,000 to both develop new identification tools and to secure expert services to pursue highly complex product hazards.

First Lady Hillary Rodham Clinton recently joined with CPSC Chairman Ann Brown at a press conference highlighting the problem of companies failing to warn the agency about defective products, particularly those that have injured children. On behalf of the President, The First Lady unveiled legislation to strengthen the penalty authority of the CPSC and announced a public-private campaign in which organizations of health professionals will help CPSC identify dangerous products. The Administration supports further CPSC efforts to improve reporting by manufacturers and the correction of product hazards.

**b. Operation Safe On-Line Shopping** - As the result of the increase in electronic commerce, in 1999 CPSC established an Internet surveillance pilot project – Operation Safe On-line Shopping (Operation SOS). Operation SOS consists of 10-16 staff members working just a few hours each week to search the Internet. The original goal of this project was to find recalled, illegal and potentially hazardous consumer products being sold on the World Wide Web. Through Operation SOS, CPSC staff has identified and followed-up on a variety of dangerous and/or violative products being sold on-line, including: toys and rattles, flammable children's sleepwear, prescription drugs without child-resistant packaging, children's jackets with drawstrings, baby hammocks, and cigarette lighters without child-resistant safety mechanisms.

As Operation SOS has progressed, staff has found that it offers additional opportunities to strengthen the Commission's compliance program. Thus, as staff conducts surveillance, they also identify domestic and international manufacturers and retailers that are selling products similar to those that staff has already found to violate mandatory standards or to pose a substantial product hazard. Staff also orders catalogues over the Internet to view various companies' complete product lines and they purchase product samples to evaluate compliance with standards. In addition, we plan to start providing e-guidance about CPSC rules to small new firms that we find on the Web.

Based on the success of the pilot and the explosive growth of e-commerce, CPSC Compliance staff recently recommended that the Commission continue Operation SOS.

We propose adding two full-time Compliance Officers to work exclusively on Operation SOS. The SOS compliance officers would identify new cases through Internet surveillance and would determine and conduct the type of Internet searching and product purchasing that is needed to supplement each new case or to supplement traditional investigations. In addition, they would be able to identify new firms entering the marketplace, provide e-guidance to those firms, and monitor the effects of the e-guidance by visiting the Internet site at a later date.

**5. Information Technology** - As a data-driven agency, we must continually invest in the tools we use to identify and analyze hazards. The FY 2002 budget proposal requests information technology funds of \$1.5 million to: a. Begin integration of our hazard databases, a step that will improve enormously our ability to quickly identify and address product hazards; b. Establish a three to four year modernization cycle of agency computers and software, and c. Meet new information technology requirements, such as electronic commerce, enhanced security, access by the disabled, as well as acquire productivity enhancing software for agency operations. The agency only has a maintenance level fund for information technology and new investments are necessary to protect our current operating capability and efficiency.

### **Activity Changes Within the Base**

In addition to increases above our base level of \$52.5 million, some changes in activities occur within the base level for FY 2002. These occur in the Hazard Assessment and Reduction area, with some FY 2001 planned activities concluding and being replaced by new activities. These new activities include:

#### *Reducing Hazards to Children and Families*

- Handbook for Home Playgrounds – complete a draft handbook on home playground safety and playground safety for children under age 2.
- Guide on Product Use and Assembly Instructions – develop a guide for manufacturers to use in preparing use and assembly instructions with a focus on children's products
- Non-metallic sharp edges – assess the need to address non-metallic sharp edges. While technical requirements exist for metal and glass edges in toys and other

products used by children under the age of 8, none exist for non-metallic materials.

#### *Reducing Fire and Electrical Hazards*

- Smoke Alarms – develop recommendations to strengthen the voluntary standards for smoke alarms, based on research planned for FY 2000 and 2001.
- Screening Test - determine if a screening test can reduce the need for child panels to test the child resistance of cigarette and multi-purpose lighters
- Fire Indicators – study performance of the materials specified in voluntary standards for assessing the likelihood of consumer products igniting combustibles to determine if they adequately address fire scenarios.
- Power Tool and Garden Appliance Shock Protection – evaluation of new shock protection strategies.
- Metal Housings for Appliances – determine if appliances with metal housings using a two-wire cord would benefit from an improved method of shock protection.
- Other Voluntary Standards work – technical reviews on gas grills, gas valves, outlet strips, small motors, air conditioners, microwave ovens, and electrical connections on appliances/electrical equipment.

#### *Reducing Household and Recreation Hazards*

- Accelerated Life Test Methods – develop test protocols for accelerated aging of products to duplicate conditions near end-of-product life.

#### *Reducing Child Poisonings and Other Chemical Hazards*

- Engine Driven Tools and Appliances – examine data on CO deaths and injuries caused by engine-driven tools and appliances, such as generators and power washers

The base program activities for the Hazard Identification and Analysis, Compliance, Consumer Information and Agency Management functions do not change.

### **Results Act and the Budget**

The long-range goals contained in the agency's current Results Act strategic plan guided the development of this budget proposal. These goals include reductions in the rate of death and injury in these areas: children's head injuries and poisonings, fire, carbon monoxide poisoning, and electrocutions. In addition, the plan includes industry and customer service satisfaction goals. As required by the Results Act, we are conducting a review of our strategic goals for possible revision later in the year. If our goals change, we may want to adjust the budget. We will have that opportunity before the budget goes to Congress next February.

Based on the Commission's FY 2002 budget decision, the staff will prepare a draft performance plan for FY 2002 as required by the Results Act. While we will submit the draft to OMB in the fall, the final plan will not be completed until CPSC receives the President's FY 2002 decision.

## **Next Steps**

The staff is available to answer any questions you may have before the briefing on July 19. If needed, a decision meeting is scheduled on July 26

After the Commission decision, the staff will prepare a revised budget document to reflect Commission budget decisions and additional information required by the Office of Management and Budget. We will provide this revised document to the Commission before submission of the FY 2002 request to OMB in the Fall.

Please contact Tom Murr if you have any questions about this budget submission. Thank you.

## **Attachment**



U.S. Consumer Product Safety Commission

# **2002 PRELIMINARY BUDGET REQUEST**

*Saving Lives and  
Keeping Families Safe*

Submitted to the Commission

June 2000





**TABLE 1**  
**2002 BUDGET BY PROGRAM**  
(dollars in thousands)

	2000		2001		2002		2002 Change	
	<u>FTEs</u>	<u>Amount</u>	<u>FTEs</u>	<u>Amount</u>	<u>FTEs</u>	<u>Amount</u>	<u>FTEs</u>	<u>Amount</u>
<b>REDUCING PRODUCT HAZARDS TO CHILDREN AND FAMILIES:</b>								
Reducing Children's Hazards	125	\$11,973	122	\$12,976	137	\$16,290	+15	+\$3,314
Reducing Fire and Electrocutation Hazards.....	173	17,886	183	19,681	183	22,253	-	+2,572
Reducing Child Poisonings and Other Chemical Hazards .	64	6,700	60	6,580	58	7,096	-2	+516
Reducing Household and Recreation Hazards ....	43	3,808	39	4,083	33	3,982	-6	-101
<b>SUBTOTAL, REDUCING PRODUCT HAZARDS TO CHILDREN AND FAMILIES.....</b>	<b>405</b>	<b>\$40,367</b>	<b>404</b>	<b>\$43,320</b>	<b>411</b>	<b>\$49,621</b>	<b>+7</b>	<b>+\$6,301</b>
<b>IDENTIFYING AND RESEARCHING PRODUCT HAZARDS:</b>								
Hazard Identification and Analysis Applied Product Hazard Research	75	\$8,447	76	\$9,180	76	\$9,869	-	+689
	-	-	-	-	-	1,000	-	+1,000
<b>SUBTOTAL, IDENTIFYING AND RESEARCHING PRODUCT HAZARDS.....</b>	<b>75</b>	<b>\$8,447</b>	<b>76</b>	<b>\$9,180</b>	<b>76</b>	<b>\$10,869</b>	<b>-</b>	<b>+\$1,689</b>
<b>TOTAL COMMISSION.....</b>	<b>480</b>	<b>\$48,814</b>	<b>480</b>	<b>\$52,500</b>	<b>487</b>	<b>\$60,490</b>	<b>+7</b>	<b>+\$7,990</b>

\* 2001 resources by program/activity differ slightly from President's 2001 request to reflect new allocation process

NOTE. The following Total Commission information is presented by function for information purposes only

Hazard Assessment and Reduction	86	\$8,918	85	\$9,385	85	\$10,918	-	+\$1,533
Compliance.....	191	18,384	191	19,894	198	23,232	+7	+3,338
Consumer Information. ..	54	5,699	54	6,088	54	6,641	-	+553
Hazard Identification and Analysis**	61	7,089	62	7,662	62	8,244	-	+582
Research .....	-	-	-	-	-	1,000	-	+1,000
Agency Management	88	8,724	88	9,471	88	10,455	-	+984
<b>Total Commission by Function</b>	<b>480</b>	<b>\$48,814</b>	<b>480</b>	<b>\$52,500</b>	<b>487</b>	<b>\$60,490</b>	<b>+7</b>	<b>+\$7,990</b>

\*\* This function is the same as the "Hazard Identification and Analysis" activity above without an allocation of resources from the "Agency Management" function

**TABLE 2**  
**SUMMARY OF CHANGES, 2001 to 2002**  
(dollars in thousands)

	<u>Amount</u>	<u>FTEs</u>
<b>2001 APPROPRIATION PENDING .....</b>	<b>\$52,500</b>	<b>480</b>
<b>ADJUSTMENTS TO 2001 APPROPRIATION BASE:</b>		
<b>Cost Increases to Maintain Current Services in 2002:</b>		
Statutory pay and benefit increases . . . . .	\$3,430	
Non-compensation related inflation increase . . . . .	210	
GSA space rent increases for office space . . . . .	<u>150</u>	
<b>Subtotal, Adjustments to Base.....</b>	<b><u>\$3,790</u></b>	
<b>2002 CURRENT SERVICES LEVEL (for all programs).....</b>	<b>\$56,290</b>	<b>480</b>
<b>CRITICAL INVESTMENTS:</b>		
<b>Reducing Product Hazards to Children and Families:</b>		
Special Investigations – seek greater reporting of hazardous products . . . . .	1,000	5
SOS Internet initiative – monitor/investigate Internet sales of hazardous products	200	2
Laboratory development – Implement plan for more efficient testing operations.....	500	--
<b>Identifying and Researching Product Hazards:</b>		
Research initiative – applied research to solve complex safety problems.....	1,000	--
<b>Information Technology – establish modernization program and integrate hazard databases . . . . .</b>		
	<u>1,500</u>	--
<b>Subtotal, Critical Investments .....</b>	<b><u>4,200</u></b>	<b><u>7</u></b>
<b>2002 REQUEST .....</b>	<b><u>\$60,490</u></b>	<b><u>487</u></b>

## **INFORMATION TECHNOLOGY STATUS and REQUEST**

CPSC is a data-driven agency. Protecting the public by making risk-based decisions on the basis of timely and accurate data is critical to the agency's mission. The agency's information technology (IT) capability needs sustained investment in order to support our hazard reduction efforts and meet increasing demands for IT-based approaches to achieve our Results Act goals. Budget constraints have deferred funding requests for 2000 and 2001 identified by the agency as critical to meeting future information technology requirements. The agency requests an information technology investment of \$1.5 million for 2002 in order to protect the information technology gains made to date and to enhance agency productivity.

### **BACKGROUND**

#### ***Agency Development of Information Technology Capability***

Since 1993, the Commission has significantly upgraded its information technology capabilities by:

- Establishing an agency-wide client-server network with computer access for all employees, including all our field staff who telecommute;
- Installing and modernizing more than 30 electronic databases to implement key, mission-critical programs;
- Initiating a process for collecting information on product incidents electronically, and,
- Establishing a World Wide Web site whose popularity increases at a phenomenal rate.

#### **Savings from Information Technology**

Information technology has significantly increased the distribution of safety information to the public and has greatly streamlined communications among agency staff nationwide, permitting the rapid sharing of hazard data and product-related information. This has saved thousands of hours of staff time directly benefiting consumers and industry by allowing this time to be used to reduce product hazards. In fact, information technology advances have enabled the agency to maintain its effectiveness despite loss of purchasing power and 10 percent of its staff since 1993. Information technology has also allowed us to make more productive use of Commission resources, such as introducing telecommuting for our field staff, which permitted significant office space rent savings.

## FUTURE DEVELOPMENT

There are three efforts the Commission has identified that are important to future development of the Commission's information technology capability. These efforts are above and beyond the current funding capability of the Commission. We request \$1.5 million toward the following improvements.

- 1 *Integrate Hazard Databases* - The goal of the Commission's information technology effort is to have all of the Commission's product hazard data accessible in electronic format, enabling staff to more quickly identify hazards. This full integration of agency data will, for example, enable a compliance officer, whether at headquarters or in the field, to quickly obtain all of the Commission's data on a particular product from the agency's National Electronic Injury Surveillance System, medical examiner and coroner data, death certificate data, poison control center data, the consumer Hotline, and other incident reports. Today, an employee must search each database independently, which can take hours or even days to complete. Equally important, database integration would allow simultaneous updating of information within these databases.
- 2 *Establish Technology Modernization Program* - The agency has never had the resources to establish a capital investment program for a replacement cycle for agency computer systems and other information technology applications. The agency has sporadically invested in computer equipment and software over the past five years but, as this equipment and software ages, it must be replaced. Previous investment funds were available either by special funding or through unplanned circumstances not likely to occur again. By 2002, portions of the agency's information technology equipment inventory will be at the end of its useful life in terms of meeting the demands placed on it by staff use and software requirements. The proposed program would establish a recurring, planned replacement cycle for equipment and software. For example, one-third of our staff computers would be replaced every three years.
- 3 *Meet New Requirements* - The agency must respond to new government-wide information technology initiatives such as electronic commerce, enhanced security, and full access by the disabled. These initiatives will require enhancements of present agency systems. In addition, the agency should purchase new software services to maintain and increase agency staff productivity. Possible examples include: providing employees with access to Commission databases while away from their workstations; automating travel management to speed up travel expenditure documentation and eliminate paperwork; and, automating the preparation of personnel actions and eliminating inefficient manual conversion of personnel actions into payroll actions.

## REDUCING PRODUCT HAZARDS TO CHILDREN AND FAMILIES

2000 Appropriation		2001 Request		2002 Recommendation	
FTEs	Amount	FTEs	Amount	FTEs	Amount
405	\$40,367	404	\$43,320	411	\$49,621

### HAZARD REDUCTION AREAS

This program seeks to reduce hazards in four broad hazard areas.

- Children's hazards
- Fire and Electrocution hazards
- Household and Recreation hazards
- Child Poisonings and other Chemical hazards

### HAZARD REDUCTION FUNCTIONS

The Commission conducts three activities to reduce product hazards:

- 1 Hazard Assessment and Reduction – Includes developing voluntary and mandatory safety standards for product performance and labeling, banning products where appropriate, and developing consumer information and education materials. Whenever possible, the Commission carries out these activities cooperatively with affected industries and State and local organizations.
  
- 2 Compliance – Includes obtaining compliance with product safety regulations issued by the Commission, identifying and remedying unregulated products that present substantial safety hazards, and seeking conformance with selected voluntary safety standards. Remedies may include corrective actions, such as product recalls, injunctions and seizures, as well as civil or criminal penalties. CPSC obtains corrective actions by working cooperatively with industry and, as a last resort, through litigation.

The agency seeks a recall when a product is defective or violates a mandatory standard and corrective action is warranted. Many of our major recalls involve products for which there are significant injuries or deaths. In other cases, recalls are initiated because of the great potential for injury even though no, or only a few, incidents have occurred. In 1999, there were 304 recalls to remove hazardous products for which there were no mandatory safety standards or that failed to meet mandatory safety standards. In total, there were about 75 million products recalled.

In recent years, the Commission has placed additional emphasis on working more cooperatively with industry and standards-setting organizations to develop voluntary standards and reduce

reliance on government-imposed mandatory standards. Each year, we monitor selected existing voluntary standards likely to reduce deaths or injuries and determine industry compliance with these standards. Commission monitoring helps industry by making sure that some competitors do not evade a standard to cut costs, thereby underselling competitors who are taking the steps necessary to meet an industry safety standard.

3. **Consumer Information** – Includes issuing alerts to the public on recalled hazardous products and other safety information designed to reduce product injuries, and collecting product safety complaints from the public through the agency's consumer Hotline and website. Consumer information is a critical function in the Commission's hazard reduction strategies. While always providing an important adjunct to hazard reduction and compliance work, for some product hazards consumer information represents the only viable means available to reduce injuries.

## CHANGES FOR 2002

We request funding for three new initiatives in 2002

**1. Special Investigations Unit (\$1 million and 5 FTEs)** – CPSC conducts 200 to 300 product recalls each year. Half of the most serious product hazards are discovered by CPSC investigators – not reported by the companies as required by law. In the past five years, the agency has assessed almost \$6 million in penalties against 21 companies for failing to report to the Commission evidence that their products might pose substantial hazards to consumers. The products – including cribs, infant carriers, toys and household products – caused hundreds of serious injuries, ranging from burns to skull fractures, and in some cases, deaths. Despite an increase in the numbers and amounts of penalties assessed by CPSC in recent years, the trend of companies not reporting serious hazards continues.

In 1995, CPSC established a Special Investigations Unit (SIU) to develop new data sources and expand existing ones in order to identify serious product hazards that have not been reported by manufacturers. The SIU was also charged with following through on investigations of these products and, where appropriate, developing the cases for voluntary resolution or litigation. While some limited contacts with new data sources have been made and maintained, leading to some significant product recalls (baby monitors, go-carts, and dive sticks), a lack of resources has precluded us from devoting the time, money and effort necessary to make this process work effectively.

To get the most serious product hazards removed from store shelves faster, preventing more deaths and serious injuries, we propose adding five FTEs to the SIU to:

- develop new data sources;
- pursue investigations vigorously and expeditiously; and
- initiate more recalls of products that pose the most significant threats to consumers.

We also propose additional contract funding of \$500,000 to:

- provide seed money to establish information networks with data sources such as fire departments, court systems, independent laboratories, and investigators who do not have computerized records;
- contract with experts in various disciplines not available within CPSC to perform specific product analyses; and,

- contract with forensic laboratories to conduct expeditious, comprehensive, in-depth analyses of complex product defects.

First Lady Hillary Rodham Clinton recently joined with CPSC Chairman Ann Brown at a press conference highlighting the problem of companies failing to warn the agency about defective products, particularly those that have injured children. On behalf of the President, the First Lady unveiled legislation to strengthen the penalty authority of the CPSC and announced a public-private campaign in which organizations of health professionals will help CPSC identify dangerous products.

**2. Safe-On-Line Shopping (SOS) (\$200,000 and 2 FTEs)** - As the result of the increase in electronic commerce, in 1999 CPSC established an Internet surveillance pilot project – Operation Safe On-line Shopping (Operation SOS). Operation SOS consists of 10-16 staff members working just a few hours each week to search the Internet. The original goal of this project was to find recalled, illegal and potentially hazardous consumer products being sold on the World Wide Web. Through Operation SOS, CPSC staff has identified and followed-up on a variety of dangerous and/or violative products being sold on-line, including toys and rattles, flammable children's sleepwear, prescription drugs without child-resistant packaging, children's jackets with drawstrings, baby hammocks, and cigarette lighters without child-resistant safety mechanisms.

As Operation SOS has progressed, staff has found that it offers additional opportunities to strengthen the Commission's compliance program. Thus, as staff conduct surveillance, they also identify domestic and international manufacturers and retailers that are selling products similar to those that staff has already found to violate mandatory standards or to pose a substantial product hazard. Staff also orders catalogues over the Internet to view various companies' complete product lines and they purchase product samples to evaluate compliance with standards. In addition, we plan to start providing e-guidance about CPSC rules to small new firms that we find on the Web

Based on the success of the pilot and the explosive growth of e-commerce, CPSC Compliance staff recently recommended that the Commission continue Operation SOS.

We propose adding two full-time Compliance Officers to work exclusively on Operation SOS. The SOS compliance officers would identify new cases through Internet surveillance and would determine and conduct the type of Internet searching and product purchasing that is needed to supplement each new case or to supplement traditional investigations. In addition, they would be able to identify new firms entering the marketplace, provide e-guidance to those firms, and monitor the effects of the e-guidance by visiting the Internet sites at a later date

**3. Laboratory Development (\$500,000)** - The Commission relies extensively on its laboratory to conduct product testing in support of compliance work and to develop test methods to be included in safety standards. As our contract support funds have diminished over time, the laboratory has become even more critical to our work. It is vital for the laboratory to have modern equipment and a more efficient layout for conducting our work.

The Commission's engineering laboratory is housed in buildings that were built in the 1950's as a Nike missile-tracking site. There are seven buildings spread over eight acres. The layout of these old buildings is inefficient for conducting our work. The Commission is requesting \$500,000

in 2002 to initiate the modernization of our laboratory in partnership with the General Services Administration.

This modernization is designed to eliminate some gross inefficiencies in the ways that we currently use the facility. Issues that will be addressed by the modernization include combining test facilities and creating enough space so that we can leave test apparatus set up all of the time. For example, we currently have two fire test facilities. One facility is at one end of the eight-acre site and the other is at the other end. Agency fire test personnel must travel back and forth to conduct different fire tests, depending on what testing is currently underway. Combining facilities will also allow us to modernize the larger fire test facility with more up-to-date equipment.

Because of current space layout problems, we often must tear down testing apparatus and then put it back together whenever we need it. Our baby walker test facility must be dismantled each time we need to conduct stability tests for other consumer products. Because we frequently test baby walkers throughout the year, our staff must constantly assemble and disassemble this test apparatus.

Our laboratory requires a wide range of test equipment because the types of products we test are so varied – CPSC has jurisdiction over 15,000 different types. Our current laboratory equipment budget includes the limited purchase of new equipment and basic maintenance of existing equipment. But this amount is smaller than we need to keep pace with the increasing workload in the laboratory. Each year, the staff makes a prioritized list of new equipment purchases and maintenance needs and makes purchases as far down the list as our budget allows. Most often, however, unforeseen circumstances make it necessary to purchase or upgrade different equipment, which means that other much-needed purchases must be deferred. For example, recently our work on phthalates used in children's products came at the same time as the need for fire-retardant chemical analyses in support of the Commission's upholstered furniture work, which created the need to purchase an additional instrument to conduct High Pressure Liquid Chromatography analyses. Since this purchase was not in our planned equipment budget, we had to defer other priority items. The 2002 request of \$500,000 will give us more flexibility to react to unplanned needs and still make other high-priority purchases.

In total, dollars increase by \$6.3 million and FTEs increase by 7. In addition to the three initiatives, the dollar increase also includes the prorated share of the agency request to maintain current safety efforts at 2002 prices and to enhance the agency's information technology capability. There are changes in FTEs between hazard areas reflecting adjustments of staff time required to work on projects scheduled in 2002, with a net increase of 7 FTEs, all related to the increases for the SIU and SOS initiatives.



Hazard areas under the Reducing Product Hazards to Children and Families program.	2000 Appropriation		2001 Request		2002 Recommendation	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Children's Hazards	125	\$11,973	122	12,976	137	\$16,290
Fire & Electrocution Hazards	173	17,886	183	19,681	183	22,253
Household/Recreation Hazards	43	3,808	39	4,083	33	3,982
Child Poisonings & Other Chemical Hazards	64	6,700	60	6,580	58	7,096
<b>Total Hazard Areas</b>	<b>405</b>	<b>\$40,367</b>	<b>404</b>	<b>\$43,320</b>	<b>411</b>	<b>\$49,621</b>

**REDUCING PRODUCT HAZARDS:  
CHILDREN'S HAZARDS**

2000 Appropriation		2001 Request		2002 Recommendation	
FTEs	Amount	FTEs	Amount	FTEs	Amount
125	\$11,973	122	\$12,976	137	\$16,290

**GOALS and STRATEGIES**

*The Commission's strategic plan sets a goal of reducing by 10 percent the rate of head injury from consumer products to children under 15 years old from 1996 to 2006. Head injury is a leading cause of death and disability to children in the United States. In 1998 alone, there were an estimated 650,000 product-related head injuries to children under 15 years old that were treated in hospital emergency rooms. In recent years, children's head injuries comprised 60 percent of all head injuries, and over half of these were to children under 5 years old. Many of these head injuries to children were diagnosed as concussions, fractures, and internal head injuries. To help reduce the risk of head injury, CPSC advocates the use of helmets for bicycling, ATV riding, in-line skating, skiing and snowboarding.*

In total, consumer products associated with head and other injuries to children addressed by CPSC in this section of the 2002 budget are related to over 200 child deaths and over 450,000 child injuries each year. The estimated annual societal cost of these injuries and deaths is over \$22 billion.

CPSC work on safety standards and compliance activities has reduced hazards to children associated with baby walkers, bunk beds, cribs, infant carriers, playground equipment, and bicycles. In 1999, the agency obtained about 100 recalls involving over 60 million children's products. These recalls included nearly 11 million battery-operated vehicles, 19 million dive sticks, and 10 million toy basketball nets. CPSC research identified the hazards to infants from soft bedding and CPSC actively promoted placing infants on their backs to sleep in a safe crib without soft bedding.

**CHANGES for 2002**

The 2002 request includes 137 FTEs and \$16.3 million to reduce hazards to children. The dollars increase by \$3.2 million and the FTEs increase by 15. The resource change reflects the prorated share of agency increases requested to improve discovery and correction of unreported hazardous products, to monitor and investigate Internet sales of hazardous products, and to improve laboratory product testing. The dollar change also includes the prorated share of agency increases requested to maintain current service levels and modernize the agency's information technology capability. The FTE change also reflects a staffing adjustment based on projected workload needs for 2002, primarily in Hazard Assessment and Reduction work.

**REDUCING PRODUCT HAZARDS:**  
**Children's Hazards - continuing**

**ACTIVITIES for 2002**

**Hazard Assessment and Reduction:**

**Prepare and send to voluntary standards organizations recommendations to strengthen or develop voluntary standards:**

- *Child Restraint Systems* – Develop recommendations to strengthen the restraint requirements in at least two juvenile product voluntary standards. Strengthened requirements are needed to prevent falls and other hazards associated with a variety of children's products such as high chairs, infant carriers and strollers. There are an estimated 26,000 children under the age of 5 treated in hospital emergency rooms each year for head injuries associated with products that may have restraints on them.
- *Multi-Use Juvenile Products* - Complete an evaluation begun in 2001 of multi-use juvenile products, and as appropriate, recommend new standards, or revisions to existing standards, to address potential hazards associated with these products. Examples of these products include car seats that convert to infant carriers or baby swings, soft carriers that convert to infant seats, and infant high chairs that convert to youth seats. Potential hazards include falls and entrapments.

**Complete hazard assessments:**

- *Non-Metallic Sharp Edges* - Assess the need for requirements to identify sharp edges created by non-metallic material. Technical requirements exist for identifying sharp metal or glass edges in toys and other articles intended for use by children under the age of 8, but they are not applicable to non-metallic materials other than glass. CPSC has reports of laceration injuries associated with non-metallic edges.

**Other activities:**

- *Playground Equipment* – Complete a draft handbook on home playground safety
- *Bicycle Lighting* – Continue to work with the National Highway Traffic Safety Administration (NHTSA) on issues related to bicycle lighting. CPSC engineers will support NHTSA's work to develop criteria for lighting schemes by providing their technical expertise
- *Toy Guide Update* - Complete a comprehensive revision (begun in 2000) of CPSC's *Guidelines for Relating Children's Ages to Toy Characteristics*. This document was created in 1985 and serves as a critical reference for the Commission and toy manufacturers in developing appropriate age grading for toys. The document needs to be revised and updated to take into account new types of toys and to identify changes in design or use of traditional toys that may affect age appropriateness. The revised guidelines will address changes in marketing, product purchase trends, and play behaviors.

## **REDUCING PRODUCT HAZARDS:**

### ***Children's Hazards - continuing***

- *Guidelines on Use and Assembly Instructions for Products* - Develop guidelines for manufacturers for preparing consumer product use and assembly instructions that are easy to read and use. The focus will be on instructions for children's products.
- *Voluntary Standards Development* - Continue to assist industry in the development or revision of voluntary standards for products such as bouncer seats, changing tables, infant carriers, cribs, soft and travel infant carriers, strollers, playground surfacing, home playground equipment, playground equipment for children under 2, public playground equipment and bicycles.

### **Compliance - Identify and act on products that present a risk of injury through:**

- *Recalls and Corrective Actions* - Initiate recalls or other corrective actions on hazardous products that present a substantial risk of head or other injury to children and that violate CPSC's mandatory safety standards. In 1999, there were in total about 100 recalls involving over 60 million products that presented hazards to children. Recalls involved a variety of products, including over 1.25 million infant carriers with openings that allowed infants to fall out or with handles that released unexpectedly, 19 million dive sticks presenting an impalement hazard, and over 10 million toy basketball nets presenting a strangulation risk.

A major on-going activity is the enforcement of the ban on toys for children under 3 years of age that have small parts presenting a choking risk. In 1999, for example, U.S. Customs detained 110 shipments consisting of over 1 million toys mainly for violations of the small parts regulations.

- *Monitoring Voluntary Standards* - Select voluntary standard monitoring activities during the development of the agency's 2002 operating plan. Voluntary standards the Commission has monitored in the past include those prohibiting drawstrings in children's upper outerwear and looped window blind cords.
- *Monitoring All Terrain Vehicles (ATVs)* - For 2002, continue monitoring distributor and retail activities involving sales of ATVs. The ATV monitoring effort was originally designed to monitor distributor and dealer compliance with the requirements specified in the final 1988 consent decree between the ATV distributors and CPSC. The consent decree expired in 1998 and the ATV industry has developed a new safety program, modeled on the previous consent decree, to address ATV hazards.

**REDUCING PRODUCT HAZARDS:**

**Children's Hazards - continuing**

**Consumer Information:**

**Issue safety alerts, warnings, and messages to the public on:**

- *Bicycles* - Promote the use of bicycle helmets and safe bicycle-riding practices that prevent head or other injuries to children.
- *ATVs* - Warn teenagers, parents and other caregivers of ATV hazards and promote the use of helmets and safe riding practices that prevent head or other injuries to children.
- *Infant Products* - Warn parents about the hazards of older style baby walkers and infant carriers and encourage the use of safer baby walkers and infant carriers.
- *Recreational Activities* - Warn about the need for child head protection in recreational activities such as in-line skating, skiing, and snowboarding.
- *Other Child Products and Hazards* - Issued on an as-needed basis.
- *Recall Roundup* - Reach over 100 million consumers with safety messages on recalled products hazardous to children. This is achieved by CPSC working in partnership with all 50 States and national and grassroots organizations.
- *Press Releases* - Warn the public about recalled products presenting a substantial risk of head injury or other injury.
- *Video News Releases (VNR)* - Work with the manufacturers of recalled products to produce VNRs for recalled products. In 1999, CPSC and manufacturers in cooperation with CPSC produced VNRs that reached almost 500 million viewers with child safety messages. A CPSC-produced VNR on the recall of dive sticks reached over 77 million viewers.
- *Publications* - Respond to consumer requests for an estimated 160,000 or more checklists, booklets, and safety alerts warning about child head injury hazards and other hazards presented to children by consumer products.

## **REDUCING PRODUCT HAZARDS: REDUCING FIRE and ELECTROCUTION HAZARDS**

2000 Appropriation		2001 Request		2002 Recommendation	
FTEs	Amount	FTEs	Amount	FTEs	Amount
173	\$17,886	183	\$19,681	- 183	\$22,253

### **GOALS and STRATEGIES**

**Fire Hazards** -- *The Commission's strategic plan sets a goal of reducing the rate of death from fires by 10 percent from 1995 to 2005* In 1997, there were about 380,000 residential fires resulting in over 3,000 deaths, 16,000 injuries, and property damage of about \$4 billion. The total annual cost to the nation of residential fires is about \$20 billion.

While efforts by the agency and the nation's fire prevention community have resulted in a steady decline in residential fires, this nation's fire death rate remains one of the highest among industrialized nations CPSC activities have contributed to the general decline in fires and fire deaths and show that the agency can be effective in reducing fire hazards These activities have included developing flammability standards for cigarette ignition-resistant mattresses, children's sleepwear, and general wearing apparel, requiring cigarette lighters to be child resistant, and, developing voluntary safety standards/guidelines for upholstered furniture, heating and cooking equipment, electrical products, and smoke detectors In 1999, over 21 million non-complying or hazardous products that presented fire hazards were subject to 110 recalls or corrective action plans.

**Electrocution Hazards** -- *The Commission's strategic plan sets a goal of reducing the rate of death from electrocutions by 20 percent from 1994 to 2004* Each year, there are about 200 deaths with a cost to the nation of over \$1 billion from electrocutions associated with consumer products in the United States. The Commission receives reports of electrocution deaths associated with products such as house wiring, lamps and light fixtures, antennas, and small and large appliances.

Deaths from electrocutions have decreased by over 40 percent over the past 13 years -- from 330 deaths in 1984 to 190 deaths in 1997. This is due in large part to CPSC efforts. CPSC worked with industry to develop safety standards that reduced or nearly eliminated the risk of electrocutions for such products as hair dryers, power tools, CB antennas, and electric toys. In 1999, CPSC had 23 recalls and corrective actions for products presenting electrocution hazards, including corded screwdrivers, vacuum cleaners, ground fault circuit interrupters, power strips and extension cords As part of "Recall Roundup," CPSC also conducted its annual consumer information campaign to warn the public about the hazards of electrical products.

**REDUCING PRODUCT HAZARDS:**  
**Fire and Electrocution Hazards** - continued

**CHANGES for 2002**

The 2002 request includes 183 FTEs and \$22.3 million to reduce fire and electrocution hazards. The dollars increase by \$2.6 million with no changes in FTEs. The resource change reflects the prorated share of agency increases requested to improve discovery and correction of unreported hazardous products, to monitor and investigate Internet sales of hazardous products, and to improve laboratory product testing. The dollar change also reflects the prorated share of agency increases to maintain current service levels and enhance the agency's information technology capability.

**ACTIVITIES for 2002**

**REDUCING FIRE HAZARDS - Hazard Assessment and Reduction:**

**Prepare candidates for rulemaking or other alternatives for Commission consideration:**

- *Upholstered Furniture* - To address the risk of small open flame-ignited fires involving upholstered furniture, in 2002 the Commission may: (a) if a proposed rule has been issued, continue the rulemaking process by issuing a final rule, (b) work with standards-setting groups to complete a voluntary safety standard, or (c) consider other alternatives.

In 1997, an estimated 11,500 upholstered furniture fires caused an estimated 650 deaths, 1,530 injuries, and over \$226 million in property damage. Total societal costs were estimated at about \$3.6 billion. Of these fires, small open flame-ignited furniture fires caused 80 deaths, 500 injuries, and \$64 million in property damage. The estimated average societal costs were about \$500 million.

The upholstered furniture effort continues work begun in 1994 when the Commission granted, in part, a petition from the National Association of State Fire Marshals (NASFM) to initiate a proceeding to regulate upholstered furniture flammability. The Commission published an advance notice of proposed rulemaking (ANPR) on small open flame ignition risks and deferred action on the portion of the petition dealing with cigarette ignition risks.

CPSC staff developed a draft small open flame standard; elements of this effort included flammability testing, test method development, flame retardant (FR) chemical evaluation, and economic analysis. In 1998, the Commission held a public hearing on FR chemical toxicity and related issues. In 1999 and 2000, CPSC sponsored a Congressionally-mandated study by the National Academy of Sciences (NAS) on FR chemicals that might be used to meet a flammability standard.

In 2000, CPSC received a final report from NAS that concluded that there are fire retardant chemicals that can be safely used on fabrics without risk to consumers. CPSC staff continues to work on a small open flame test method. The staff may recommend that the Commission issue a notice of proposed rulemaking (NPR) or take other appropriate action. The Commission may also consider whether to take action with respect to cigarette-ignited fires, and will consider the

## **REDUCING PRODUCT HAZARDS:**

### **Fire and Electrocution Hazards - continued**

need for a labeling requirement for polyurethane foam filling materials, as requested in a 1999 petition from the NASFM

- *Mattresses* - In 2001, CPSC staff is planning to draft a proposed small open-flame mattress standard, including a recommended test method and acceptance criterion for consideration by the Commission. The standard development process may continue in 2002. Mattresses and bedding materials continue to be one of the main causes of residential structure fires. In 1997, mattresses and bedding materials were the first item to ignite in 22,000 fires, resulting in 120 deaths and 1,000 injuries. A significant number of mattress and bedding fires involve young children as both victims and fire starters.
- *General Wearing Apparel* – Staff will respond to ANPR comments and if appropriate, develop a proposed rule for Commission consideration to update the test methods in the standard for the flammability of clothing textiles.

### **Prepare and send recommendations to strengthen or develop voluntary standards to voluntary standards organizations:**

- *Room Air Conditioners* – Complete an assessment of the potential fire hazard associated with these products. Based on this assessment, develop recommendations to strengthen the voluntary standard.
- *Microwave Ovens* – To address fire hazards related to this product, complete a technical assessment and develop recommendations to strengthen the voluntary standard.

### **Complete hazard assessments, technical reviews, and other studies:**

- *Smoke Alarms* - Develop recommendations to strengthen the voluntary standards for smoke alarms. Smoke alarms are a proven fire loss prevention strategy but smoke alarm technology and residential environments have evolved since the current standards were developed. The relative effectiveness of today's alarms has not been thoroughly evaluated under current "real life" circumstances. In 2000 and 2001, CPSC will coordinate full-scale tests conducted at the National Institute of Standards and Technology (NIST) with funding from several federal agencies and private organizations. CPSC staff anticipates using results from this work to identify potential improvements in performance/installation requirements, test methods, alarm technology for residential applications, and consumer information. Analysis of the test results and development of recommendations will begin in 2002.
- *Furnaces* – Assess available information related to heat exchanger and other furnace component failures and conduct laboratory testing to verify failure modes. Data developed from this assessment and testing will be used to determine the need for revisions to voluntary standards.
- *Ranges/Ovens Contact Burns* - Complete a review of injury data and an engineering analysis of range designs to determine whether the voluntary standards are adequate to address contact burn injuries.



## **REDUCING PRODUCT HAZARDS:**

### **Fire and Electrocution Hazards - continued**

- *Gas Grills* - Complete a technical review of the incident data and conduct laboratory testing as needed to address the risk of fires and explosions of gas grills from such causes as leaking fuel at the tank connection, delayed ignition, overfilled tanks and leaking hoses. Results of this evaluation will be used to make recommendations to the voluntary standards as appropriate in 2003.
- *Small Motors* - Complete a technical review to evaluate adequacy of safety standards. Various small appliance motors will be tested to examine failure mechanisms that lead to fires.
- *Movable Power Taps (Outlet Strips)* - Complete a technical review of incident data and engineering literature related to surge suppression components to determine the need for recommendations to the voluntary standards.
- *Residential Circuit Breakers* - Complete a technical review of safety standards and literature related to field performance to determine the need for recommendations to voluntary standards
- *Electrical Connectors* - Complete a technical review of connections used in appliances and electrical equipment that have been frequently identified with failures leading to overheating and fire hazard conditions. If appropriate, recommendations will be made to the voluntary standards in 2003.
- *Cigarette and Multi-Purpose Lighters* – CPSC staff will explore the feasibility of developing a method to screen the child resistance of disposable cigarette and multi-purpose lighters without using a child panel. Successful child resistant mechanisms have been in use for several years and will serve as a guide for developing a method to evaluate future productions of lighters.
- *Fire Indicators* - CPSC staff will evaluate the adequacy of fire indicators (e.g., cheesecloth) specified for use in voluntary standards to determine the likelihood that a product (e.g., heater) will ignite nearby combustibles. This will be done by measuring the heat transfer rate of various products. This could result in recommendations to revise the tests for nearby combustibles in several voluntary standards.

## **REDUCING FIRE HAZARDS - Compliance:**

### **Identify and act on products that present a risk of fire-related injury through:**

- *Recalls and Corrective Actions* - Seek recalls or other corrective actions for violations of mandatory safety standards and for unregulated products that present a substantial risk of fire-related death and injury. In 1999, there were 110 corrective actions taken to reduce fire hazards involving over 21 million products.

Recently, CPSC issued an administrative complaint which resulted in the recall of 8.4 million fire sprinklers that could fail to activate properly in the presence of fire. Another manufacturer voluntarily recalled about 1 million fire sprinklers without the need for litigation. Other voluntary recalls involved battery ride-on-cars for children, cigarette lighters, LP gas grills, holiday lights, work lights, and tractor tanks that leaked gasoline. The Commission also actively

**REDUCING PRODUCT HAZARDS:**

***Fire and Electrocution Hazards - continued***

monitored imported electrical extension cords, surge protectors and power strips to detect those with undersized wire that create a risk of fire and removed them from the marketplace.

CPSC will continue to address design and material deficiencies in extension cords, surge protectors and multi-electrical outlets through cooperative efforts with the U.S. Customs Service at selected ports of entry. The Commission will focus on small electrical appliances at both the domestic manufacturing level and importer level. CPSC efforts will target lower quality products.

Major on-going activities include

- Monitoring compliance of cigarette lighters. The agency issued a child-resistant requirement for disposable and novelty cigarette lighters in late 1993, with an effective date in late 1994. CPSC will concentrate its efforts on identifying imported and domestic lighters that fail to comply with the child-resistant requirements. In 1999, CPSC and the U.S. Customs Service prevented over 13 million unsafe lighters from entering the country. CPSC also obtained recalls of nearly 3 million unsafe cigarette lighters that had been in interstate commerce. In 1999, working with the Department of Justice, CPSC obtained guilty pleas from 4 individuals. One plea was for removing the child-resistant mechanisms from disposable lighters and then selling them to the public and 3 for importing non-child resistant lighters.
  - Monitoring compliance of multi-purpose lighters. In 2000, CPSC issued a mandatory standard requiring multi-purpose lighters to be child-resistant. The new standard takes effect in late December, 2000. CPSC will begin enforcing this standard in 2001 and continue into 2002.
  - Monitoring compliance with existing fireworks regulations. In 1999, CPSC and the U.S. Customs Service prevented over 6 million units of violative fireworks from entering the country. Working with the Department of Justice and the Bureau of Alcohol, Tobacco, and Firearms, CPSC obtained 5 guilty pleas for violation of fireworks standards. Our criminal investigations span more than 7 states and have involved the seizure of tens of thousands of illegal fireworks.
  - Monitoring compliance with flammability standards issued under the Flammable Fabrics Act. The Commission will continue this activity because of observed non-compliance of clothing such as fleece garments and children's sleepwear. In 1999, there were 5 recalls for failure to meet flammability standards involving about 100,000 items.
- *Monitoring Voluntary Standards* - Select voluntary standard monitoring activities during the development of the agency's 2002 operating plan. Products related to fire hazards which the Commission has monitored in the past include Christmas lights

**REDUCING PRODUCT HAZARDS:**

**Fire and Electrocution Hazards - continued**

**REDUCING FIRE HAZARDS - Consumer Information:**

**Issue public alerts and warnings on fire hazards:**

- *Fireworks* - CPSC will conduct a fireworks safety campaign prior to the Fourth of July. This campaign will be aimed at increasing public awareness of the need for safety and it will alert consumers to the common hazards associated with legal and illegal fireworks.
- *Home Heating* - Issue safety information to consumers related to home electrical system inspections; fuel-fired heating equipment; coal and woodstoves, and smoke detectors.
- *Halloween Hazards* - Warn about the dangers of homemade costumes catching on fire because of children carrying candles, and using matches and cigarette lighters.
- *Holiday Hazards* - Warn about the risk of fire from defective decorative light strings and natural trees, as well as the safe use of candles and fireplaces.
- *Cigarette Lighters* - Warn about the risk of fire from children under 5 years playing with cigarette lighters.

**Alert the public to fire-related hazards through:**

- *Press Releases* - Initiate about 45 press releases for recalled products presenting a substantial risk of fire-related deaths.
- *Video News Releases (VNRs)* - Complete VNRs: (1) for at least one recalled product, work with the manufacturer to produce a VNR, and (2) produce a VNR for the fireworks safety campaign. In 1999, CPSC and manufacturers in cooperation with CPSC produced 5 VNRs that reached over 100 million viewers with fire safety messages
- *Publications* - Respond to consumer requests for an estimated 160,000 checklists, booklets, and safety alerts warning about fire-related hazards.

**REDUCING ELECTROCUTION HAZARDS - Hazard Assessment and Reduction:**

**Prepare and send recommendations to strengthen or develop voluntary standards to voluntary standards organizations and national code groups:**

- *Power Tool and Garden Appliances Shock Protection* - CPSC staff will evaluate new protection strategies for the reduction of electrocution deaths associated with power tools and electric garden appliances. Based on this evaluation, staff will prepare and send recommendations to strengthen or develop voluntary standards. These recommendations may provide for power cords that resist a cut-through or sense the cut-through and disconnect the electricity to prevent serious electric shock

**REDUCING PRODUCT HAZARDS:**

**Fire and Electrocution Hazards - continued**

- *National Electrical Code* - Develop or support code proposals to require wider application of shock prevention measures outdoors, particularly around water and water-handling equipment

**Complete hazard assessments:**

- *Appliances with Metal Housings* – Complete a technical review of data on appliances with two-wire cords and metal housings to determine whether a grounding-type, three-wire cord or some other integral shock preventive device could prevent electric shock injury. The products planned for review include lamps, irons, heaters, cooking appliances and stoves.

**REDUCING ELECTROCUTION HAZARDS - Compliance Activity - Identify and act on products that present a risk of injury through:**

*Recalls and Corrective Actions* - Seek recalls or other corrective actions for products that present a substantial risk of electrocution. In 1999, there were 23 recalls or corrective actions taken to reduce electrical hazards, involving over 1 million products

- *Monitoring Voluntary Standards* - Select voluntary standard monitoring activities during the development of the agency's 2002 operating plan. Voluntary standards related to electrical products that the Commission has monitored in the past include extension cords, power strips, and surge protectors.

**REDUCING ELECTROCUTION HAZARDS - Consumer Information - Alert the public to electrical hazards through:**

- *Recall Roundup* - As part of the annual Recall Roundup campaign, develop and implement a program to encourage consumers to dispose of older power tools that have poor insulation and a high risk of electrocution.
- *Video News Release* - For at least one recalled product, work with the manufacturer to produce a VNR.
- *Press Releases* - Initiate press releases to advise the public of recalled products with a substantial risk of electrocution.
- *Publications* - Respond to consumer requests for an estimated 45,000 safety alerts, checklists and booklets.

**REDUCING PRODUCT HAZARDS:  
REDUCING CHILD POISONINGS AND OTHER CHEMICAL HAZARDS**

2000 Appropriation		2001 Request		2002 Recommendation	
FTEs	Amount	FTEs	Amount	FTEs	Amount
64	\$6,700	60	\$6,580	58	\$7,096

**GOALS and STRATEGIES**

*The Commission's strategic plan sets a goal that the rate of death from unintentional poisonings to children under 5 years old will not increase beyond 2.5 deaths per million children from 1994 to 2004. The Commission has also established a goal of reducing the rate of death from carbon monoxide poisonings by 20 percent from 1994 to 2004.*

Under Chemical Hazards, CPSC seeks to reduce or prevent deaths or injuries due to ingestion, inhalation, or dermal exposure from use of consumer products. The costs of injuries and deaths associated with products in the chemical hazards area are estimated to be in the billions of dollars, based on respiratory diseases alone. The Commission estimates annual societal costs of almost \$3 billion resulting from injuries and deaths associated with products in the poison prevention hazard area.

Drugs and other hazardous household chemical substances that are not in child-resistant packaging can be easily opened by children. In 1999, an estimated 79,000 children under the age of 5 were treated in hospital emergency rooms following ingestion of household products, medicines or household chemicals. Commission efforts through promulgation and enforcement of regulations issued under the Poison Prevention Packaging Act (PPPA) have played a key role in reducing medicine and household chemical poisoning deaths of children from 216 in 1972 to about 33 in recent years.

This activity also addresses carbon monoxide (CO) hazards that result in over 200 deaths and almost 8,000 injuries annually with almost \$2 billion in societal costs. CO is a poisonous gas that has no smell, color or taste -- truly a "senseless" killer. This gas is produced by burning any fuel, such as gas, oil, wood, or coal, so that any fuel burning appliance is a potential CO source.

The CPSC has also played a prominent role in protecting children from the risk of lead and other chemical hazards. For example, Commission action has resulted in manufacturers eliminating the use of lead as a stabilizer in vinyl miniblinds, reducing the production of children's jewelry containing lead, developing and distributing guidance about lead on public playground equipment, recalling crayons that contained hazardous levels of lead, recalling toys with lead

**REDUCING PRODUCT HAZARDS:**

**Child Poisonings and Other Chemical Hazards - continued**

paint and issuing a policy statement to manufacturers, retailers, distributors and importers urging them to eliminate the use of lead and other hazardous chemicals in children's products. In 1999, CPSC conducted 18 recalls involving about 1 million non-complying or hazardously defective products that presented chemical hazards.

**CHANGES for 2002**

The 2002 request includes \$7.1 million and 58 FTEs to reduce child poisonings and other chemical hazards. The dollars increase by \$516,000 and the FTEs decrease by two. The resource change reflects the prorated share of agency increases requested to improve discovery and correction of unreported hazardous products, to monitor and investigate Internet sales of hazardous products, and to improve laboratory product testing. The dollar change also reflects the prorated share of agency increases to maintain current service levels and enhance the agency's information technology capability. These dollar increases are offset by the FTE reduction. The FTE change reflects a minor staffing adjustment based on projected workload needs for 2002.

**ACTIVITIES FOR 2002**

**Hazard Assessment and Reduction:**

- Continue *Poison Prevention* work to address injuries and deaths associated with children's ingestion of medicines and household chemicals. In 2002, staff will prepare a notice of proposed rulemaking or a final rule for child-resistant packaging on at least one hazardous substance for Commission consideration.
- Continue *Carbon Monoxide (CO) Poisoning* work that focuses on data collection, voluntary standards, and hazard awareness programs. CPSC staff will examine data on CO deaths and injuries caused by engine-driven tools and gas-fired appliances (e.g., furnaces) to determine if improvements to the appropriate voluntary standards and building codes are necessary. Engine-driven tools and appliances to be examined include products such as generators, buffers and power washers. The staff will conduct laboratory examinations and engineering analyses of product designs to support possible future recommendations to improve the voluntary standards for these products.
- Continue *Toxicity Assessment* work to address a broad spectrum of consumer products and their health effects, such as eye and skin irritation, burns, neurotoxic and reproductive effects, respiratory diseases, cardiovascular diseases, and cancer. Each year, we address specific issues that have been identified as emerging hazards and that are amenable to direct and clear Commission action. Participation in interagency committees and partnerships ensures coordination of scientific activities of mutual interest.

**REDUCING PRODUCT HAZARDS:**

**Child Poisonings and Other Chemical Hazards - continued**

**Compliance - Identify and act on products that present a risk of poisoning through:**

- *Recalls and Corrective Actions* - Seek recalls or other corrective actions for violations of mandatory child poisoning safety standards and for unregulated products that present a substantial risk of poisoning. In 1999, there were 18 recalls or corrective actions involving nearly 2 million products presenting poisoning hazards. A recent example of this work occurred when CPSC obtained a recall of almost 1 million CO detectors that failed to alarm in the presence of high levels of CO and a recall of 100,000 infant shoes and 100,000 children's story books with high levels of lead. Major on-going activities include:
  - Continuing surveillance of child-resistant packaging requirements under PPPA. In 1999, there were 21 violations of mandatory PPPA safety standards. This includes packaging of prescription drugs by pharmacies, over-the-counter drugs and all household chemicals requiring child-resistant closures. CPSC will continue to encourage state boards of pharmacy to handle compliance with the agency's requirements for packaging prescription drugs, as part of their enforcement responsibilities
  - Continuing port-of-entry surveillance for products for which chemical safety standards are in effect. Efforts under the Federal Hazardous Substances Act will continue the enforcement of labeling requirements for art materials and hazardous household substances. CPSC will continue, in conjunction with the U.S. Customs Service, special dockside surveillance at selected ports to look for children's products containing lead and other chemicals that present hazards. In 1999, CPSC detained 26 shipments consisting of about 250,000 units of products that may present chemical hazards

The 2002 funding request to improve discovery and correction of unreported hazardous products, to monitor and investigate Internet sales of hazardous products, and to improve our laboratory product testing will help us quickly remove harmful products from consumers' homes and store shelves.

- *Monitoring Voluntary Standards* - Select voluntary standard monitoring activities during the development of the agency's 2002 operating plan. Products related to poisoning hazards that the Commission has monitored include automotive antifreeze and sulfuric acid drain cleaners

**Consumer Information - Alert the public to poisoning and other chemical hazards through:**

- *National Poison Prevention Week* - Coordinate a health and safety campaign by partnering with the Poison Prevention Council and related organizations to promote child-resistant packaging and other poison prevention measures
- *Video News Releases (VNR)* - Produce a video news release on the hazards of unintentional poisonings to children. In 1999, CPSC and manufacturers in cooperation with CPSC

**REDUCING PRODUCT HAZARDS:**

**Child Poisonings and Other Chemical Hazards - continued**

produced VNRs addressing unintentional child poisonings and CO poisoning hazards that reached over 24 million viewers.

- *Nationwide CO Safety Outreach* --Through the agency's State Partners Program, develop and implement a public health campaign with all 50 states to inform consumers and health and medical professionals about the hazards of CO poisoning Hold press conferences and media events.
- *Press Releases* -- For recalled products presenting a substantial risk of death and injury from poisoning, particularly to children, issue press releases to inform consumers In addition, issue a press release to alert consumers about the sources of CO poisoning and the means to prevent and detect CO buildup in homes
- *Publications* -- Respond to consumer requests for over 100,000 checklists, booklets, and safety alerts warning about poisoning hazards to children and CO poisonings.



## REDUCING PRODUCT HAZARDS: HOUSEHOLD AND RECREATION HAZARDS

2000 Appropriation		2001 Request		2002 Recommendation	
FTEs	Amount	FTEs	Amount	FTEs	Amount
43	\$3,808	39	\$4,083	33	\$3,982

### GOALS and STRATEGIES

In the area of household and recreation hazards, CPSC activities in 2002 will address an estimated annual toll of ~~about 600~~ <sup>over 350</sup> deaths and ~~30,000~~ <sup>40,000</sup> injuries. The annual societal cost to the nation of these hazards is estimated at about \$7 billion.

Past CPSC activities made significant contributions to household and recreation safety. For example, we improved lawn mower safety by establishing a standard addressing blade contact. We estimate that the lawn mower standard saves about \$1 billion in societal costs annually. In 1999, as a result of 42 recalls and corrective actions, over 11 million non-complying or hazardous products that presented household or recreation hazards were recalled, ~~including~~ <sup>of these recalls included</sup> over 2 million TV carts that could tip, causing a TV to fall and injure a child. The agency also has been a leader in urging consumers to use safety gear when participating in recreational activities, such as in-line skating.

#### CHANGES for 2002

*and 3.5 million weed trimmer heads and replacement chains with links that could fly off during use and injure users or bystanders.*

The 2002 request includes \$4 million and 33 FTEs to address household and recreation hazards. The dollars decrease by \$101,000 and FTEs decrease by 6. The decrease in dollars reflects the prorated share of agency increases requested to improve discovery and correction of unreported hazardous products, to monitor and investigate Internet sales of hazardous products, and to improve laboratory product testing, as well as the prorated share of agency increases to maintain current service levels and enhance agency information technology capability. These dollar increases are offset by decreased salary dollars related the FTE decrease. The FTE decrease reflects staffing adjustments based on projected workload needs for 2002. The remaining FTEs provide resources to continue safety improvements in our homes and recreational activities. The FTEs reduced have been reallocated to the Children's and Fire/Electrocution areas to meet projected workloads, primarily in standards development and compliance work in 2002.

**REDUCING PRODUCT HAZARDS:**  
**Household and Recreation Products - continued**

**ACTIVITIES for 2002**

**Hazard Assessment and Reduction:**

**Prepare and send recommendations to strengthen or develop voluntary standards to voluntary standards organizations:**

- Continue to improve model building codes and voluntary safety standards for household and recreation products. In 2002, work on chain saws, garage door/gate operators, nail guns, table saws, pool alarms, TVs and TV carts, and exercise equipment will continue.

**Other activities:**

- *Accelerated Life Test Methods* - CPSC staff plans work on accelerated life test methods. When products fail, at either end of life or prematurely, the desired failure mode should be "fail safe." The objective of this activity is to develop a generalized protocol for accelerated aging of products to duplicate conditions near end-of-product life. The result will be better evaluations of product failures and the ability to better identify unsafe failure modes in new product designs.

**Compliance - Identify and act on products that present a risk of injury through:**

- *Recalls and Corrective Actions* – Seek recalls or other corrective actions for violations of mandatory safety standards and for unregulated products that present substantial hazards.
- *Monitoring Voluntary Standards* - Select voluntary standard monitoring activities during the development of the agency's 2002 operating plan. Past product standards monitored include recliner chairs and pool, spa and hot tub covers

**Consumer Information - Alert the public to household and recreation product hazards through:**

- *Safety Campaign* - Develop and implement a campaign to encourage consumers to use recreation products safely, especially by wearing protective equipment.
- *Video News Release (VNR)* - For at least one recalled product, work with manufacturer to produce a VNR.
- *Press Releases* - Initiate press releases to advise the public of recalled household or recreation products with a substantial risk of injury.
- *Publications* - Respond to consumer requests for safety alerts, checklists and booklets.

## IDENTIFYING AND RESEARCHING PRODUCT HAZARDS

2000 Appropriation		2001 Request		2002 Recommendation	
FTEs	Amount	FTEs	Amount	FTEs	Amount
75	\$8,447	76	\$9,180	76	\$10,869

The work in this program provides the information needed to assess product hazards and apply hazard reduction strategies. Identifying and Researching Product Hazards has two activities:

- Hazard Identification and Analysis
- Applied Product Hazard Research

### HAZARD IDENTIFICATION AND ANALYSIS

This activity is the agency's early warning system. It identifies hazardous products, injury patterns and causes of deaths and injuries. Early identification of product hazards allows the CPSC to take prompt action to reduce deaths and injuries and avoid costs to consumers and businesses. This activity is the basis for the agency's risk-based hazard reduction efforts, such as voluntary standard-setting, compliance, consumer information, and rulemaking.

### APPLIED PRODUCT HAZARD RESEARCH

The Commission continues seeking to reestablish a research program (eliminated by past budget cuts) for consumer product safety. In the 2002 budget, CPSC requests \$1 million to reestablish a modest program of applied research to enhance the agency's ability to investigate and find solutions for complex safety problems involving consumer products. In 2000 and 2001, CPSC requested funding but budget restraints prevented funding of this initiative. The Commission continues to seek funding for research in order to provide the nation a full and balanced product safety program.

When CPSC was first established, its budget included funding for "hazards contracts." The agency used these contract funds to conduct applied research. For example, research funds were used to address the hazards of carbon monoxide poisoning from unvented gas and kerosene space heaters and toxic formaldehyde emissions from products used in consumers' homes. The budget reductions of the 1980's forced the agency to drastically reduce, and then eliminate, this research capability.

This initiative would provide the agency with the capability to contract out for research into significant consumer product safety problems that require substantial technical effort to adequately understand and to evaluate effective ways to address those problems. Other health and safety agencies in the Federal government have research budgets that are a vital part of their programs.

In 1998, the Institute of Medicine (IOM) conducted a study of injury in America. In that report, IOM recommended that "additional resources for research are needed to enhance the CPSC's capacity to study safety problems and stimulate product innovation; examine the feasibility and efficacy of safer product design and proposed safety standards; and develop and test methodologies for setting performance standards and for monitoring compliance with such standards."

With this applied research capability, the agency can provide stronger technical leadership in evaluating and solving complex product safety problems.

**CHANGES for 2002**

Dollars increase by \$1.7 million with no change in FTEs. The largest portion of the dollar change, \$1 million, is for contract funding for the establishment of an applied research initiative. The balance of the request reflects the prorated share of the agency increases requested to maintain current service levels and modernize the agency's information technology capability.

Activities under the Identifying and Researching Product Hazards program:	2000 Appropriation		2001 Request		2002 Recommendation	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Hazard Identification and Analysis	75	\$8,447	76	\$9,180	76	\$9,869
Applied Product Hazard Research	--	--	--	--	--	\$1,000
<b>Total</b>	<b>75</b>	<b>\$8,447</b>	<b>76</b>	<b>\$9,180</b>	<b>76</b>	<b>\$10,869</b>

## IDENTIFYING AND RESEARCHING PRODUCT HAZARDS: HAZARD IDENTIFICATION AND ANALYSIS

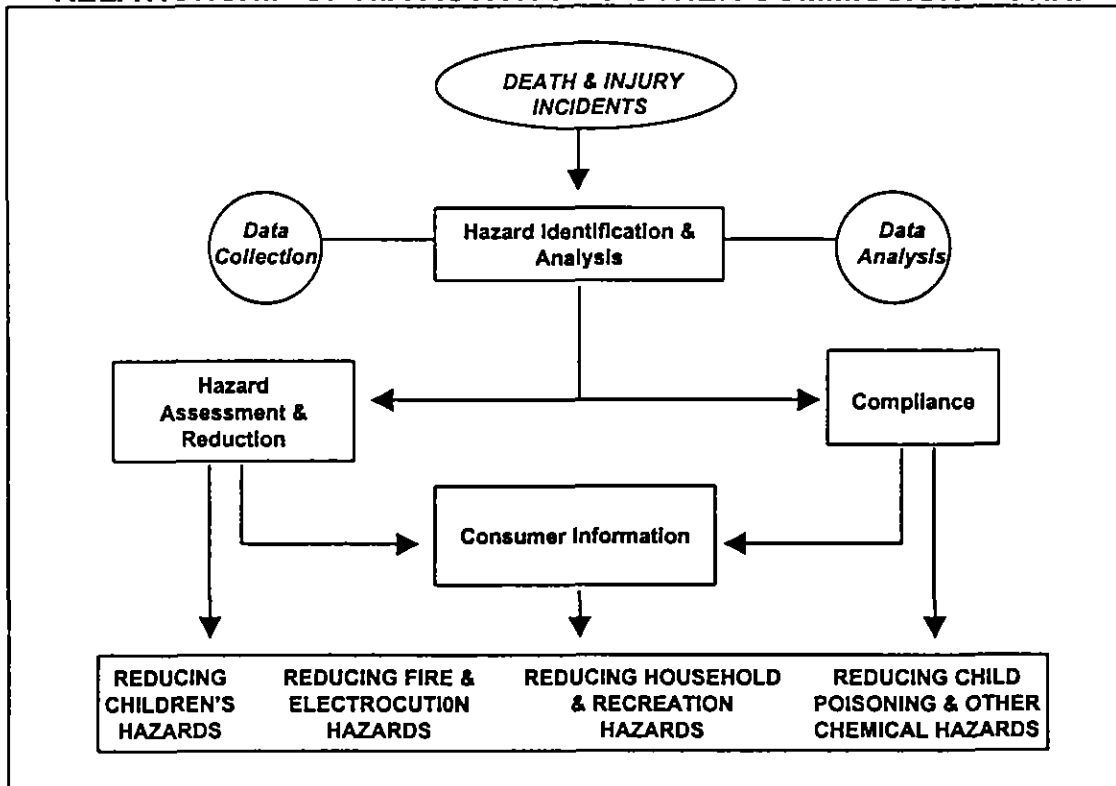
2000 Appropriation		2001 Request		2002 Recommendation	
FTEs	Amount	FTEs	Amount	FTEs	Amount
75	\$8,447	76	\$9,180	76	\$9,869

### GOALS and STRATEGIES

Hazard Identification and Analysis (HIA) provides the information needed to assess product hazards and develop injury reduction strategies -- it is the agency's early warning system.

The Commission collects data on consumer product-related injuries and deaths. It also collects economic and hazard exposure information on products under the agency's jurisdiction. Investigation of specific injury cases provides additional knowledge about injuries or hazards and how the reported product was involved. The HIA work provides underlying support to all the Commission's Results Act activities.

### RELATIONSHIP OF HIA ACTIVITY TO OTHER COMMISSION WORK:



## **IDENTIFYING AND RESEARCHING PRODUCT HAZARDS.**

### **Hazard Identification and Analysis - continued**

The HIA work analyzes causal and cost information under the investigations, emerging hazards, and economic studies efforts. These activities reflect the Commission's commitment to making regulatory and enforcement decisions based on appropriate data analysis.

The agency continues to strengthen its data collection and analysis process. The agency's budget now includes funding to purchase annual data on poisonings to children. An update of the agency's critical Injury Cost Model was completed in 1998. A study of the long-term costs of head injuries will be completed in 2000.

## **CHANGES for 2002**

The HIA 2002 request consists of \$9.9 million and 76 FTEs, an increase of \$689,000 and with no change in FTEs. The increase reflects the prorated share of the agency increases requested to maintain current services and modernize the agency's information technology capability.

## **ACTIVITIES for 2002**

**Data Collection** - For 2002, the data collection effort includes these activities:

- The collection of product-related injuries treated in hospital emergency rooms through the National Electronic Injury Surveillance System (NEISS). This information provides the foundation for many Commission activities. NEISS provides estimates of the number of product-related injuries. NEISS will supply about 330,000 cases from a sample of 100 hospitals in 2002. CPSC's data collection system is unique because it is timely (in some cases data are available within 24 hours after an incident) and produces statistically valid data on which injury reduction strategies are based. Federal agencies involved in health and safety issues, including the Centers for Disease Control and Prevention and the National Institute for Occupational Safety and Health, rely on Commission injury data. Several foreign governments have modeled their national injury data collection systems after the Commission's system.

In 2000, NEISS was expanded to provide data on all trauma related injuries. This expanded data will provide other Federal agencies, researchers, and the public with more comprehensive information on injuries from all sources, not just consumer products. The expansion of NEISS into the all trauma system was recommended by the Institute of Medicine. This effort is being funded by reimbursable funds of \$2 million from the Centers for Disease Control and Prevention. The reimbursable funds will allow the agency to collect non-consumer product injury data while CPSC continues collecting consumer product injury data with CPSC funds.

- The collection of mortality data with the purchase, review and processing of about 8,700 death certificates covering unintentional product-related deaths from all 50 states. Also, the Medical

## **IDENTIFYING AND RESEARCHING PRODUCT HAZARDS:**

### **Hazard Identification and Analysis - continued**

Examiner and Coroner Alert Project (MECAP) collects and reviews approximately 3,000 reports from participating medical examiners and coroners throughout the country

- The collection and review of approximately 6,000 news clips and 10,000 other reports of product-related injuries and deaths from consumers, lawyers, physicians, fire departments and others.

### **Data Analysis**

- *Investigations* is an ongoing activity that gathers detailed causal information on selected incidents identified under Data Collection. An investigation begins with careful review of all incoming reports to identify those most important for follow-up. This is followed with a telephone interview and continues with an on-site investigation of those cases where information is needed on how specific types of injuries occurred. The resulting information shows the interaction among the victim, the product, and the environment and forms the basis for development of appropriate remedial strategies.

- *Emerging Hazards* provides for the proactive, systematic identification and evaluation of a variety of product-related hazards. Information developed from this project is used to establish the need for safety standards development or other remedial activities, such as compliance efforts and/or consumer information campaigns.

- Data screening is ongoing and uses the extensive information available from the Commission's data systems to identify new hazards, previously undetected hazards, or re-emerging hazards. The Commission expects to receive 330,000 NEISS consumer product injury reports, 16,000 newspaper clippings and other incident reports, 3,000 medical examiners reports, 8,700 death certificates, and 4,000 agency investigation reports in 2002. Staff reviews incoming data daily to ensure timely identification of product issues and problems.

- Emerging hazard analysis defines and provides preliminary assessments of specific products, populations, or hazard areas identified through hazard screening and other related identification activities. The staff's recommendations for future Commission projects or other remedial activities are often based on reports and memoranda about emerging hazards.

- Emerging hazards develops agency responses to petitions. Petitions are requests from private parties seeking agency action on a perceived hazard. Work on petitions serves as an information source for agency hazard analysis work.

- *Economic Studies* provides specialized economic information to the staff, Commissioners, Congress, other agencies, and the public. Injury cost projections are developed to estimate potential benefits associated with Commission or other actions. Products-in-use estimates are generated to determine potential recall effectiveness, consumer exposure to product hazards and to support agency hazard analysis work.

**IDENTIFYING AND RESEARCHING PRODUCT HAZARDS:  
APPLIED PRODUCT HAZARD RESEARCH**

2000 Appropriation		2001 Request		2002 Recommendation	
FTEs	Amount	FTEs	Amount	FTEs	Amount
--	\$ --	--	\$ --	--	\$1,000

In the 2002 budget, CPSC requests \$1 million to reestablish a modest program of applied research to enhance the agency's ability to investigate and find solutions for complex safety problems involving consumer products. In earlier years, CPSC's budget included funding for "hazards contracts." The agency used these contract funds to conduct applied research. For example, research funds were used to address the hazards of carbon monoxide poisoning from unvented gas and kerosene space heaters and toxic formaldehyde emissions from products used in consumers' homes. The budget reductions of the 1980's forced the agency to drastically reduce, and then eliminate, this research capability.

One million dollars, approximately 2 percent of the agency's budget, would fund two research projects. CPSC proposes to contract out most of the research.

CPSC is the only Federal health and safety agency without a dedicated research budget. The agency's "hazard contracts" were eliminated due to budget cuts in the 1980's. Since then, whenever we conduct an applied research project, we must take funds from other hazard reduction projects. Furthermore, because of our limited resources, we have had to carry out the research in increments, drawing it out over many years. This is inefficient and delays the delivery of safety benefits to the public for more years than necessary.

CPSC is also the only Federal agency with the knowledge, expertise and mandate to carry out consumer product safety research. If CPSC is not given the funds to conduct the research initiatives we propose, the research will not be done. A dedicated research budget will enable CPSC to undertake these important safety initiatives in the most cost-effective and efficient way.

In 1998, the Institute of Medicine (IOM) conducted a study of injury in America. In that report, IOM recommended that "additional resources for research are needed to enhance the CPSC's capacity to study safety problems and stimulate product innovation; examine the feasibility and efficacy of safer product design and proposed safety standards; and develop and test methodologies for setting performance standards and for monitoring compliance with such standards." With an applied research capability, the agency can provide stronger technical leadership in solving complex product safety problems.

CPSC's proposed research initiatives will be closely aligned with the agency's 10-year goals established under the Government Performance and Results Act. The first two research projects will be chosen from an inventory of research topics at the start of the agency's 2002 operating plan in order to take advantage of the latest hazard information.



**IDENTIFYING AND RESEARCHING PRODUCT HAZARDS:**  
**Applied Product Hazard Research - continued**

## **RESEARCH TOPICS**

The Commission's research initiatives will most likely involve these hazard areas: residential fires, children's head injuries; childhood poisonings, drownings and choking hazards; and carbon monoxide poisoning. Reducing children's head injuries is also a goal of the multi-agency initiative that will carry out the President's Executive Order on Children's Environmental Health Risks and Safety Risks. The CPSC serves as a co-chair of the Unintentional Injuries Working Group charged with implementing this Executive Order.

In developing its research proposals, staff has and will continue to consult with other Federal agencies and constituent groups, such as the U.S. Fire Administration, National Institute for Standards and Technology, Centers for Disease Control and Prevention, National Institutes of Health, and the National Fire Protection Association. Possible research proposals cover a variety of hazards and approaches falling into six basic categories: research into new safety technologies, research to improve product safety standards, research into emerging product hazards; surveillance exposure studies; economic studies, and instrumentation to support limited research in our laboratory.

The Commission is currently considering a number of research initiatives. They include research on circuit breakers and child drownings. Circuit breaker fires are likely to contribute to a significant proportion of the 18,300 fires, 130 deaths, and 430 injuries each year associated with installed wiring, circuit breakers, fuses and meters. One research project under consideration is long term testing and evaluation of the performance of these breakers to determine if improvements in the safety standards for these products are needed.

Another project being considered would address the hazard of young children drowning in swimming pools. Each year about 350 children under the age of five drown in swimming pools and an additional 2,600 are treated in hospital emergency rooms for submersion injuries. Most of these deaths and injuries occur in residential pools. Numerous safety devices are marketed to restrict young children from gaining access to swimming pools or to provide warning when a child enters the pool area. This research project would evaluate the effectiveness of these safety devices and the information developed would be used to improve consumer guidelines, building codes, and voluntary standards, as appropriate.

**FTEs BY ORGANIZATION**

<u>Organization</u>	2000 <u>On Board 1/</u>	2000 <u>Approp.</u>	2001 <u>Request</u>	2002 <u>Recommendation</u>	2002 vs 2001 <u>Change</u>
Commissioners.....	13.0	13.0	13.0	13.0	--
Office of the Secretary .....	14.0	14.5	14.5	14.5	--
Office of Congressional Relations.....	2.0	2.0	2.0	2.0	--
Office of the General Counsel .....	13.0	14.0	14.0	14.0	--
Office of EEOME.....	3.0	2.0	2.0	2.0	--
Office of the Inspector General.....	2.0	3.0	3.0	3.0	--
Office of the Executive Director.....	3.0	4.0	4.0	4.0	--
Office of Human Resource Mgmt.....	11.0	9.0	9.0	9.0	--
Office of Information Services .....	35.8	31.5	31.5	31.5	--
Office of the Budget.....	4.0	4.0	4.0	4.0	--
Office of Planning and Evaluation.....	6.0	6.0	6.0	6.0	--
Office of Information and Public Affairs.....	10.0	12.0	12.0	12.0	--
Office of Compliance.....	51.5	45.0	45.0	52.0	+7.0
Office of Hazard Identification and Reduction.....	159.5	155.5	155.5	155.5	--
Directorate for Administration .....	29.4	29.0	29.0	29.0	--
Directorate for Field Operations.. ..	129.1	135.5	135.5	135.5	--
<b>Total.....</b>	<b>486.3</b>	<b>480.0</b>	<b>480.0</b>	<b>487.0</b>	<b>+7.0</b>

1/ As of June 5, 2000. (Includes pending hires, separations and nine summer hires )

## VOLUNTARY AND MANDATORY STANDARDS SUMMARY

	<u>2000</u> <u>Appropriation</u>	<u>2001</u> <u>Request</u>	<u>2002</u> <u>Recommendation</u>
<b>VOLUNTARY STANDARDS UNDER DEVELOPMENT:</b>			
Children's Hazards... ..	16	11	15
Fire/Electrocution Hazards.....	18	16	17
Household/Recreation Hazards .....	9	5	8
Child Poisoning/Chemical Hazards .....	<u>8</u>	<u>8</u>	<u>3</u>
Total Voluntary Standards . .....	51	40*	43*

\*It is anticipated that these numbers will change to reflect voluntary standards activities added during the operating plan period.

### MANDATORY STANDARDS UNDER DEVELOPMENT:

Children's Hazards.....	4	1	0
Fire/Electrocution Hazards.....	4	4	3
Household/Recreation Hazards .....	0	0	0
Child Poisoning/Chemical Hazards .....	<u>5</u>	<u>2</u>	<u>2</u>
Total Mandatory Standards.....	13	7 **	5**

\*\* These numbers may change to reflect decisions during the operating plan period.

## MANDATORY STANDARDS (RULEMAKING); 1999-2001

1999 APPROPRIATION	2000 REQUEST	2001 RECOMMENDATION
<b>Fire/Electrocutions</b>	<b>Fire/Electrocutions</b>	<b>Fire/Electrocutions</b>
Upholstered Furniture <sup>1</sup>	Upholstered Furniture <sup>1</sup>	Upholstered Furniture <sup>1</sup>
General Wearing Apparel	General Wearing Apparel	
Flammability Standards <sup>3</sup>	Flammability Standards <sup>3</sup>	
	Mattresses <sup>2</sup>	Mattresses <sup>2</sup>
		Cigarette Lighters <sup>2</sup>
Multi-purpose Lighters	Multi-purpose Lighters	
Sleepwear		
<b>Child</b>	<b>Child</b>	<b>Child</b>
Bunk Beds	Bunk Beds	
Baby Walkers	Baby Walkers	
Cribs	Cribs	
Dive Sticks	Dive Sticks	
<b>Chemical</b>	<b>Chemical</b>	<b>Chemical</b>
	CR Packaging Standards - 2 Substances (Substances to be determined)	CR Packaging Standards -2 Substances (Substances to be determined)
Sucraid		
Methacrylic Acid		
Petroleum Distillates	Petroleum Distillates	

<sup>1</sup> Rulemaking may be terminated if adequate voluntary standard is developed.

<sup>2</sup> Rulemaking may be recommended.

<sup>3</sup> Amend laundering procedures.

## VOLUNTARY STANDARDS 2000-2002

2000 APPROPRIATION	2001 REQUEST	2002 RECOMMENDATION
<b>Children's Products (Head)</b>	<b>Children's Products (Head)</b>	<b>Children's Products (Head)</b>
1. Activity Centers, Stationary	1 Bicycles	1. Bicycles
2. Gates, Baby	2. Changing Tables	2. Baby Bouncers
3. Helmets, Bicycle	3. Helmets, Bicycle	3. Changing Tables, Diaper
4 Helmets, Recreational	4 Helmets, Recreational	4. Infant Carriers, Soft
5. Infant Carriers	5 Playground Equipment, Children Younger Than 2	5. Infant Carriers, Travel
6. Playground Equipment, Children Younger Than 2	6. Playground Equipment, Home	6. Multi-Use Juvenile Products
7. Playground Equipment, Home	7. Playground Equipment, Public	7. Playground Equipment, Home
8. Playground Equipment, Public	8 Playground Surfacing	8. Playground Equipment, Children Younger Than 2
9. Playground Surfacing	9. Swings, Baby	9. Playground Equipment, Public
10. Swings, Baby		10. Playground Surfacing
11. Trampolines		11. Restraints - Juvenile Products
		12. Strollers
<b>Children's Products (Other)</b>	<b>Children's Products (Other)</b>	<b>Children's Products (Other)</b>
12. Baby Bouncers	10 Bassinets and Cradles	13. Cnbs
13. Bassinets and Cradles	11. Infant Bedding	14. Infant Bedding
14. Bed Rails		15. Toy Safety
15. Infant Bedding		
16. Strollers		
<b>Fire/Gas Codes &amp; Stds.</b>	<b>Fire/Gas Codes &amp; Stds.</b>	<b>Fire/Gas Codes &amp; Stds.</b>
17. Candles	12. Fire sprinklers	16. Fire Sprinklers
18. Fireworks Devices	13. Fireworks Devices	17. Gas Grills
19. Fire Sprinklers	14. Gas Control Reliability	18. Gas Valves
20. Gas Oven Igniters	15. Gas Water heaters	19. Ranges and Ovens
21. Gas Water Heaters	16. National Fuel Gas Code	20. Smoke Alarms
22. National Fuel Gas Code	17. Table Top Cooking Appliances	
23. Stoves, Pellets	18. Venting Materials, Flammability	

**VOLUNTARY STANDARDS 2000-2002 (continued)**

<b>2000 APPROPRIATION</b>	<b>2001 REQUEST</b>	<b>2002 RECOMMENDATION</b>
<b>Electrical Codes &amp; Stds</b>	<b>Electrical Codes &amp; Stds.</b>	<b>Electrical Codes &amp; Stds.</b>
24. Arc Fault Circuit Interrupters	19. Arc Fault Circuit Interrupters	21. Air Conditioners, Room
25. Circuit Breakers	20. Circuit Breakers	22. Arc Fault Circuit Interrupters
26. Clothes Dryers	21. Electrical Reinspection	23. Circuit Breakers
27. Fans, Portable Electrical	22. Fans, Portable Electric	24. Electrical Components
28. Heaters, Fixed Room	23. Heaters, Fixed Room	25. Electrical Connectors
29. Heaters, Portable Electric	24. Heaters, Portable Electric	26. Heaters, Fixed Room
30. Polymeric Materials	25. Toys, Ride On (Battery)	27. Microwave Ovens
31. Ranges and Ovens		28. Power Taps
32. Toys, Ride On (Battery)		
<b>Electrocutions</b>	<b>Electrocutions</b>	<b>Electrocutions</b>
33. Ground Fault Circuit Interrupters	26. Ground Fault Circuit Interrupters	29. Garden Appliances
34. National Elec. Code	27. National Elec. Code	30. Ground Fault Circuit Interrupters
		31. National Elec. Code
		32. Power Tools
<b>Household (Mechanical)</b>	<b>Household (Mechanical)</b>	<b>Household (Mechanical)</b>
35. All-Terrain Vehicles	28. Garage Door/Gate Operators	33. Exercise Equipment
36. Escalators	29. Nail Guns	34. Garage Door/Gate Operators
37. Garage Door/Gate Operators	30. Saws, Chain	35. Nail Guns
38. Go Carts	31. Saws, Table	36. Pool Alarms
39. Nail Guns		37. Rotary Weed Trimmers
40. Saws, Chain		38. Saws, Chain
41. Saws, Table		39. Saws, Table
42. TV Sets, TV Carts		40. TV's and TV Carts
<b>Sports and Recreation</b>	<b>Sports and Recreation</b>	
43. Exercise Equipment	32. Exercise Equipment	

**VOLUNTARY STANDARDS 2000-2002 (continued)**

<b>2000 APPROPRIATION</b>	<b>2001 REQUEST</b>	<b>2002 RECOMMENDATION</b>
<b>Carbon Monoxide</b>	<b>Carbon Monoxide</b>	<b>Carbon Monoxide</b>
44. Camping Equipment	33 Camping Equipment	41. Engine Driven Tools
45. CO Alarms	34. Furnaces, Central	42. Furnaces, Central
46. Furnaces, Central	35. Gas Appliances, Decorative	
47. Gas Logs	36. Gas Appliances, Unvented	
48. Ranges and Ovens	37 Gas logs	
49 Unvented Gas Appliances	38. Ranges and Ovens	
50. Vented Gas Room Heaters	39. Unvented Gas Room Heaters	
<b>Poison Prevention</b>	<b>Poison Prevention</b>	<b>Poison Prevention</b>
51. Child Resistant Packaging	40. Child Resistant Packaging	43. Child Resistant Packaging
		<b>6/00</b>

## CUSTOMER SERVICE GOALS

Under the agency's strategic plan, several goals have been established to maintain high customer standards for the agency. These customer service goals are in addition to our hazard reduction goals and complement our safety program. The customer service three-year strategic goals include:

- *Attain 90 percent success with the timeliness and usefulness of the Fast-Track Product Recall program and 80 percent success with the timeliness and usefulness of the Small Business Ombudsman program by the year 2002.*

The agency has established two goals designed to increase compliance with product safety rules. Under the Fast-Track program, firms report and correct product hazards more quickly than under traditional procedures. This reduces paperwork and legal expenses for the firms and hazardous products are removed from consumers' hands more quickly. Under the Small Business Ombudsman program, small businesses are provided a single point of contact that expedites responses to their inquiries.

- *Increase consumer awareness of CPSC safety information from 1998 to 2002 by increasing contacts to CPSC's web site by 1,660 percent, increasing the reach of the Consumer Product Safety Review by 300 percent; and maintaining the capability to respond to Hotline calls for safety information at or above 350,000*

CPSC's web site ([www.cpsc.gov](http://www.cpsc.gov)) provides the public rapid and comprehensive access to important safety information. The Consumer Product Safety Review offers an in-depth look at the latest hazards, the most significant recalls of consumer products, and information on deaths involving consumer products submitted by the nation's medical examiners and coroners. The Hotline is a toll-free, 24 hour-a-day, 7 day-a-week service that allows consumers to report unsafe products, report injuries, learn about recalls, and order safety publications.

- *Maintain the high level of satisfaction of consumers with the Hotline, National Injury Information Clearinghouse, and of the States with CPSC's State Partnership Program at 90 percent or better through the year 2002.*

Our annual performance goals for the Hotline include: maintaining the time of 30 seconds or less for callers to reach a Hotline operator 90 percent of the time; responding to after-hours telephone voicemail messages within one business day 85 percent of the time; processing product incident reports within eight working hours 85 percent of the time; responding to e-mail inquiries by the next business day 90 percent of the time; and, maintaining CPSC's innovative Hotline contractor performance incentives. To improve customer satisfaction, the agency has added more Hotline telephone lines, bilingual staff and simplified caller menus

The National Injury Information Clearinghouse can respond to 5,000 requests a year for technical information relating to the prevention of deaths and injuries. Our Clearinghouse annual



performance goals include sending all Hotline incident reports for verification within 48 hours of receipt and verified reports to manufacturers within 48 days

The CPSC's State Partners program works in cooperation with State and local officials to deliver CPSC services to consumers. Our State Partners annual performance goals include conducting a Recall Round-Up program with all 50 states to encourage the repair or removal of selected unsafe consumer products and implementation of appropriate suggestions for improvements made by State and local officials

## AGENCY MANAGEMENT DETAIL

Note: This summarizes the Agency Management activity that supports the agency's two programs and is allocated in this budget on a proportional basis to those programs. This detail is provided for information purposes

	2000 Appropriation		2001 Request		2002 Recommendation	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Reducing Product Hazards to Children and Families	74	\$7,366	74	\$7,973	74	\$8,830
Identifying and Researching Product Hazards	14	1,358	14	1,498	14	1,625
<b>Total Activity</b>	<b>88</b>	<b>\$8,724</b>	<b>88</b>	<b>\$9,471</b>	<b>88</b>	<b>\$10,455</b>

### GOALS and STRATEGIES

Agency Management provides policy, executive direction, legal guidance and administrative services necessary to function as a Federal regulatory agency. Law or regulation requires most of the services provided by the Agency Management activity. However, we constantly evaluate our Agency Management operations to see if we can operate more efficiently. As a percentage of total Commission resources, dollars and FTEs have declined from 20 percent in 1989 to 18 percent in 2000 despite growth in requirements for administrative support, such as greater information technology support, increased agency staff recruitment demands, etc. As in all CPSC work, but particularly in this activity, Agency Management managers are working supervisors sharing workload with staff.

### 2002 CHANGES

There are no changes in Agency Management for 2002. The FTEs remain the same. The dollars are \$9.5 million and increase by \$747,000 to reflect Agency Management's prorated share of agency increases requested to maintain current services and modernize our information technology capability.

Activity Detail	2000 Appropriation		2001 Request		2002 Recommendation	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Commissioners and Staff	13	\$1,655	13	\$1,788	13	\$1,809
Commission Advice/Legal Guidance	12	1,518	12	1,643	12	1,717
Executive Direction	8	926	8	1,015	8	1,305
Administrative Services	55	4,625	55	5,025	55	5,624
Total Activity	88	\$8,724	88	\$9,471	88	\$10,455

### **Commissioners and Staff**

This activity includes support for three Commissioners and their staffs. The Commissioners provide policy direction and program guidance to the staff and make final decisions on Commission regulatory and enforcement actions.

### **Commission Advice/Legal Guidance**

Included in this activity are the Office of Congressional Relations, Office of Equal Employment Opportunity and Minority Enterprise, the Office of the Inspector General, and a portion of the Office of the Secretary and Office of the General Counsel. These offices are directly responsible to the Commissioners, providing advice and assistance on matters of policy and program management.

The Office of the General Counsel (OGC) is responsible for enforcement and defense litigation, document preparation and review, legal advice, and ethics coordination. Where possible, OGC time is budgeted in other areas it directly supports. The OGC time included under Agency Management (three FTEs) covers legal review for personnel matters, project support contracts, ethics coordination, and other general Commission legal matters.

The Office of the Inspector General (three FTEs) conducts audits, investigations, and inspections of Commission programs and activities to prevent and detect waste, fraud, and abuse and ensure compliance with policies and regulations.

A portion of the Office of the Secretary (OS) is included in this activity. Where possible, OS time is budgeted in other activities the office directly supports. Efforts by OS ensure that Commission decisions are properly recorded and made available to the public. The OS staff (two FTEs) included under Agency Management issues Commission decisions, orders, rules, Federal Register notices, and

other official documents for the Commission. The staff also prepares Commission agendas under the Government in the Sunshine Act, supervises and administers the dockets of adjudicative proceedings, and processes continuing guaranties (certificates of compliance), as required by the Flammable Fabrics Act.

The Office of Equal Employment Opportunity and Minority Enterprise (two FTEs) assures that the Commission complies with all laws, regulations, rules and internal policies relating to equal employment opportunity. It also assures compliance with the minority enterprise provision of the Small Business Act.

The Office of Congressional Relations (two FTEs) responds to congressional inquiries on legislation affecting product safety.

### **Executive Direction**

This activity includes the Office of the Executive Director and the Office of the Budget. These offices provide direct, day-to-day management of agency programs and operations. They are responsible for coordinating and directing agency activities in a manner consistent with the policy decisions and guidance provided by the Commission.

### **Administrative Services**

Administrative Services provides the administrative support required to conduct Commission product hazard programs. This activity provides program staff with information technology and computer services, staff hiring and retention support, contract and purchasing services, accounting, printing, security, etc.