



U.S. CONSUMER PRODUCT SAFETY COMMISSION

2009 PERFORMANCE BUDGET REQUEST

Saving Lives and Keeping Families Safe

**Submitted to the Congress
February 2008**

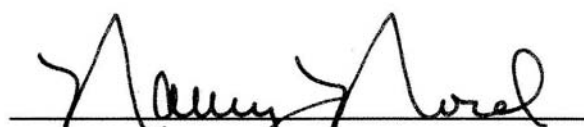
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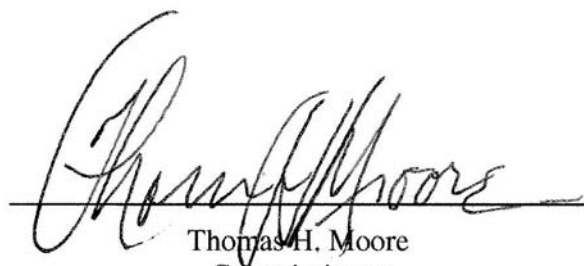
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COMMISSIONERS' TRANSMITTAL STATEMENT

This Performance Budget for Fiscal Year 2009 is submitted by the Commissioners of the U.S. Consumer Product Safety Commission.

A handwritten signature in black ink, appearing to read "Nancy Nord", written over a horizontal line.

Nancy Nord
Acting Chairman

A handwritten signature in black ink, appearing to read "Thomas H. Moore", written over a horizontal line.

Thomas H. Moore
Commissioner

APPROPRIATION LANGUAGE (Proposed)**CONSUMER PRODUCT SAFETY COMMISSION
SALARIES AND EXPENSES**

For necessary expenses of the Consumer Product Safety Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable under 5 U.S.C. 5376, purchase of nominal awards to recognize non-Federal officials' contributions to Commission activities, and not to exceed \$1,000 for official reception and representation expenses, \$80,000,000: *Provided that \$6,000,000 shall remain available for obligation until September 30, 2011 for costs associated with the relocation of CPSC's laboratory to a modern facility and the upgrade of laboratory equipment. (Financial Services and General Government Appropriations Act, 2008)*

U.S. CONSUMER PRODUCT SAFETY COMMISSION

2009 PERFORMANCE BUDGET OVERVIEW STATEMENT

The U.S. Consumer Product Safety Commission (herein the CPSC or Commission) requests \$80,000,000 for fiscal year 2009. While the dollar level remains the same as in 2008, this request funds 444 FTEs, an increase of 24 over the FTE staffing level for 2008. Building on the increased funding provided by the Congress in 2008, the 2009 request provides continued enhancements in import safety and product testing capabilities.

CPSC's Mission and Accomplishments

CPSC's mission is to protect children and families against unreasonable risk of injury and death from over 15,000 types of consumer products. It is the only Federal agency that both identifies and acts on a wide range of consumer product hazards. Our work ensures a uniform level of safety for the nation's families and provides businesses with a national level playing field for domestic and imported consumer products. CPSC addresses consumer product hazards through a multi-tiered approach: prevention through standards activities; data collection to make sure we use accurate information; education of industry, consumers, and foreign governments about product safety standards and issues; targeted port and marketplace inspections; enforcement of the nation's consumer product safety laws; and post-recall surveillance to make sure products that need to be out of the stream of commerce actually are.

The agency's work has contributed substantially to the decline in the rate of deaths and injuries related to hazardous consumer products since CPSC's inception. Examples of CPSC's successes in contributing to the reduction of product-related injuries and deaths include:

- An **88 percent reduction** in *baby walker injuries* from an estimated 25,700 children younger than 15 months old treated in U.S. hospital emergency rooms in 1992 to an estimated annual average annual 3,100 such injuries from 2004-2006.
- An **84 percent reduction** in *crib-related deaths* from an estimated 200 in 1973 to an estimated annual average of 32 deaths for 2002-2004.
- An **83 percent reduction** in *poisoning deaths* of children younger than 5 years old from drugs and household chemicals from 216 in 1972 to an estimated annual average of 36 deaths from 2002-2004.
- A **74 percent reduction** in consumer product-related *electrocutions* from 650 in 1975 to an estimated annual average of 170 deaths from 2001-2003.
- A **43 percent reduction** in consumer product-related *residential fire deaths*, from 4,560 in 1980 to an estimated annual average of 2,620 fire deaths from 2002-2004¹
- A **41 percent reduction** in consumer product-related *carbon monoxide deaths* from 282 in 1980 to an estimated annual average of 166 deaths for 2002-2004.¹

¹Estimates generated from 1999 and later are not strictly comparable to estimates before 1999 because of major revisions to the World Health Organization's International Classification of Disease coding system (ICD) and the U.S. Fire Administration's National Fire Incident Reporting System (NFIRS).

Many more deaths and injuries have been prevented as a result of other direct CPSC actions, as well as from the heightened attention to safety by manufacturers and consumers due to CPSC leadership.

Import Safety Challenge

Most of the consumer products we use are no longer manufactured in the United States. Today, over 85 percent of toys, 95 percent of fireworks, and 59 percent of electrical products are manufactured in other countries, notably in China. The number of imported products showed a 200 percent increase from 1997 to 2006 and currently about 85 percent of all U.S product recalls are those of imported products.

While this surge of imports was occurring, the agency took steps to meet the challenge posed by imports. For example, in 2004, the Office of International Programs was created to work with foreign governments and a Memorandum of Understanding was signed with the Chinese government. In 2005, we held the first U.S.-Sino Product Safety Summit. The second Safety Summit was held this past September and resulted in important safety commitments from the Chinese government.

As the number of recalls of imported products has continued to climb, so too must our efforts to address this issue. The need for an even more robust program to attack the import safety problem has become evident. Congress has recognized this need with a significantly increased appropriation for 2008. CPSC has implemented a new, more aggressive “Import Safety Initiative” program with increased resources provided in 2008 and continued in this 2009 performance budget.

2008 CHANGES

Congress appropriated \$80,000,000 in 2008, an increase of \$17,272,000 over the 2007 appropriation. This increase allows CPSC to substantially enhance a wide-range of agency product safety activities. The 2008 appropriation fully funds a staffing level of 420 FTEs (and allows us to hire up to the 444 position level requested in 2009); begins implementation of an Import Safety Initiative, including the creation of a new Import Surveillance Division within the Compliance Office; begins modernization of the testing laboratory; and strengthens information technology and data collection. Table A summarizes the 2008 funding changes.

2008 Program Increases and Changes:

The increased 2008 appropriation allows CPSC to implement the Import Safety Initiative, including the establishment of a new Import Surveillance Division. This will mark the first permanent, full-time presence of CPSC investigators at key ports of entry throughout the U.S. The port investigators will work with compliance officers, research analysts, attorneys and support staff. They will utilize both their expertise and a new cargo tracking system being implemented by the U.S. Customs and Border Protection agency to stop and inspect suspect shipments. Using this new tracking system, CPSC will have access to real-time information and data about shipments bound for the U.S. even before they leave the foreign port. In addition, the Division will be responsible for maintaining liaison with other Federal, State and local government agencies that regulate product importation to ensure close inter-agency cooperation and providing industry guidance regarding mandatory standards and safety related voluntary standards to insure imported products meet appropriate safety standards.

2008 Current Service Changes:

The 2008 appropriation fully funds annual compensation increases allowing the agency a staffing level of 420 FTEs. The Commission’s 2008 spending plan also reflects the \$450,000 savings from headquarters space released in 2007 to reflect reduced staffing in prior years. (Note – space is available to

accommodate the 2008 staffing level, and the acquisition of new expanded laboratory space in 2009 will accommodate space needs for further staff expansion in 2009.) The 2008 funding also accommodates annual price increases for operating expenses. It also provides for continued staff travel in support of product safety work by replacing reliance on gift travel from regulated industries.

Table A
2008 Increases Over 2007
(rounded to nearest thousand)

Type of Increase	Amount
2007 Appropriation	\$62,728,000
2008 Current Services Changes:	
Increase compensation funding to support 420 FTEs in 2008*	\$2,382,000
Reduce space rent from 2007 space release	-450,000
Increase operating expenses for annual price increases	250,000
Increase travel funding (replace gift travel)	125,000
Subtotal for Current Services Changes	\$2,307,000
2008 Program Increases:	
Implement Import Safety Initiative (funded within 420 FTE base)	
Enhance Information Technology:	4,300,000
Establish Applications Development fund	
Establish Information Technology Capital Investment fund	
Replace resource management information system (one-time cost)	
Modernize testing laboratory (initial phase)	8,000,000
Research compliance rate (one-time cost)	400,000
Implement the Early Warning System (one-time cost)	600,000
Increased contract funds for rulemaking and project support	665,000
Increase training and staff performance incentives	500,000
Prepare for additional hires in 2009 (one-time cost)	500,000
Subtotal for Program Increases	\$14,965,000
Total 2008 Increase Over 2007	\$17,272,000
2008 Appropriation	\$80,000,000

* To reach the planned FY2009 staffing level, we will actually staff up to 444 employees by September 30, 2008; because of staffing below funded levels in the first quarter of FY2008, funding is available to hire these additional staff.

CPSC has also begun an initiative to enhance our current hazard identification systems into a more robust early warning system (EWS). Our goal is to systematically identify and respond to children's product safety hazards starting with cribs, bassinets and play yards (playpens). This initiative is important because it is designed to address emerging hazards more quickly and effectively. Through an enhanced system, we plan to detect any discrepancies in information and identify product safety patterns promptly as they emerge. We are now developing possible enhancements and will determine future resource requirements.

Information technology at CPSC has been strengthened with the addition of funding to establish a capital fund to replace aging and outdated equipment on a systematic basis as well as funding dedicated to developing electronic applications in support of product safety. In addition, funding is now available to replace a key agency computer system (the agency's outmoded resource management information system), for which vendor support is being withdrawn due to the age of the system.

Funds are also now available to significantly accelerate our laboratory modernization initiative. The 2008 appropriation allows us to commit funding to the General Services Administration to acquire a new and better site to replace the present inefficient and aging 1950's era site and facilities. The balance of the funding for this effort is requested in 2009. Occupancy is now possible in the latter half of 2009.

The 2008 appropriation also allows the funding of additional contract support for hazard reduction rulemaking, projects and research. For example, we can now undertake a study of existing compliance rates of specific imports to better measure progress over time.

In 2008, the agency has enhanced staff retention and productivity by providing greater training opportunities and performance incentives. Funding is also allocated to prepare and renovate existing office space and acquire equipment for the requested expansion of staff in 2009.

Also, it is worth noting that the recently enacted Pool and Spa Safety Act requires CPSC to begin an education program in 2008. Though no specified funds were appropriated for such a program, CPSC has established a project to implement this initiative.

This request does not include funding increases that maybe required should Congress pass and the President sign CPSC's reauthorization legislation. The legislation could likely impose significant new regulatory, enforcement and other mandates on CPSC.

2009 REQUEST DETAIL

CPSC's request of \$80,000,000 for 2009 adds 24 additional FTEs for a total of 444, allows full funding of our import safety initiative begun in 2008, and provides final funding of the testing laboratory modernization effort. While the total 2009 dollars requested remain the same as in 2008, because of non-recurring 2008 costs being removed from base funding, the agency can continue to enhance its product safety program within the same level of funding. Table B summarizes the proposed 2009 changes.

Table B
2009 Increases Over 2008

	Amount	FTEs
2008 Appropriation	\$80,000,000	420
2009 Current Services Changes (see p. 2 for detail)	\$2,457,000	
2009 Program Increases:		
Additional staff for Import Safety Initiative (compensation and operating expenses)	\$3,218,000	24
Completion of testing laboratory modernization	6,000,000	
Increased travel to support 2009 U.S.-Sino Product Safety Summit	125,000	
Subtotal for Program Increases	\$9,343,000	24
Non-Recurring Costs from 2008:		
Initial phase of testing laboratory modernization	-\$8,000,000	
Replacement of Resource Management Information System	-2,300,000	
Research compliance rate	-400,000	
Implement the Early Warning System	-600,000	
One-time preparation costs for additional hires	-500,000	
Subtotal for Non-Recurring Costs	-\$11,800,000	0
Total Requested Increase over 2008	\$0	24
2009 President's Request	\$80,000,000	444

2009 Current Service Changes:

The 2009 request also funds estimated increases for such things as staff compensation and other operating expenses, increased maintenance costs for the new financial system acquired in fiscal 2008, among others.

2009 Program Increases:

The 2009 request proposed the addition of 24 FTEs to allow the full staffing of the Import Surveillance Initiative begun in 2008 with the establishment of the Import Surveillance Division. In addition, staffing has been increased in other offices, including the Office of Hazard Identification and Reduction, which support import safety efforts as well as other safety work of the Commission.

The 2009 request includes funds to complete the modernization of our testing laboratory. In 2008, \$8,000,000 is allocated to permit GSA to solicit, acquire, and make ready a new laboratory site. The \$6,000,000 in 2009 is to cover CPSC costs in equipping and moving into the new site in the later part of 2009. The Office of Management and Budget has proposed that these funds be available for three years in order to fully cover planned and contingency expenses.

The 2009 request includes funds to provide for staff travel to Beijing, China in support of the planned 2009 biennial U.S. - Sino Product Safety Summit. This will be the third such summit, with locations alternating between China and the United States (the 2007 Summit was held in Washington, D.C.).

Non-Recurring Costs from 2008:

The increases requested are offset by reductions for one-time expenses occurring in 2008. For example, there are reductions because of the implementation of the initial phase of the laboratory modernization, the purchase of the new financial system, the research into compliance rates, development of Early Warning System, and the preparation costs for the proposed 2009 increase in FTEs. These decreases, totaling \$11,800,000, make it possible to have significant program increases in 2009 while maintaining the same total funding as in 2008.

CONCLUSION

Despite its relatively small size, throughout its 34 year history, the U.S. Consumer Product Safety Commission has been highly effective at reducing product-related injuries and deaths. However the product safety landscape has shifted, from a concentration on U.S. manufacturers and products to a greater emphasis on imports (most notably from China), which now comprise over 85 percent of recalled products. CPSC recognized this situation early and took proactive actions. CPSC developed an Import Safety Initiative to intensify existing efforts and create new ways to improve the safety of imported products. We are also aggressively pursuing the modernization of our testing laboratory which will provide vital support of our import safety initiative as well as our other product safety work. The resources invested in these initiatives will be money well spent in protecting the American public.

TABLE 1
2007 TO 2009 RESOURCES BY PROGRAM AND ACTIVITY
(DOLLARS IN THOUSANDS)

	<u>2007 Actual</u>		<u>2008 Plan</u>		<u>2009 Request</u>		<u>2009 Change from 2008</u>	
	<u>FTEs</u>	<u>Amount</u>	<u>FTEs</u>	<u>Amount</u>	<u>FTEs</u>	<u>Amount</u>	<u>FTEs</u>	<u>Amount</u>
REDUCING PRODUCT HAZARDS TO CHILDREN AND FAMILIES:								
Fire Deaths*	126	\$19,445	141	\$23,179	149	\$23,744	8	\$565
Carbon Monoxide Poisoning*	16	3,158	13	2,526	14	2,587	1	61
Children's and Other Hazards	<u>169</u>	<u>25,500</u>	<u>189</u>	<u>32,221</u>	<u>200</u>	<u>33,008</u>	<u>11</u>	<u>787</u>
Subtotal	311	\$48,103	343	\$57,926	363	\$59,339	20	\$1,413
IDENTIFYING PRODUCT HAZARDS:	82	\$12,460	77	\$14,074	81	\$14,661	4	\$587
LAB MODERNIZATION		\$2,100		\$8,000		\$6,000		-\$2,000
TOTAL COMMISSION	<u>393</u>	<u>\$62,663</u>	<u>420</u>	<u>\$80,000</u>	<u>444</u>	<u>\$80,000</u>	<u>24</u>	<u>\$0</u>

* These are strategic goals.

TABLE 2
2008 TO 2009 BUDGET CHANGES
(DOLLARS IN THOUSANDS)

	<u>Amount</u>	<u>FTEs</u>
2008 APPROPRIATION	\$80,000	420
2009 Current Services Changes:		
Increased Federal Pay at 2.9%	\$1,570	
Increased retirement system and health insurance costs	477	
One less paid day.....	-150	
Non-salary, non-space rent increases	250	
Increased Financial System maintenance costs.....	310	
Subtotal, 2009 Current Service	<u>\$2,457</u>	
2009 Program Increases		
Additional staff for Import Safety Initiative (compensation and operating expenses).....	\$3,218	24
Completion of testing laboratory modernization.....	6,000	
Increased travel to support U.S.-Sino Product Safety Summit.....	125	
Subtotal, 2009 Program Increases	<u>\$9,343</u>	<u>24</u>
Non-Recurring Costs from 2008		
Initial phase of testing Laboratory Modernization	-\$8,000	
Replacement of Resource Management Information System	-2,300	
Early Warning System development costs	-600	
Research Compliance Rate.....	-400	
One-time preparation costs for additional hires	-500	
Subtotal, Non-Recurring Costs from 2008	<u>-\$11,800</u>	<u>24</u>
2009 REQUEST	<u>\$80,000</u>	<u>444</u>

DETAIL OF 2009 CURRENT SERVICES CHANGES

1. **Staff Pay and Benefit Increases** - \$1,897,000. There are six components of staff pay and benefits increases for 2009:
 - **Federal Pay Increases** - \$1,570,000. This estimate reflects the OMB guidance of 2.9 percent for the annual Federal pay increase scheduled for January 2009.
 - **Staff Retirement Benefits Increase** - \$355,000. We have seen a net increase in agency retirement contributions as more of our staff is covered by the more costly Federal Employees Retirement System (FERS) instead of the Civil Service Retirement System (CSRS) that is being phased-out government-wide. As our older employees retire, the older CSRS costs decrease while the newer FERS costs increase. This change has been accelerated at CPSC because of the two successive years of staff reductions involving buyout programs that attracted older employees who were members of CSRS. The greater costs of the growing proportion of FERS costs exceed the savings from the reduced CSRS costs.
 - **Staff Health Insurance Benefits Increase** - \$122,000. The agency's contribution to staff health insurance costs increased an average of about 6 percent a year for the past few years. We expect this trend to continue in 2009.
 - **One Less Paid Day** – (-)\$150,000. In 2009, there is one less paid day than in 2008 (261 days vs. 262 days).
2. **Non-Salary, Non-Space Rent Increases** - \$250,000. We estimate that \$250,000 (based on projected CPI from OMB's Mid-Session Review) in total will be necessary to meet price increases and additional new annual operating expenses for specific non-salary, non-space rent costs. This would include increases in costs for staff travel, GSA car leases for field investigators, printing, supplies, equipment rentals, and service contracts.
3. **Financial System Maintenance Increase** - \$310,000. In 2008, we signed a contract to replace our existing financial system because our service provider (an OMB-approved Federal financial cross-serving agency) was discontinuing their support of the financial system we had been using. Annual operating costs are about \$510,000; however because we currently budget \$200,000 annual to support the old financial system, the net increase in maintenance costs is about \$310,000.

INFORMATION TECHNOLOGY STATUS and REQUEST

Information Technology (IT) is an integral part of all agency programs and functions. Moreover, the increased emphasis on import safety will demand greater reliance on integrating databases and accessing other agencies' databases, such as those of the U.S. Customs and Border Protection. CPSC, in recognition of the importance of IT support and with the additional funds provided by Congress, allocated \$2 million to the agency's IT infrastructure base funding in 2008. This funding provides for the maintenance and scheduled replacement of our current IT infrastructure and allows the agency to begin addressing IT application development.

*Data-driven
work rests on
Information
Technology*

CPSC is a data-driven agency dependent on technology to process safety information. For example, field investigators use IT to speed the identification of hazardous imported products and document injuries and deaths during their investigations. Information from the field and the agency's hospital reporting system is sent electronically to CPSC analysts who use IT to analyze the data and alert compliance and standards setting staff to product hazards. Staff uses the data to determine if a product recall or safety standard is necessary. If a remedy results, safety information is posted on our Web site; sent to thousands of requestors automatically from our listserv and by RSS feeds; and sent to the media who are alerted electronically through the Press Release Newswire. Staff can react very quickly and implement recall actions within the same day that the information is reported because of the ability to leverage the agency's IT systems to communicate, assign investigations, report, analyze, and send potentially injury-preventing information very rapidly.

DEVELOPMENT AND CURRENT STATUS OF INFORMATION TECHNOLOGY

Achieving the agency mission is dependent on our IT systems because our work requires electronic accessibility of information to maintain productivity.

New Legislative and other Requirements:

- *Clinger-Cohen*
- *GPEA*
- *FISMA*
- *Teleworking*
- *PMA/E-Gov*
- *Public demand*
- *HSPD-12*

Our total IT budget is about \$7 million or 9 percent of the total 2009 President's Request for CPSC. About \$3 million funds CPSC IT staff (27). The remaining \$4 million funds relatively fixed costs for telephone and data communications, programming services, annual software licenses, help desk services, and emergency equipment replacements. This base funding is and will be continually challenged by increased costs. For example, more of our staff is teleworking. This has resulted in increased IT security and support costs and a critical need to replace legacy systems with Web-accessible systems. While some IT costs have decreased, such as computer and telecommunication costs, software licenses have become more expensive. Programming and help desk service demands continue to grow.

CPSC IT Facts:

- *Over 500 computers, network connected*
- *Over 250 full-time & part-time teleworkers*
- *Web sites: cpsc.gov, Recalls.gov, atvsafety.gov & Intranet*
- *50 databases*
- *Enterprise Architecture plan under revision*
- *27 FTEs; 6 contract staff*

In the last decade, the way the Federal Government, our stakeholders, and CPSC conduct business has changed dramatically. Demand for the electronic sharing of information has increased both internally and externally. New and other legislative requirements have created the need for greatly enhanced IT systems. Moreover, the Federal Information Security Management Act (FISMA) mandates a new level of IT security requirements to protect the quality and integrity of our data.

INFORMATION TECHNOLOGY MODERNIZATION PLAN

CPSC's information technology (IT) systems have not been fully modernized since 1993 when the Agency relocated its headquarters. Since then, planned funding allowed us to maintain our existing systems. Over the years, we have been able to sporadically fund some upgrades and programming projects through one-time savings. Those areas of the most critical need were funded as money became available. Although this method allowed us to maintain and upgrade some of our IT systems, it also created an IT environment that is not fully integrated. Systems could only be developed as the funds became available, creating disparate systems and independent database platforms and databases.

In Fiscal Year 2008, we received an additional \$2 million in our IT planned budget. Of the \$2 million, \$1 million is dedicated to the Agency's IT Capital Replacement Plan, allowing us to replace aging and outdated equipment on a regular, systematic cycle. The remaining \$1 million is dedicated to the Agency's application development programming requirements.

Modernizing the Agency's IT data systems include: converting our current data systems from a client-server environment to a web-based environment; full integration of the Document Management System (DMS); updating current, outdated database platforms to one, mainstream platform; and, converting current, disparate data systems to one database system.

Converting our current systems from a client-server environment to a web-based environment would enable the rapid sharing of information both internally and externally, and advance the timely distribution of safety information to the public. Using web-based applications, staff will be able to run a comprehensive search of all of the Agency's data, providing comprehensive results. Moving the Agency's database systems to one platform and one database system will enable staff to easily access all data through one-stop searching, identify hazards more quickly and disseminate information faster. This integration will also eliminate redundant data collection activities. Data will only have to be entered once where now, the same data is entered in several different databases. In addition to efficiency gains, integrating our systems will enhance security, thereby, protecting the quality and integrity of our data. This modernization will advance intra-governmental data sharing efforts necessary to meet the goals of the recent Federal Government's Import Safety Initiative.

Full implementation of the Agency's DMS will further enable staff to access and share information quickly and easily from their desktop computers. This system will allow staff to search Agency documents instantly. Currently, many of the Agency's records are in hard copy. Obtaining information is time intensive and often involves extensive research. Even then, there is no assurance that all relevant information has been accessed. In addition, a DMS enables knowledge management, even when a staff member leaves the Agency, their work will still be readily accessible in the system.

Security is also a major component of modernizing our IT systems. In order to meet the Federal Information Security Management Act (FISMA) requirements and fully protect our data systems, completion of the Agency's Continuity of Operations Plan must be incorporated into our modernization plan.

With the additional funds received in Fiscal Year 2008, we will contract outside experts to develop the architecture to consolidate and convert current database systems to one system and one platform. The architecture will be based on the analysis that was begun in 2007. In addition, we will contract with outside experts to evaluate and provide a plan to fully implement the Agency's DMS agency-wide.

In Fiscal Year 2009, based on the data systems architecture and the DMS plan, we will build the foundation for our new systems and develop prototypes. The prototypes will be tested with planned production of the systems in Fiscal Year 2010.

The plan is aggressive and, as mentioned earlier, outside experts will be contracted for the majority of the work. We anticipate that additional funding in 2010 will be needed to complete the entire modernization of our systems.

LABORATORY MODERNIZATION PLAN

CPSC's testing laboratory needs to be modernized to create efficiencies and better support CPSC's product safety work. As presently configured, the laboratory space is inefficient. With funds provided under the 2008 appropriation increase provided by Congress and funds proposed in the 2009 President's request, the General Services Administration (GSA) and CPSC can acquire and outfit a new, modern and efficient laboratory site and facility.

Background:

CPSC, GSA, and the Office of Management and Budget (OMB) believe that we can obtain new and more efficient space that is cost effective and can be completed in a reasonable time frame. Funds will be needed to support further planning, design, construction, move-in, start-up and documentation of facility modifications and additions, and/or renovations that will accommodate test equipment, test facility, sample and equipment storage and staff to meet CPSC's requested needs. Towards this modernization effort, in 2007 CPSC committed \$2.1 million in non-recurring salary savings to GSA. CPSC is allocating \$8 million in 2008 to provide GSA the funds to sign a lease. CPSC is further requesting \$6 million in 2009 to complete preparation of the site for occupancy as a fully operating testing laboratory. OMB is proposing that the \$6 million increment be available for three years to provide flexibility to make additional adjustments to the site after operations actually begin in order to achieve maximum efficiency.

Additionally, the new laboratory site would include office space for an additional 70 employees to be relocated from CPSC's headquarters office. These employees would be a mixture of those that work very closely with the laboratory staff or perform administrative functions not required to be at the headquarters staff. This action would allow further efficiencies and improvements in office space at the headquarters site.

Schedule:

GSA's is scheduling to publish a solicitation for space in mid-February 2008. If GSA makes an award by the end of fiscal year 2008, occupancy could very likely begin in 2009.

STRATEGIC PLAN

CPSC is a results-oriented agency. Our second Strategic Plan adopted in September 2003 (currently under revision) guided the development of the 2009 request for *FTEs* and focuses on the following two results-oriented hazard reduction strategic goals:

- **Reduce the death rate from fires by 20 percent.**
- **Reduce the death rate from consumer product related carbon monoxide poisonings by 20 percent.**

Our pending Strategic Plan revision was planned to be completed by September 2006 but, as a result of preliminary recommendations in the recent PART assessment and lack of a CPSC quorum between January and August 2007, the revision will be undertaken in 2008. (The quorum was extended from September 2007 to February 3rd, 2008 and will expire afterwards.) Because our strategic goals were originally developed in 2003 at an FTE level of 471, we may also need to adjust our remaining strategic goals' targets according to our final 2009 and subsequent FTE levels.

**Improve
service quality
and customer
satisfaction**

Our Strategic Plan also contains performance goals in other areas. We have service quality and customer satisfaction strategic goals for services provided by CPSC, and we address the President's Management Agenda (PMA) by establishing annual performance goals in all five PMA areas.

We were largely successful with our first Strategic Plan. We reached our targets for reducing deaths related to fire, electrocutions, child poisonings, and carbon monoxide poisonings. Annual consumer product related deaths in these hazard areas decreased by almost 500 at the end of the six years covered by our first Strategic Plan. Despite our successes, however, product related deaths and injuries continue to occur. Our Strategic Plan and annual performance goals will keep us working to continue reducing deaths and injuries.

BUDGET PROGRAM: Reducing Product Hazards to Children and Families

Our largest budget program, representing about 80 percent of our annual request, focuses on *Reducing Product Hazards to Children and Families*. This program addresses product hazards identified in our other program, *Identifying Product Hazards*.

CPSC's hazard reduction work has contributed substantially to the decline in the rate of deaths and injuries related to consumer products since the agency's inception in 1973. Past CPSC work has saved and continues to save the nation billions of dollars each year. Product-related deaths and injuries, however, continue to occur. There are on average 28,200 deaths and over 33.6 million injuries each year related to, but not necessarily caused by, consumer products under CPSC's jurisdiction. The deaths, injuries, and property damage associated with consumer products cost the nation over \$800 billion annually. (See Appendix A - Societal Cost Estimation.)

In the Reducing Hazards budget program, we set goals for reducing the risks of injuries and deaths from:

- Unsafe imported products,
- Fire hazards,
- Carbon Monoxide hazards,
- Children's and other hazards, including electrocutions, child drowning, chemical, and household/recreational hazards

2009 RESOURCE CHANGES

Total dollars increase by \$1,413,000 to reflect the program's share of the agency request to maintain current safety efforts at 2009 prices, the implementation of the new Import Safety initiative, and reductions for non-recurring 2008 costs.

2007-2009 RESOURCES BY HAZARD (DOLLARS IN THOUSANDS)						
HAZARDS	2007 Actual		2008 Plan		2009 Request	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Fire	126	\$19,445	141	\$23,179	149	\$23,744
Carbon Monoxide	16	3,158	13	2,526	14	2,587
Children and Other Hazards	169	25,500	189	32,221	200	33,008
TOTAL	311	\$48,103	343	\$57,926	363	\$59,339

HOW WE REDUCE HAZARDS

CPSC uses a number of strategies to reduce the risks associated with hazardous consumer products. These strategies include (1) conducting activities to ensure the safety of imported products; (2) participating in the voluntary standards process or developing mandatory safety standards; (3) conducting compliance activities such as recalls, corrective actions, and enforcement of existing regulations; and (4) alerting the public to safety hazards and informing them about safe practices. The agency bases its actions to reduce the risks from hazardous consumer products on information developed from its extensive data collection systems that is used to assess the causes and scope of product-related injuries.

Import Safety

Many consumer products, especially toys and other children's items, are imported into the U.S.; the largest share comes from China. CPSC is addressing the potential risk associated with Chinese imports with a four part plan of action: dialogue and initiatives with the Chinese government; working with the private sector, including Chinese manufacturers; increased surveillance and enforcement activities at U.S. borders and within the marketplace; and requests to Congress to modernize our governing statutes.

The increased 2008 appropriation allows CPSC to implement the Import Safety Initiative, including the establishment of a new Import Surveillance Division. This will mark the first permanent, full-time presence of CPSC investigators at key ports of entry throughout the United States. The port investigators will work with compliance officers, research analysts, attorneys, and support staff. Furthermore, staffing has been increased in other offices, including the Office of Hazard Identification and Reduction, which support import safety efforts as well as other safety work of the Commission.

CPSC also established the *Office of International Programs and Intergovernmental Affairs* in 2004 to provide a comprehensive and coordinated effort in consumer product safety standards development and implementation at the international, federal, state, and local levels. The Office conducts activities and creates strategies aimed at ensuring greater import compliance with recognized American safety standards. A key emphasis of this program is encouraging foreign manufacturers to establish product safety systems as an integral part of manufacturing.

Safety Standards

Much of our work in saving lives and making homes safer is conducted in cooperation with industry. From 1990 through 2007, we worked with industry and others to develop 390 voluntary safety standards while issuing only 38 mandatory rules. This is a ten-to-one ratio of voluntary to mandatory standards.

Staff participates in the development of voluntary standards at a number of steps in the process. Staff first submits recommendations for new standards, or modifications of existing standards, to voluntary standards organizations. After receiving our recommendations, the organizations may conduct technical assessment as appropriate, publish a proposal for public comment, receive and evaluate comments, and publish a standard. This process may take months or several years. Staff participates in the process by providing expert advice, technical assistance, and information based on data analyses of how deaths, injuries and/or incidents occurred. Our voluntary standards policy does not permit us to vote on proposed changes or new standards. Our comments are considered, however, throughout the process. Safety standards may also be developed through mandatory rulemaking. If a voluntary standard exists, by law, we may issue a mandatory

standard only when we find that the voluntary standard will not eliminate or adequately reduce the risk of injury or death or it is unlikely that there will be substantial compliance with the voluntary standard.

Generally, most of our statutes require us to go through a three-step rulemaking process: an advance notice of proposed rulemaking, a notice of proposed rulemaking, and a final rule. During this process, we seek input from all interested parties, including consumers, industry, and other government agencies. We usually develop performance standards, rather than design standards, to give manufacturers the most flexibility in meeting our requirements. Examples of mandatory standards are requirements for child-resistant lighters and for bunk beds. We may initiate rulemaking based on petitions from outside parties or based on staff work.

Compliance

We also reduce hazards through compliance activities. Compliance staff identifies defective products through their own investigations. We learn about potential product defects from many sources, including consumers, through our hotline and Web site. In addition, firms are required by law to report potential product hazards or violations of standards to the Commission. In 2005 staff developed a *Retailer Reporting Model* that is now being followed by two of the nation's three largest retailers.

When a recall is necessary, Compliance staff negotiates with the responsible firm. In 2007, CPSC staff completed 473 cooperative recalls (100 percent voluntary) involving nearly 110 million consumer product units that either violated mandatory standards or presented a substantial risk of injury to the public. Where companies fail to report as required, CPSC can seek civil penalties in court. In 2007, CPSC negotiated out of court settlements for which four companies voluntarily agreed to pay \$2.75 million in civil penalties to the U.S. Treasury.

To assist industry in recalling products and complying with our regulations easily and quickly, we rely on Fast Track product recalls and the work of our Small Business Ombudsman. We developed the Fast Track program to streamline the process of recalls for firms that were willing and prepared to recall their products quickly. Because every defective product presents a risk of injury or death, removing hazardous products from the marketplace faster can prevent more injuries and save more lives. Recalls under the Fast Track program are conducted without the need for a time-consuming hazard analysis and, over 90 percent of the time, are implemented within 20 days of a firm's report to CPSC. For non Fast-Track corrective actions, we also established new efficiency goals to complete key actions within a challenging time period.

We use a Small Business Ombudsman to help small firms comply more easily with product safety regulations and guidelines by providing them with a single point of contact for assistance and information. The Ombudsman coordinates a clear and understandable response from our technical staff so that firms receive the information they need within three business days.

Consumer Information

CPSC warns the public about product-related hazards. Our “Drive to One Million” campaign was started in 2007. This effort uses several different agency tools to make the public aware that despite our best efforts there are still many recalled products in the hands of the public. Our goal is to have at least one million consumers sign up to receive, free of charge, potentially life-saving information electronically through CPSC’s e-mail notification system. Consumers can receive notice of recall information as it is released by signing up at www.cpsc.gov/epsclist.aspx.

We alert the public through print and electronic media, our hotline, our listservs, the Internet (www.cpsc.gov, www.recalls.gov, and www.atvsafety.gov), and other outreach activities such as the *Neighborhood Safety Network (NSN)*. The NSN is a grassroots outreach program that provides timely, lifesaving information to more than 5,200 organizations and individuals who, in turn, share our safety posters and news alerts with underserved consumers who might otherwise never hear or receive the information from CPSC. Additionally, we develop and provide safety information to the public through safety and recall alerts, print and video news releases, public service announcements, publications, national and local television appearances, and hotline messages. When knowledge of a hazard requires immediate warnings to the public, such as the recall of a playpen that caused the death of a baby, we work closely with the media (newspapers, radio, TV, news wire services) to disseminate our message. For warnings that need to be repeated -- and most do -- we often rely on outreach by partnering with other organizations and using programs, such as the *NSN*, to more rapidly disseminate important safety information.

In order to make the *Neighborhood Safety Network* program even more effective and useful for grassroots safety organizations, CPSC developed an online tool kit that allows them to build their own safety campaign. The tool kit allows communities to promote safety by downloading a variety of free publications, posters, checklists, and tools to create their own program on fire safety, drowning prevention, ATV safety, older consumer safety, etc. The tool kit also has a “Design a Safety Program” link to assist officials in disseminating this lifesaving information in their community. CPSC will continue to update this site with new programs and will continue to promote the initiative among the more than 5,200 members of *NSN*.

In advance of and in the aftermath of natural disasters and hurricanes, CPSC contacts radio stations, newspapers and television stations in the affected region to warn against the deadly dangers of using portable gas generators indoors. CPSC also issues radio public service announcements and has a video news release on generator safety. In addition, CPSC now has a required warning label for generators that is an important communications tool with the public. On CPSC's Web site there are downloadable posters, safety cards, and door hangers also warning consumers to never use gas generators indoors.

We have improved our Web site, consumer hotline, National Injury Information Clearinghouse, and publications distribution capability to better serve the public. CPSC's Web site has grown rapidly from about 200,000 visits in 1997 to 32.3 million visits in 2007 and the number of times users accessed publications from our Web site was 4.2 million in 2007. This increase is due, in part, to the successful introduction of new technology such as the Really Simple Syndication (RSS) feed system. RSS has replaced faxing and e-mailing to disseminate product safety information to the public, providing instantaneous release of information. RSS enables CPSC to post recalls and press releases in a format that allows TV stations and other media to obtain the information from CPSC's Web site and in seconds have the information posted on their Web sites.

We post and spotlight recall notices on the Web site at the same time that we issue a news release announcing the recall. Consumers and firms can file reports of unsafe products on-line and firms are assured of confidentiality by encrypted transfer of data. Product safety information is also available in Spanish and other languages.

In 2003, we initiated www.recalls.gov, an innovative "one-stop shop" for all federal product recalls, in partnership with five other federal health and safety regulatory agencies. This Web site is an easy-to-use portal to all federal agencies that have the authority to conduct safety recalls. In 2007, there were 1.9 million visitors to the site.

The hotline receives consumer complaints and provides information on product hazards and recalls to the public. The Clearinghouse provides injury data to our staff and the public and provides manufacturers with consumer complaints, reported incidents, and investigations involving their products.

We also developed the Web-based *Consumer Opinion Forum* to provide a venue for soliciting information from consumers who volunteer to respond to staff questions about interacting with consumer products.

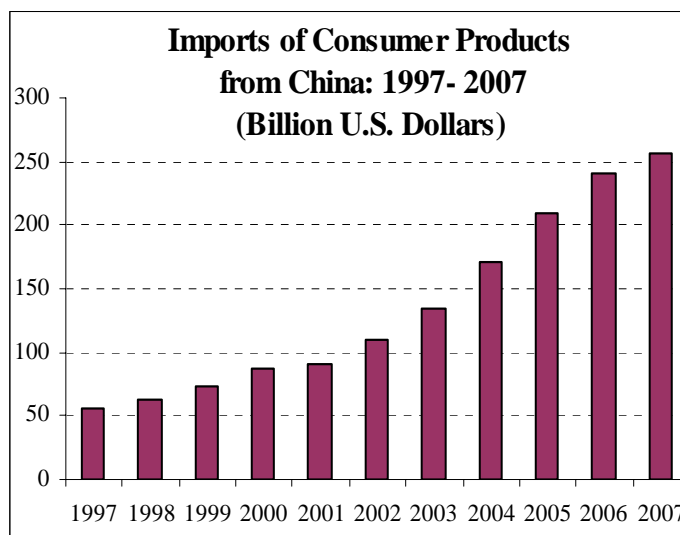


IMPORT SAFETY INITIATIVE²

There has been an unprecedented surge of imported consumer products into the United States, especially from China. These products may not have been tested to voluntary or mandatory safety and performance standards. Therefore, it is important for product safety that there be a strong Federal presence in the import arena. CPSC recalled a record number of hazardous imported products from China in 2007, including toys and children's jewelry.

The safety issues associated with this increase in imports have created new challenges for CPSC. In the past, when most products were manufactured in the U.S. or at least the final assembly and quality control was being done domestically, it was easier to enforce federal safety standards. For example, when a product was suspected of posing a safety hazard, CPSC staff could focus on the specific manufacturers/importers, inspect their local facilities, collect product samples for laboratory analysis, meet with company officials in person and work out a satisfactory corrective action plan. Traditional methods of marketplace surveillance and enforcement, while still necessary, have limited effectiveness to address new avenues of commerce such as direct Internet sales to U.S. consumers by foreign entities. The ability for potential small business retailers and foreign manufacturers to quickly locate each other via the Internet and communicate cheaply has truly created a global market place. CPSC has no physical presence overseas and traditional methods of compliance oversight, such as firm and factory inspections by CPSC investigators, do not take place overseas.

About 85 percent of U.S. product recalls now are of imported products and the large majority of those products are manufactured in China. The value of U.S. imports from all countries of consumer products under CPSC's jurisdiction was \$614 billion in 2006, with imports from China valued at \$246 billion, comprising about 40 percent of all consumer products imported into the United States. From 1997 through 2007, the value of all U.S. imports of consumer products from China more than quadrupled. CPSC is addressing the issue of consumer product import safety with a number of activities including: dialogue and initiatives with China and other foreign governments; working with the private sector, including foreign manufacturers directly; increased surveillance and enforcement activities at the borders and within the marketplace; and requests that Congress modernize our governing statutes. CPSC is also a member of the President's Interagency



Imports for 2007 are projected.

² Resources for this effort are included in the major program, Reducing Product Hazards to Children and Families, which this activity supports.

Working Group on Safe Imports and has been working closely with the other agencies on the working Group to share information and to develop integrated strategies to address import safety issues.

The increased 2008 appropriation allows CPSC to implement the Import Safety Initiative, including the establishment of a new Import Surveillance Division. This will make the first permanent, full-time presence of CPSC investigators at key ports of entry throughout the United States. The port investigators will work with compliance officers, research analysts, attorneys, and support staff. Furthermore, staffing has been increased in other offices, including the Office of Hazard Identification and Reduction, which support import safety efforts as well as other safety work of the Commission.

CPSC established the *Office of International Programs and Intergovernmental Affairs* in 2004 to provide a comprehensive and coordinated effort with other countries in consumer product safety standards development and implementation at the international, federal, state, and local levels. The Office conducts activities and creates strategies aimed at ensuring greater import compliance with recognized American safety standards. A major emphasis of this program is encouraging foreign manufacturers to establish product safety systems as an integral part of the manufacturing process.

2009 ANNUAL IMPORT SAFETY GOALS

IMPORTS FROM CHINA

Annual Goals Summary		2004	2005	2006	2007	2008	2009
<i>Dialogue and Initiatives with the Chinese Government</i>							
1. Participate in biennial U.S.-Sino-Product Safety Summit	Goal	**	**	**	**	0	1
	Actual	0	1	0	1		
2. Develop or continue implementation of cooperative work plans in selected product areas	Goal	**	**	2	4	4	4
	Actual	--	--	2	4		
3. Review and update China program plan	Goal	**	**	1	1	1	1
	Actual	--	--	1	1		
4. Conduct periodic review with Chinese regulatory officials to exchange information about significant recalls and/or other product safety issues	Goal	**	**	**	**	12	12
	Actual	--	--	--	--		
5. Conduct outreach/training events for Chinese government officials	Goal	**	**	**	**	3	3
	Actual	--	--	--	2		
<i>Working with the Private Sector</i>							
6. Conduct outreach/training events for Chinese manufacturers	Goal	**	**	**	**	2	3
	Actual	--	--	--	--		
7. Conduct outreach/training events for U.S. Importers of Chinese products	Goal	**	**	**	**	2	3
	Actual	--	--	--	--		

**No goal established for that year. --Data not available.

Dialogue and Initiatives with the Chinese Government

1. Biennial U.S.-Sino Product Safety Summit

The first Product Safety Summit took place in Beijing, China in 2005, between CPSC and the General Administration for Quality Supervision and Inspection (AQSIQ), CPSC's Chinese counterpart agency. At that time, CPSC and AQSIQ signed an Action Plan on Consumer Product Safety and agreed to hold a Safety Summit every two years. In accordance with the Action Plan, AQSIQ and CPSC established four working groups: Fireworks, Toys, Lighters and Electrical Products. The Work Plans for these were presented at the 2nd Biennial Consumer Product Safety Summit held in

Washington, D.C., on September 11, 2007. At that event, CPSC and AQSIQ explained their expectations for retailers, importers, exporters, and manufacturers dealing in consumer products. A third Summit, in 2009, will build on these events with the goal of institutionalizing a culture of product safety among Chinese consumer product exporters.

Goal: In 2009, CPSC will participate in the third biennial U.S.-Sino Product Safety Summit.

2. *Develop or continue implementation of cooperative work plans*

The 2005 Action Plan on Consumer Product Safety with AQSIQ outlines specific cooperative actions to be taken by CPSC and AQSIQ to improve the safety of consumer products. These include: training; technical assistance, a mechanism to provide for “urgent consultation” when necessary; information exchanges; and the creation of Working Groups to address issues in four priority areas – fireworks, lighters, electrical products, and toys.

In 2007, we communicated to our Chinese counterparts specific problems and negotiated and reached agreements on work plans to address these problems with respect to each of the four product categories covered by the Working Groups, including the lead agreement.

Goal: In 2009, CPSC staff will continue to cooperate with the Chinese counterparts and prepare a status report on implementation of work plans for all four priority areas. Work plans include activities such as industry-specific seminars, retail/vendor training seminars, foreign delegation briefings, and roundtables with stakeholders.

3. *Review and update China program plan*

The China program plan was originally developed in 2005 as a way of managing CPSC’s various China-related activities and as the basis for an overall strategy to promote safety and compliance of Chinese consumer products exported to the United States. The plan is reviewed and updated annually to ensure that it takes into account changing conditions and new opportunities for progress.

Goal: In 2009, staff will review and update the China program plan.

4. *Recall information exchange*

A key element in product safety cooperation with another country is the exchange of pertinent information about non-compliant or hazardous products. This supports bilateral compliance efforts, builds confidence, and allows staff to emphasize areas needing particular attention.

Goal: In 2009, staff will conduct twelve periodic reviews with Chinese regulatory officials to exchange information about significant recalls and/or other product safety issues.

5. *Outreach/training events for government officials*

To maximize Chinese government cooperation with U.S. product compliance efforts, it is essential to convey sufficient understanding of U.S. regulatory requirements. Outreach/ training events that present useful techniques, regulatory best practices, and relevant experience increase the chances of effective bilateral cooperation.

Goal: CPSC staff will conduct three outreach/training events for Chinese government officials.

Working with the Private Sector

6. *Outreach/training events for Chinese manufacturers*

In order to maximize Chinese manufacturers' cooperation with U.S. product compliance efforts, it is essential to convey sufficient understanding of the U.S. regulatory environment. Outreach/training events that explain U.S. statutory and regulatory requirements, present useful techniques, regulatory best practices, and relevant experience increase the chances of effective cooperation and the level of compliance.

Goal: CPSC staff will conduct three outreach/training events for Chinese manufacturers.

7. *Outreach/training events for U.S. importers*

In order to maximize U.S. importers' cooperation with U.S. product compliance efforts, it is essential to convey sufficient understanding of the U.S. regulatory environment, as it applies to imports. Outreach/training events that explain U.S. statutory and regulatory requirements, present useful techniques, regulatory best practices, and relevant experience increase the chances of effective cooperation and the level of compliance.

Goal: CPSC staff will conduct three outreach/training events for U.S. importers.

2009 ANNUAL IMPORT SAFETY GOALS

IMPORTS FROM ALL COUNTRIES

Annual Goals Summary		2004	2005	2006	2007	2008	2009
Surveillance and Enforcement Activities							
1. Create an Import Surveillance Division and conduct import safety improvement activities	Goal	**	**	**	**	1	1
	Actual	--	--	--	--		
a. Increase the number of samples of imported products for testing	Goal	**	**	**	**	750	1000
	Actual	838	682	613	725		
b. Inspect shipments of potentially hazardous imported products	Goal	**	**	**	**	8	12
	Actual	--	--	--	--		
c. Cross-train other federal agencies' staff to identify hazardous imported products	Goal	**	**	**	**	4	6
	Actual	--	--	--	--		
2. Work with GSA to improve facilities for the test/evaluation of import samples	Goal	**	**	**	**	1	1
	Actual	--	--	--	--		
3. Establish an in-house capability to conduct Human Factors product research.	Goal	**	**	**	**	1	1
	Actual	--	--	--	--		
4. Test/evaluate import samples	Goal	**	**	**	**	1	1
	Actual	--	--	--	--		
5. Develop a compliance rate	Goal	**	**	**	**	1	1
	Actual	--	--	--	--		
Memoranda of Understanding (MOUs)							
6. Review and update MOUs older than 3 years	Goal	**	**	5	3	1	7
	Actual	--	--	5	3		
Communication/Consumer Information							
7. Respond to requests for information from foreign manufacturers and others through the Web site within 3 business days	Goal	**	**	**	**	90%	90%
	Actual	--	--	--	--		
8. Consumer outreach for imports (million)	Goal	**	**	**	**	450	450
	Actual	--	--	125	966		
9. Conduct public information efforts/partnerships	Goal	**	**	**	**	2	2
	Actual	--	--	--	--		
Improving Rapid Identification of Import Safety Issues							
10. Develop metrics for quick identification of hazardous products through Customs' and CPSC's databases.	Goal	**	**	**	**	1	1
	Actual	--	--	--	--		
11. Improve tracking mechanisms used for case-management, complaint tracking, trend analysis, and report production	Goal	**	**	**	**	1	1
	Actual	--	--	--	--		

**No goal established for that year. --Data not available.

Surveillance and Enforcement Activities

1. Create an Import Surveillance Division and conduct import safety improvement activities

The marketplace within which consumer products are made available for sale to the public has changed dramatically in recent years. A far greater percentage of consumer products are now imported. The ability for small business retailers and foreign manufacturers to quickly locate each other via the internet and communicate cheaply has truly created a global marketplace. In 2008, CPSC created an Import Surveillance Division with

specialists specifically trained in import surveillance procedures and the rapid identification of defective and non-complying consumer products to conduct import safety improvement activities. This marks the first permanent full-time presence of CPSC investigators at key ports of entry throughout the United States.

Goal: In 2009, CPSC will expand the Import Surveillance Division by increasing the number of staff working at U.S ports of entry.

a. Increase the number of samples of imported products for testing

Members of the Import Surveillance Safety Team are CPSC's frontline in identifying the imported products that violate CPSC enforced regulatory requirements or that contain defects that present a significant risk of injury. These investigators will screen products and ship samples to other CPSC locations for final determinations.

Goal: In 2009, staff will increase the number of samples of imported consumer products tested that are suspected of being non-conforming or defective to 1000.

b. Inspect shipments of potentially hazardous products

In 2007, CPSC Field staff and U.S. Customs and Border Protection prevented from entering the U.S. market about 4.3 million units of noncomplying products. Examples of these products include fireworks, lighters, pacifiers, and rattles. The Import Surveillance Division will continue to conduct activities and create strategies to foster greater import compliance with recognized safety standards.

Goal: In 2009, staff will inspect shipments of potentially hazardous products, as identified by the Import Surveillance Division, for at least twelve product categories.

c. Working with other Federal agencies

CPSC works with other federal agencies on inspection of import shipments of consumer goods.

Goal: In 2009, CPSC staff will cross-train other federal agencies' staff working at six ports to identify hazardous imported products.

2. Laboratory modernization plan

The CPSC Laboratory plays a vital role in the testing and evaluation of consumer products. The laboratory also contributes to the development of test methods for consumer product safety standards. CPSC, GSA, and OMB have agreed that CPSC needs to acquire a new facility to replace the current inefficient 1950's-era laboratory. CPSC committed funds in 2007 and 2008 and GSA is proceeding to acquire a new site. Funds requested in the 2009 President's Request will complete the final portion of the project.

Goal: In 2009, with requested funding, staff will work with GSA to acquire and occupy a modernized Laboratory to facilitate the

testing/ evaluation of import samples and support the development of safety standards.

3. *Enhanced Human Factors research capability*

In 2005, more than 70 percent of children's games and toys were imported from China. CPSC currently does not have the capability to conduct in-house applied Human Factors research about how adults and children use and interact with toys as well as other products. This research would provide important information for the development of performance standards for toys. These standards would provide the basis for third party certification of imports and domestically produced children's products.

In 2008, staff plans to initiate the design of an observation test facility that would accommodate evaluations such as studies of children's play behaviors and unintended uses of toys and other products. This information would contribute to and enhance the other import testing capabilities already available at CPSC.

Goal: In 2009, staff will complete designs for an observation test facility that will enhance its Human Factors applied research by providing the in-house capability to conduct observational studies of children's and adults' interaction with products such as toys.

4. *Testing samples*

CPSC tests a variety of imported sample types, with varying requirements. We do not currently have an integrated database that tracks the time it takes from sample collection at the port to final Customs and Border Protection (CBP) notification of test results. In 2008, we will evaluate the existing sample tracking process and make recommendations to more accurately track the timeliness of sample collection and testing.

Goal: In 2009, staff will follow appropriate recommendations made in 2008.

5. *Compliance rate*

To enhance CPSC's ability to enforce product safety standards and conduct investigations involving imported products, CPSC will expand its import surveillance activities. This includes development of improved performance metrics, collection and test/evaluation of product samples, and analysis of test results to track our effectiveness in improving the safety of imported consumer products. Surveillance of consumer products for compliance to mandatory and consensus standards presents many methodological and other challenges. In 2008, CPSC staff will research existing surveillance systems and promising methodologies.

Goal: In 2009, staff will select a cost effective method and develop a plan for a statistically determined compliance rate for one product type.

Memoranda of Understanding (MOUs)

6. Annual MOU Update

CPSC has MOUs with a number of foreign governments. These agreements, signed with CPSC's counterpart agencies in other countries or regions, establish closer working relationships between the signatories, provide for a greater and more significant exchange of information regarding consumer product safety, and may include plans for informational seminars and training programs. Once MOUs are in place, scheduled review is required in some cases to keep the documents and agreements current.

Goal: In 2009, staff will review seven MOUs and develop staff recommendations for possible adjustments of these MOUs.

Communication/Consumer Information

7. Responsiveness to foreign manufacturers and others

CPSC has created a specific section of its Web site to provide detail of the agency's international programs, access to the formalized cooperative agreements with international counterparts and the electronic copies of the *CPSC Handbook for Manufacturing Safer Consumer Products* (available in both English and Mandarin). CPSC's international activities Web pages are among the first places foreign officials and producers/exporters look for information about U.S. product safety requirements. The International Activities section of the Web site is especially useful to international manufacturers seeking the relevant regulations, standards, and testing expectations for products bound for the U.S. market. Ensuring that the information presented is up-to-date and that foreign visitors can request additional information are essential elements in gaining cooperation of non-U.S. stake holders. In 2008, staff plans to initiate in the International Activities section of the Web site a special information request mechanism for foreigners and to respond to 90 percent of requests within three business days.

Goal: In 2009, staff will respond to requests for information from foreign manufacturers and others through the International activities section of CPSC's Web site in three business days 90 percent of the time.

8. Consumer outreach

In 2007, about 966 million views of CPSC safety messages relating to imported goods were received by consumers through video news releases (VNRs) and television appearances. This number was very high due to unprecedented press coverage of a number of recalls of lead painted and magnetic toys from China.

Goal: In 2009, 450 million views of CPSC safety messages will be received by consumers through TV appearances and VNRs related to import safety campaigns and recalls as well as from downloading e-publications.

9. Conduct three public information efforts/partnerships concerning import safety.

U.S.-Sino Product Safety Summit

Goal: In 2009, staff will hold a news conference to highlight the progress and achievements of the 2009 Sino-American Safety Summit. CPSC senior staff will appear in a live interview on at least one national network news program discussing advances in import safety.

Port safety

Goal: In 2009, staff will issue a news release related to an enforcement activity at a U.S. port.

Improving Rapid Identification of Import Safety Issues

10. Develop metrics for quick identification of hazardous products through Customs' and CPSC's databases

Improved electronic data exchanges with Customs' databases will enhance our capabilities to identify, track, and stop hazardous products from entering the United States. A new system that can track historical changes of address and "names" for foreign companies will provide for more rapid identification of hazardous imported products. It can be difficult for staff to identify the original foreign manufacturer, particularly for countries with few, if any, product safety standards. This new system will integrate several third party sources of information, such as U.S. Customs and Border Protection, Dunn and Bradstreet, or other federal agencies. This increased capability will improve the compliance of manufacturers of imported products to CPSC standards through improved monitoring.

Goal: In 2009, staff will develop and submit business and system requirements for Automated Commercial Environment (ACE). This will allow Customs and Border Protection to customize ACE to focus on CPSC's products and needs.

11. Improve tracking mechanisms

To provide staff with the latest information on potentially hazardous imported products as well as domestic cases at the touch of a button, CPSC plans to automate and update compliance systems used for tracking and performance information. CPSC has two data systems that are used to track case information and identify non-compliant manufacturers. Currently, staff has been merging information from these sources manually to support field investigators and provide additional reporting to managers who manage Import Safety. Resources have been identified that will allow for a redesign of these systems in three years.

Goal: In 2009, based on our 2008 analysis and architecture, we will develop and test prototypes to improve tracking mechanisms used for case-management, complaint tracking, trend analysis, and report production through integrating CPSC's regulatory and non-regulatory databases.



FIRE HAZARD

STRATEGIC GOAL: Reduce the rate of death from fire-related causes by 20 percent from 1998 to 2013.

THE HAZARD

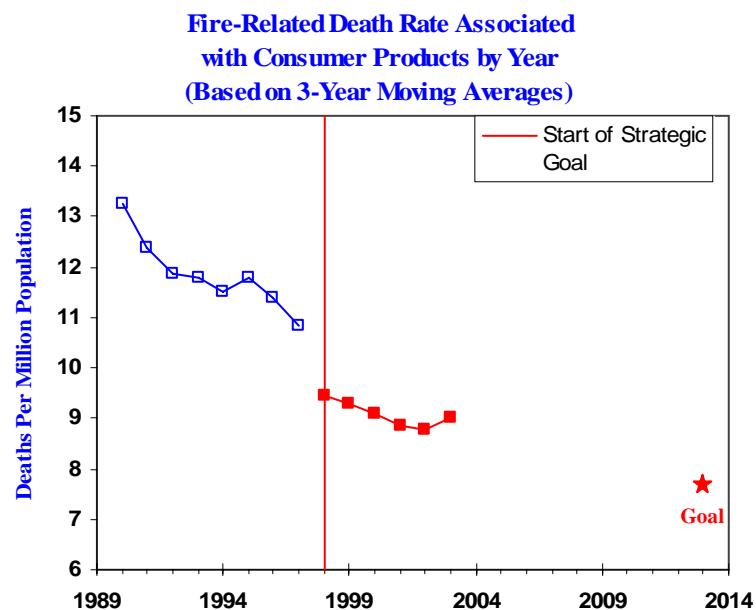
This nation's fire death rate remains high. From 2002 to 2004³, an average 2,620 people died, and 13,110 people were injured because of fires in residences. These fires resulted in property losses of about \$5.3 billion. The total cost to the nation from residential fires was \$19.4 billion. Children and seniors are particularly vulnerable. In 2004, over 600 children under the age of 15 died of fire-related causes, and over 350 of these deaths were to children under the age of 5 years. Children under age 5 have a fire death rate nearly twice the national average. Older adults also have significantly higher fire death rates in comparison to the rest of the population. In 2004, residential fires resulted in over 790 deaths to adults 65 years and older.

Products most often ignited in fatal fires are upholstered furniture, mattresses, and bedding. In recent years, these product categories were associated with about one-third of fire deaths. Cooking equipment is often involved as a source of ignition in fire deaths, accounting for about eight percent of fire deaths in recent years.

OUR PROGRESS

Under previous Strategic Plans (1997 and 2000), we set a target to reduce the rate of fire deaths due to consumer products by 10 percent from 1995 to 2005.⁴ From 1995 to 2004, the fire death rate declined by 14 percent, a reduction of 160 fire-related deaths. To further reduce the death rate, we retained this as a strategic goal in our current Strategic Plan, but with a new target of 20 percent reduction from 1998 to 2013.

Past standard-setting and compliance activities contributed to the general decline in fires and fire deaths and show that the agency is effective in reducing fire hazards. These activities include work on cigarette ignition-resistant and open flame-resistant



³2004 is the latest year for which complete death data are available; these estimates are based on fires in residential structures that were attended by the fire service.

⁴The estimates since 1998 are not strictly comparable, however, to those for previous years because of changes in the system for coding fire data.

mattresses, upholstered furniture, heating and cooking equipment, electrical products, general wearing apparel, children's sleepwear, child-resistant lighters, fireworks, battery-operated children's vehicles, smoke alarms, and residential fire sprinklers.

2009 ANNUAL FIRE-RELATED GOALS

Annual Goals Summary		2004	2005	2006	2007	2008	2009
Safety Standards							
1. Prepare candidates for rulemaking	Goal	3	4	5	8	9	7
	Actual	3	1	4	5		
2. Present recommendations to voluntary standards or code organizations	Goal	3	0	1	2	2	1
	Actual	2	0	0	0		
3. Complete data analysis and technical review activities	Goal	10	14	12	11	8	5
	Actual	5	10	9	8		
4. Support voluntary standards and code revisions	Goal	14	13	11	11	13	12
	Actual	14	17	11	12		
Compliance							
5. Preliminary determination within 85 business days (unregulated products)	Goal	**	**	**	66%	70%	70%
	Actual	58%	64%	58%	94%		
6. Corrective action within 60 business days of preliminary determination (unregulated products)	Goal	**	**	**	80%	82%	83%
	Actual	79%	70%	82%	81%		
7. Corrective action within 35 business days of notice of violation (regulated products)	Goal	**	**	**	80%	82%	82%
	Actual	89%	70%	90%	99%		
8. Monitor existing voluntary standards	Goal	**	**	1	1	1	1
	Actual	0	0	1	1		
Consumer Information							
9. Consumer outreach* (in millions)	Goal	**	**	**	125	200	200
	Actual	82	94	185	295		
10. Conduct public information efforts/ partnerships	Goal	5	6	7	7	6	6
	Actual	5	5	5	8		

* The baseline data for this goal are not strictly comparable to the 2007 or later data due to an improved data capturing capability implemented in 2007.

** No goal established.

Safety Standards

1. Prepare for Commission consideration seven candidates for rulemaking or other alternatives.

Upholstered Furniture

Ignition of upholstered furniture is a leading cause of fire deaths among consumer products under CPSC's jurisdiction. The staff is developing a possible rule to address the risk of fire associated with ignitions of upholstered furniture. In 2004, the Commission published an advance notice of proposed rulemaking (ANPR) expanding the agency's rulemaking proceeding to cover both cigarette-ignited and small open flame-ignited fires. From 2004 to 2007, CPSC staff developed a revised draft standard and regulatory alternatives. In 2008, staff will follow Commission direction on a possible notice of proposed rulemaking (NPR).

Goal: In 2009, staff will continue to support Commission rulemaking activities, as directed by the Commission.

Mattresses - Cigarette Ignition

In 2005, the Commission issued an ANPR, initiating a possible amendment or revocation of the existing mattress cigarette ignition standard. In 2006, the staff analyzed comments on the ANPR and conducted an extensive review of historical compliance data. In 2007, a research study to re-examine the test criteria for self-sustained smoldering in light of new technologies used to meet the new open flame mattress standard began at NIST; results and a final report are expected in 2008.

Goal: In 2009, if appropriate, staff will prepare a briefing package with a draft proposed rule.

Carpet and Rug Standards Amendments

The standards for the surface flammability of carpets and rugs were enacted under the Flammable Fabrics Act to reduce fires where carpets and rugs are the first items ignited. Cleaning methods are prescribed in the standards for various carpet and rug types to help assure permanence of any flame retardant (FR) treatments.

The carpet and rug flammability standards were reviewed in 2005 under the Program for Systematic Review of Commission Regulations. The rule review identified inconsistencies with CPSC's internal compliance testing procedures, references to obsolete standards, and requirements no longer needed based on CPSC staff experience with the rules. In 2008, staff will prepare an advance notice of proposed rulemaking (ANPR), including a review of voluntary and mandatory international test methods for measuring carpet and rug flammability, for Commission consideration.

Goal: In 2009, staff will conduct research on alternative laundering procedures. If appropriate, staff will undertake an evaluation of alternative ignition sources/test methods and write a summary report.

Lighters Amendments

In 2008, as a result of rule review regarding the child resistance of cigarette lighters, staff will evaluate issues such as record keeping, testing, and novelty lighters. Staff will also detail potential options to address those concerns and present suggested amendments to the lighter standards.

Goal: In 2009, staff will prepare a draft ANPR to improve the clarity and specificity of the requirements, address changes in the lighter market that have occurred since the implementation of the standards, and propose streamlined procedures to reduce the burden on industry and staff resources.

Cigarette Lighters, Mechanical Malfunction

In 2005, the Commission issued an ANPR to begin development of a new mandatory safety standard to address mechanical malfunctions of cigarette lighters. In 2006, staff conducted a study of conformance with ASTM F400 and prepared a status briefing to the Commission providing an estimate of current industry

conformance. In 2007 and 2008, staff monitored voluntary standard activities.

Goal: In 2009, staff will continue to monitor voluntary standard activities and follow Commission direction on this activity.

Fireworks Amendments

In 2007, staff reviewed comments concerning the risks of injury associated with noncomplying fireworks, the regulatory alternatives being considered, and other possible ways to address the risks of injury. In 2008, the regulatory options will be evaluated. These include: requiring mandatory certification to current Federal Hazardous Substances Act (FHSA) fireworks regulations; rulemaking specifying certain additional requirements fireworks must meet; and relying on an existing voluntary standard.

Goal: In 2009, staff will prepare a briefing package with a draft proposed rule for Commission consideration.

Bedclothes - Flammability

In 2005, the Commission voted to publish an ANPR to develop a possible mandatory standard to address open-flame ignition of bedclothes. In 2006 and 2007, staff evaluated the ANPR comments and addressable deaths and injuries. In 2008, staff will continue to monitor the progress of the efforts of the California Bureau of Home Furnishings and Thermal Insulation to develop a test method for filled bedding items.

Goal: In 2009, staff will continue to support rulemaking activities or other options as directed by the Commission and will consider how information derived from implementation of the new open flame mattress standard impacts bedclothes flammability.

2. Prepare and present one recommendation to voluntary standards or code organizations.

High Energy Battery Packs

Portable electronic devices use higher energy density batteries, such as lithium-ion batteries. Batteries that experience an internal short may overheat and explode, posing a hazard to consumers. Moreover, new technology battery chargers may have faster charge times with increased charging currents and temperatures that require monitoring of the battery charging status. In 2006, a contractor report on testing of high energy density lithium-ion batteries for mobile telephone use was drafted. In 2007, staff followed up this work by examining potential methods and/or safety features that could be incorporated to reduce the hazards. In 2008, the staff's draft report of this work was shared with interested parties for comment.

Goal: In 2009, staff will consider comments received on its draft report, and the report will be finalized. Recommendations for improvements to voluntary standards will be made, as appropriate.

3. Complete five data analysis, collection and technical review activities.

Cigarette Ignition Risk

Several states have adopted legislation requiring “fire safe” cigarettes to address potential fires caused by unattended or dropped cigarettes; other states are considering similar legislation.

In 2007, CPSC awarded a contract to test conventional and “fire safe” cigarettes according to requirements in a voluntary standard; the data will be used to evaluate relative ignition propensities. Moreover, staff developed a test plan to compare the ignition propensity of some consumer products commonly involved in smoldering ignition fires (e.g., furniture, mattresses) when exposed to “fire safe” and conventional cigarettes. In 2008, staff will begin this test program.

Goal: In 2009, staff will complete a test program comparing the ignition propensity of some consumer products commonly involved in smoldering ignition fires (e.g., furniture, mattresses) when exposed to “fire safe” and conventional cigarettes. A report of this work will be completed in 2010.

Range Extinguishing Systems

Cooking fires continue to be a major cause of residential fires and there is a variety of products marketed to consumers to prevent these fires, including range extinguishing systems. In 2006, staff conducted an evaluation of production and prototype range extinguishing systems in cooperation with the National Institute for Standards and Technology. In 2007, staff completed technical research on these systems.

Goal: In 2009, staff will write a report of the assessment of the data with recommendations for future work.

Smoke Alarms

Young children and seniors are particularly vulnerable in fires. In 2009, staff will begin an applied human factors research activity to assess consumer behavior regarding smoke alarms (e.g., the reasons consumers install, inspect, maintain, or disable them).

Goal: In 2009, staff will conduct a literature search and develop a questionnaire for the Consumer Opinion Forum and submit it to OMB for approval.

Sensor Technology

Electronic sensors and controls are becoming more sophisticated yet less expensive. One application of these sensors would be to enable an appliance to recognize hazardous conditions and initiate an action to mitigate the hazard. For example, a proximity sensor integrated into a heat-producing appliance, such as a portable heater, could enable it to detect when it is too close to a combustible item and then shut itself off or sound a warning.

Goal: In 2009 staff plans to investigate existing sensing circuitry and search for newly emerging technologies. Promising technologies will be integrated into a candidate application and

testing will be conducted to demonstrate the viability of the concept.

Temperature Controls

A temperature regulating or limiting control component typically reacts to heating or cooling to turn a heating appliance off or on. Some CPSC staff tests have found safety and operating controls that either failed to open or did not open at the specified temperature. In 2007 and 2008, staff conducted testing to measure performance characteristics that may affect electrical properties.

Goal: If sample testing reveals signs of degradation, in 2009, staff will initiate a contract to examine the metallurgical aspects of those samples.

4. Support voluntary standards and codes revisions.

Voluntary Standards

Goal: In 2009, staff will support the development or revision of voluntary standards for the following twelve products:

- arc-fault circuit interrupters (AFCIs)
- batteries,
- candles
- cabinet heaters/cylinders
- emergency escape masks
- fixed electric heaters
- fuel cells (new activity)
- lighters
- lighting
- National Electrical Code (NEC)
- range extinguishing systems
- smoke alarms

Staff participates in the process by providing expert advice, technical assistance, and information based on data analyses of how deaths, injuries and/or incidents occurred.

Compliance

5. *Preliminary Determination Efficiency*

Compliance Officers open investigations based on reports of a possible defect from a manufacturer, importer, or retailer or on their own initiative following up consumer complaints, newspaper accounts, or information from CPSC surveillance activity. Each investigation involves a thorough review of information from the company and other sources, with analysis by CPSC's technical experts. The investigation culminates in a staff preliminary determination that there is or is not a product defect. This annual output goal establishes a target for rapid investigation and resolution of fire-related hazards.

Goal: Make 70 percent of fire-related staff "preliminary determinations" within 85 business days from case opening date.

6. *Corrective Action Timeliness (Unregulated Products)*

Each investigation involving a fire-related hazard will culminate in a preliminary determination that a product is or is not defective. If the product is determined to be defective, the Compliance Officer will begin negotiating with the responsible company to obtain a

voluntary corrective action. For defects that pose a risk of serious injury, the Compliance Officer will seek a consumer-level recall, which usually involves a free repair or replacement of the product or a refund of the purchase price. For less serious hazards, the corrective action may involve stopping sale of the product and correction of future production.

Goal: Negotiate and commence 83 percent of fire-related corrective actions within 60 business days after a firm is notified of the staff's preliminary determination.

**7. *Corrective Action Timeliness
(Regulated Products)***

Compliance staff regularly conducts surveillance activity to check compliance of products with CPSC mandatory standards. Samples collected by investigators in the Field are sent to the CPSC Laboratory for analysis. Additional technical analysis is often conducted by CPSC technical experts. When it is determined that a product violates CPSC standards, a Compliance Officer sends a letter of advice (LOA) to the manufacturer, importer or retailer. For violations posing a serious risk of injury, the letter will seek a consumer-level recall (unless the sample was collected at a port of entry and no products have been distributed within the United States). For less serious violations, the letter may seek a lesser corrective action, such as stopping sale of the violative products and correction of future production.

Goal: Obtain 82 percent of fire-related corrective action within 35 business days after the LOA is issued.

**8. *Voluntary Standards
Compliance***

Goal: In 2009, staff will monitor compliance with one existing voluntary standard likely to reduce fire-related deaths.

Consumer Information

Alert the public to fire-related hazards through:

9. *Consumer Outreach*

In 2007, about 295 million views of CPSC safety messages related to fire hazards were received by consumers through TV appearances, video news releases (VNRs), and e-publications through CPSC's Web site. This number was unusually high due to unprecedented press coverage of computer battery fires.

Goal: In 2009, 200 million views of CPSC fire safety messages will be received by consumers through TV appearances and interviews on national television networks, VNRs to national and local television networks, and Web publications.

10. *Conduct six public information efforts, including at least one partnership with industry and/or a fire safety group.*

Aluminum Wiring Repair Methods

In 2007, staff contracted a technical expert to conduct an evaluation of the effectiveness of the connector. Preliminary tests

showed that the connector performed adequately. In 2008, staff initiated a new contract to conduct longer term evaluations to support possible recommendations for safe, alternative repair of aluminum branch circuit wiring connections.

Goal: In 2009, recommendations for modifications to CPSC Publication number 516, "Repairing Aluminum Wiring," will be made, as appropriate.

Fireworks Safety

Goal: In 2009, CPSC will conduct a national safety campaign for the Fourth of July to increase public awareness of the dangers associated with legal and illegal fireworks. This campaign will include activities such as a news conference, video news release, Podcast message, or reissuing a fireworks safety poster for use by the *Neighborhood Safety Network (NSN)*. Possible partnerships include the Department of Justice and the Department of Homeland Security.

Halloween Hazards

Goal: In 2009, CPSC staff will remind consumers of the flammability hazards associated with Halloween costumes and highlight warnings about the risk of fire associated with homemade children's costumes, jack-o-lanterns, and other Halloween decorations. Staff will conduct activities such as issuing a news release and a press release, and providing TV and radio interviews.

Holiday Decoration Hazards

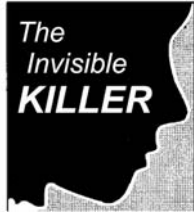
Goal: In 2009, for the winter holiday season, CPSC will reissue its annual news release and *Neighborhood Safety Network* poster to warn consumers about the fire risk from defective decorative holiday light strings and from natural trees, and provide tips on the safe use of candles and fireplaces. Staff will also contact national media to alert them to the news release and encourage them to promote these safety warnings.

Home Heating

Goal: In 2009, at the beginning of the home heating season, staff will conduct activities such as issuing a news release, a video news release, and a Podcast message to warn about fire hazards from home heating equipment, especially space heaters.

Smoke Alarms

Goal: In 2009, in a continuing effort to remind consumers that smoke alarms save lives, staff will issue a news release in the spring and the fall to emphasize that consumers need to have and maintain their smoke alarms. Staff will also contact national and local media to encourage them to remind consumers to check that their smoke alarms are in working order.



CARBON MONOXIDE POISONING HAZARD

STRATEGIC GOAL: Reduce the rate of death from carbon monoxide poisoning by 20 percent from the 1999-2000 average by the year 2013.

THE HAZARD

Carbon monoxide (CO) is a poisonous gas that has no smell, color, or taste -- truly an invisible killer. Burning any fuel, such as gas, oil, wood, or coal produces this gas, so that any fuel-burning appliance is a potential CO source. At higher concentrations in the blood, CO can cause cognitive impairment, loss of consciousness, coma, and death.

From 2002-2004⁵, there was an estimated annual average of 166 unintentional non-fire CO poisoning deaths associated with consumer products, at a societal cost of approximately \$830 million each year. Because some symptoms of moderate CO poisoning may mimic common illnesses, such as influenza or colds, there may be a high incidence of missed initial diagnoses. Not only are victims frequently unaware of exposure to CO, but also health care providers may not suspect, or check for, CO poisoning. While some symptoms of CO poisoning are reversible, delayed neurological effects can develop following severe poisonings, especially those involving prolonged unconsciousness. Prompt medical attention is important to reduce the risk of permanent damage.

Most consumer product-related CO poisoning deaths are associated with the use of heating systems, such as gas furnaces and boilers. Other consumer products associated with CO poisoning deaths include portable generators and other engine-driven tools, such as lawn mowers, charcoal grills, gas water heaters, gas ranges and ovens, and fuel-burning camping equipment. Problems with chimneys, flues, or vents connected to fuel-burning products have also been mentioned in fatal scenarios.

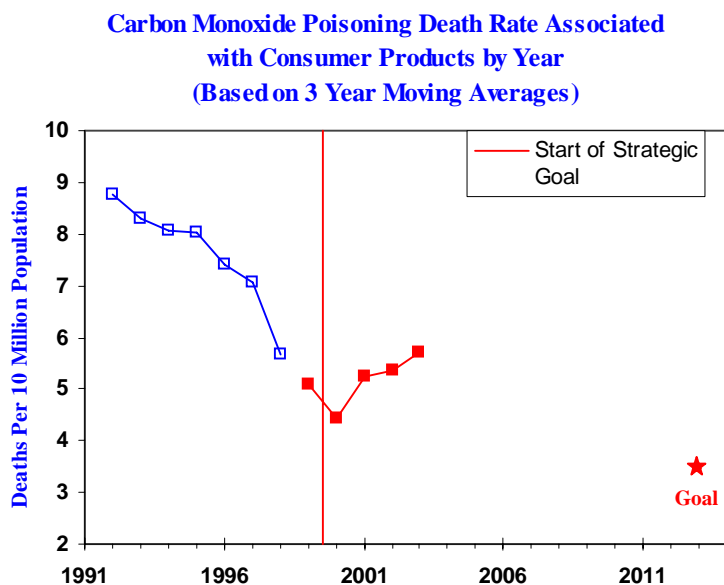
OUR PROGRESS

Under our previous Strategic Plans, we had a target to reduce the rate of CO poisoning deaths associated with consumer products by 20 percent from 1994 to 2004. From 1994 to 2004, the annual death rate was reduced by 35 percent. To further reduce the death rate, we retained this strategic goal in our Strategic Plan with a new target of 20 percent reduction by 2013 from the 1999-2000 average.

We have been successful in the past in reducing deaths through a number of interventions, including: working with industry to

⁵2004 is the latest year for which death data are available. Estimates of data for 2003 and 2004 are not complete and may change in future reports.

encourage the development of new products to protect consumers from CO poisonings; working with industry to develop a voluntary performance standard for CO alarms; and warning the public about CO poisoning through information campaigns.



Recently, as shown in the graph, there has been an increase in the number of CO-related deaths, in large part associated with the use of portable generators during natural disasters, such as hurricanes.⁶ The share of CO poisonings associated with portable generators increased from 6 percent in 1999 to 25 percent in 2004. Effective in 2007, CPSC issued a mandatory rule for a new danger label for portable generators to warn consumers about CO and to encourage safe use. Activities in our plan, including supporting a portable generator rulemaking activity, public outreach activities, and monitoring voluntary standards, are designed to address this increase.

2009 ANNUAL CARBON MONOXIDE-RELATED GOALS

Annual Goals Summary		2004	2005	2006	2007	2008	2009
Safety Standards							
1. Prepare candidates for rulemaking	Goal	**	**	**	1	1	1
	Actual	0	0	1	1		
2. Complete data analysis and technical review activities	Goal	0	3	3	2	1	1
	Actual	0	1	2	1		
3. Support voluntary standards and codes revisions	Goal	3	3	3	3	3	3
	Actual	3	3	3	3		
Compliance							
4. Monitor existing voluntary standards	Goal	1	**	1	1	1	1
	Actual	0	0	1	1		
Consumer Information							
5. Consumer outreach* (in millions)	Goal	**	**	**	20	25	25
	Actual	9	5	15	26		
6. Conduct public information efforts/ partnerships	Goal	3	2	3	4	4	4
	Actual	3	2	2	4		

* The baseline data for this goal are not strictly comparable to the 2007 or later data due to an improved data capturing capability implemented in 2007.

** No goal established.

⁶There is a discontinuity of rates between 1999-2002 and the previous years. This may be due, at least partially, to different methods used to estimate the number of deaths in the two time periods. The new method used after 1998 includes three changes: a change in the International Classification of Diseases (ICD), a change in methodology within CPSC, and inclusion of a new category of products in the estimates.

Safety Standards

1. Prepare for Commission consideration one candidate for rulemaking or other alternatives.

Portable Generators

In 2006, the Commission voted to publish an advance notice of proposed rulemaking (ANPR) to begin research to develop technology to lower the risk of CO poisonings associated with portable generators. Staff awarded a contract to develop a prototype generator engine with reduced CO in the exhaust and entered into an interagency agreement (IAG) with the National Institute of Standards and Technology (NIST) to model the buildup and concentration of CO in various styles of homes when the generator is located in various locations. NIST will also verify the efficacy of the prototype generator in reducing CO. Staff also conducted a proof-of-concept demonstration of a remote CO sensing automatic shutoff device for a portable generator, as well as an interlock concept in which a CO sensor was located on the generator.

In 2007, staff analyzed public comments on the ANPR, monitored work on the contract and IAG, drafted a report on the CO sensor interlock concept, and conducted additional generator testing in an environmental chamber. In 2008, staff will initiate other technical analyses to determine the feasibility of establishing performance requirements for reduced CO emission engines on portable generators. Staff will continue to participate in voluntary standards activities to develop requirements for weatherization, theft deterrence, and noise reduction to encourage safe use outdoors.

Goal: In 2009, staff will continue to pursue technical strategies to address CO poisonings. Staff will prepare a briefing package with a draft proposed rule, if appropriate, to address CO emissions in portable generators for Commission consideration.

2. Complete one testing, data collection, hazard analysis, or technical review activity.

Vented Gas Appliance CO Sensors

Gas-fired heating appliances continue to be a leading cause of unintentional CO poisoning deaths. Staff previously conducted testing that demonstrated the use of sensor technology to provide shutdown response to hazardous levels of CO within the flue passageways of a gas furnace. In 2006, CPSC awarded a contract to conduct longevity/durability tests of sensors within a gas furnace. That work was initiated in 2007 and will be completed in 2008.

Goal: In 2009, staff will complete a report of test results associated with longevity/durability tests of sensors within a gas furnace.

3. Support voluntary standards and codes revisions.

Voluntary Standards

Goal: In 2009, staff will support the development or modification of voluntary standards for the following three products:

- CO alarms
- portable generators
- vented gas appliances (CO sensors)

Staff participates in the process by providing expert advice, technical assistance, and information based on data analyses of how deaths, injuries and/or incidents occurred.

Compliance

4. *Voluntary Standards Compliance*

Goal: In 2009, staff will monitor compliance with 1 existing voluntary standard likely to reduce CO poisoning-related deaths or injuries.

Consumer Information

Alert the public to the hazards of CO poisoning deaths through:

5. *Consumer Outreach*

In 2007, about 26 million views of CPSC CO safety messages related to CO poisoning hazards were received by consumers through TV appearances, VNRs, and Web publications.

Goal: In 2009, 25 million views of CPSC CO safety messages will be received by consumers through TV appearances and interviews on national television networks, video news releases (VNRs) to national and local television networks, and e-publications through CPSC's Web site.

6. **Conduct four public information efforts and/or partnerships with a trade association or safety advocacy group.**

CO Alarms

While a large percentage of consumers' homes are equipped with smoke alarms, it is estimated that far fewer have working CO alarms in their homes.

Goal: Through activities such as using posters, news releases, videos, and other similar media instruments, CPSC will continue its CO alarm messaging in connection with a daylight savings time news release recommending that consumers change the batteries in their smoke and CO alarms at least once every year.

Home Heating

Goal: In 2009, staff will highlight the need for routine maintenance of gas appliances to remind the public of the continuing threat of CO in the home. At the beginning of the home heating season, staff will issue a seasonal warning about CO

hazards from home heating equipment. Throughout the year, staff will remind consumers of specific issues including the need to have a routine furnace checkup, which will be completed through activities such as using posters, news releases, videos, and other similar media instruments.

Portable Gas Generators

During times of power loss, homeowners may be exposed to CO because of incorrect use of consumer products, such as portable gas generators, to provide power to their homes.

Goal: In 2009, staff will promote generator safety and related rulemaking activities using at least one communication tool such as a news release, a video, a Podcast, and safety materials to help reduce generator related deaths and poisonings.

Natural Disaster Preparedness

Goal: In 2009, staff will use print news releases and VNRs to address CO poisoning hazards, especially during hurricanes, tornadoes, floods, and/or blizzards.

CHILDREN'S AND OTHER HAZARDS

THE HAZARDS

Children's Hazards



Children's hazards are associated with a wide range of consumer products. Examples of children's hazards include drowning hazards related to pools and other in-home products, choking and suffocation hazards related to some children's toys; strangulation, suffocation and entrapment risks to infants in sleep environments; strangulation from window blind cords and clothing drawstrings; unintentional ingestion of toxic household chemicals; and various hazards with infant products such as old or improperly maintained cribs, high chairs, and strollers.

CPSC has had a significant impact in reducing injuries and deaths for a number of children's hazards. For example, staff worked with industry to develop a voluntary safety standard to prevent baby walker-related injuries from falls down stairs and recalled numerous toys and other products that present choking hazards to children.

Chemical Hazards



CPSC seeks to reduce or prevent deaths or injuries due to ingestion, inhalation, or dermal exposure from hazardous substances in consumer products. Commission action has helped to protect children from exposure to lead in toys, crayons, children's jewelry, mini-blinds, and playground equipment. We have helped reduce children's exposure to hazardous chemicals in art materials and school laboratories. CPSC has worked to improve indoor air quality by reducing emission of pollutants from heating equipment, building materials, and home furnishings.

The Poison Prevention Packaging Act (PPPA) authorizes CPSC to issue requirements for child resistant packaging for such products as drugs and other hazardous household chemical substances. Since the PPPA became law in 1970, poisoning deaths to children under 5 years of age have declined substantially. While child poisoning deaths have been relatively low for a number of years, the Commission has seen evidence that, without continued surveillance, the death rate could increase.

For 2002 to 2004, unintentional⁷ ingestion of drugs and hazardous household products was associated with an annual average of 36 deaths to children under age 5. In 2005, an estimated 87,700 children under 5 were treated in hospital emergency rooms.

⁷Unintentional ingestions are those not supervised or administered by an adult.

Household and Recreation Hazards



Household and recreation hazards are found throughout the nation's homes and affect many of our family activities. CPSC work in this area covers products such as lawn and garden equipment, power tools, and recreational equipment (ATVs). Our past 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. The agency also has been a leader in urging consumers to use safety gear when participating in recreational activities, such as bicycling, ATV riding, and skateboarding.

Electrocution and Shock Hazards



In 2003⁸, there were about 160 deaths from consumer product-related electrocutions. In 2006, an estimated 9,800 consumer product-related electric shock injuries were treated in U.S. hospital emergency rooms. Total societal costs in the U.S. associated with electrocutions and electric shock are about \$1.6 billion. The annual estimate of electrocutions has declined by 74 percent from 1975 to 2003. CPSC's work on ground fault circuit interrupters hair dryers, power tools, house wiring, and garden equipment has contributed significantly to this decline.

2009 ANNUAL CHILDREN'S AND OTHER HAZARDS RELATED GOALS

Annual Goals Summary		2004	2005	2006	2007	2008	2009
Safety Standards							
1. Prepare candidates for rulemaking	Goal	3	3	3	5	4	4
	Actual	1	0	1	4		
2. Present recommendations to voluntary standards or code organizations	Goal	2	1	**	1	2	0
	Actual	1	1	0	0		
3. Complete data analysis and technical review activities	Goal	21	21	21	22	17	16
	Actual	17	21	15	17		
4. Support voluntary standards and code revisions	Goal	50	51	52	49	56	50
	Actual	54	54	49	51		
Compliance							
5. Corrective action within 60 business days of preliminary determination (unregulated products)	Goal	**	**	**	80%	82%	82%
	Actual	74%	83%	89%	89%		
6. Corrective action within 35 business days of notice of violation (regulated products)	Goal	**	**	**	85%	88%	90%
	Actual	89%	98%	92%	97%		
7. Monitor existing voluntary standards	Goal	2	2	2	1	1	1
	Actual	2	2	2	1		
Consumer Information							
8. Consumer outreach* (in millions)	Goal	**	**	**	125	450	450
	Actual	101	87	284	978		
9. Conduct public information efforts/ partnerships	Goal	13	10	8	7	9	13
	Actual	10	7	9	9		

* The baseline data for this goal are not strictly comparable to the 2007 or later data due to an improved data capturing capability implemented in 2007.

** No goal established.

⁸2003 is the latest year for which complete fatality data are available.

Safety Standards

1. Prepare for Commission consideration four candidates for rulemaking or other alternatives.

All Terrain Vehicles (ATVs)

In recent years, there has been a dramatic increase in both the numbers of ATVs in use and the numbers of ATV-related deaths and injuries. According to the staff's latest ATV annual report, the Commission has reports of more than 7,000 ATV-related deaths since 1982. The Commission is considering what actions, both regulatory and non-regulatory, it could take to reduce ATV-related deaths and injuries. In 2005 and 2006, staff conducted a comprehensive review of regulatory and non-regulatory options to address ATV hazards. In July 2006, the Commission voted to issue a Notice of Proposed Rulemaking (NPR) and directed the staff to carry out specific research activities, including testing of youth ATVs, conducting a review of in-depth investigation data, and gathering information regarding the appropriate size and speed of youth ATVs. The NPR was published in August 2006. During 2007, staff reviewed the comments submitted in response to the NPR and began the research activities directed by the Commission.

Goal: In 2009, staff will continue to support rulemaking activities or other options, as directed by the Commission.

Electric Toys

The Electric Toy regulation was reviewed in 2004 under the Program for Systematic Review of Commission Regulations. The rule review identified references to obsolete standards and requirements that could potentially be streamlined. In 2008, staff will prepare a briefing package with recommendations to update the Electric Toy regulation for Commission consideration.

Goal: In 2009, staff will continue to support rulemaking activities or other options, as directed by the Commission.

Infant Cushions

In 2006, the Commission voted to initiate rulemaking that could result in an amendment to the current ban on infant cushions and pillows. In 2007, the Commission issued an advance notice of proposed rulemaking (ANPR) and invited public comment. In 2008, staff reviewed comments received on the ANPR and prepared a briefing package for Commission consideration, including possible regulatory options.

Goal: In 2009, staff will continue to support rulemaking activities or other options, as directed by the Commission.

Lead in Children's Jewelry

In 2007, the Commission issued an advance notice of proposed rulemaking (ANPR) and invited public comment. In 2008, staff reviewed public comments on the ANPR for development of a briefing package with regulatory options for Commission consideration.

Goal: In 2009, staff will continue to support rulemaking activities or other options, as directed by the Commission.

2. Prepare and present recommendations to voluntary standards or code organizations to strengthen or develop voluntary standards.

No children's and other hazards recommendations are currently planned for 2009.

3. Complete 16 testing, data collection, hazard analysis, or technical review activities to evaluate the need for, or adequacy of, safety standards.

ATV Data Update

Goal: In 2009, staff will prepare the annual all-terrain vehicle (ATV) death and injury data update report. The report also includes data on deaths by state, risk of death by year, and injuries distributed by year and age grouping.

Bicycle Integrity & Illumination

The Federal Bicycle Regulation was last amended by CPSC in 1981. Since then, the evolution of bicycle technology has led to changes that are not currently covered by this standard. Voluntary standards coverage of new technology developments is limited. Bicycle injury rates remain high. While the majority of bicycle-related deaths occur during daylight hours, CPSC staff determined that a bicyclist is 2 to 4 times more likely to be killed riding at night as compared to daytime. In 2008, staff received test data from the Federal Highway Administration on LED rear flashers for bicycles.

Goal: In 2009, staff will conduct a comparative evaluation of the LED rear flashers tested and will prepare a report of its assessment of the test data.

*Chemical Toxicity Assessment
(2 activities)*

Staff will assess potential chemical toxicity associated with a variety of products and hazards by continuing ongoing activities and initiating new activities depending on the identification of emerging hazards. The issues may include: lung injuries and fatalities from aerosol water-proofing products, chronic hazard guidelines updates, stabilizers used in plastics, lead, and indoor air quality.

Goal: In 2009, staff will complete at least 2 risk assessments, technical review activities, or guidance documents.

Consumer Opinion Forum

This Web-based Forum provides a venue for CPSC staff to solicit information from consumers who volunteer to respond to staff questions about interactions with consumer products. Such information can be useful for framing questions for scientific surveys, for providing information for future studies, or for providing anecdotal behavioral data regarding foreseeable use of products.

Goal: In 2009, staff will provide continued support of the Consumer Opinion Forum by conducting activities such as developing sets of questions, submitting questions to OMB for clearance, posting questions as they are cleared for public dissemination, or retrieving and analyzing the results of each posting.

Electrocution Data Update

Goal: In 2009, staff will prepare updated estimates of the number of consumer product-related electrocutions.

Globally Harmonized System (GHS) for Labeling

In 2008, staff initiated a contract to complete a side-by-side technical comparison of the Federal Hazardous Substances Act (FHSA) regulatory requirements to the Globally Harmonized System (GHS) for classification and labeling to identify the technical differences between the FHSA and GHS.

Goal: In 2009, contract work to compare the FHSA and GHS will be completed. Staff will prepare a status report of this activity for the Commission.

Nanotechnology

Nanomaterials represent a wide range of compounds that may vary significantly in their structure, physical and chemical properties, and potentially in their behavior in the environment and in the human body. Staff continues to participate in several interagency workgroups and initiatives related to nanomaterials, especially those in consumer products. In 2008, a contractor completed a review of the structure and existing exposure and toxicity of fire retardant (FR) nanomaterials. We also entered into an MOU with NIST for preliminary analysis of FR nanomaterials

Goal: In 2009, staff will complete assessments of the contractor work and outcomes of collaborative work with NIST and make recommendations for additional work in the area of nanotechnology.

Nursery Equipment Annual Update

Goal: In 2009, staff will prepare its annual report on nursery product-related injuries and deaths to children age 5 and under.

Poison Prevention

In 2009, staff will continue to monitor ingestions of hazardous household substances and assess these substances for the need for child-resistant packaging. The staff will also continue to work with other government agencies in the poison prevention area.

Goal: In 2009, staff will prepare an annual update of poisoning deaths.

Pool and Spa Safety

In accordance with the provisions of the Virginia Graeme Baker Pool and Spa Safety Act, CPSC staff will develop a plan to establish a grant program to provide assistance to eligible states for improving pool and spa safety. In 2008, staff will draft a plan for a State Swimming Pool Safety Grant Program.

Goal: In 2009 and 2010, subject to the availability of appropriations, staff will finalize and implement its plan for a State Swimming Pool Safety Grant Program, as required in the Pool and Spa Safety Act.

Pool Submersion Annual Update

Goal: In 2009, staff will prepare its annual report on pool submersion incidents involving children age 5 and under.

Pool Safety Handbook

In 2006, staff combined and updated the *Safety Barrier Guidelines for Home Pools* and *Guidelines for Entrapment Hazards: Making Pools and Spas Safer*. Staff intends the publication to become a single reference guide on pool safety issues. In 2008, staff completed draft revisions to the handbook and invited comment from the pool and spa safety community.

Goal: In 2009, staff will review public comments and complete revisions to the handbook.

Sensitizers

Previous staff work identified the need to update the supplemental definition of “strong sensitizer” due to recent scientific advances and the United Nations GHS for classifying and labeling chemicals. In 2006, staff developed a recommendation regarding CPSC’s supplemental definition to address scientific advances and new risk assessment methods currently under development by federal agencies. In 2007, the staff’s recommendation and analysis was peer reviewed by scientists from other federal agencies. In 2008, external peer review of the staff’s report will be completed, and staff will prepare a report for Commission consideration, including recommendations to implement changes in the supplemental definition of “strong sensitizer.”

Goal: In 2009, staff will conduct activities, as directed by the Commission.

Table Saws

Although staff has worked with industry to improve the protection from blade contact with table saws, there remains the concern that blade guards are inadequate and/or of poor design and can place consumers at risk for severe injury. In 2007, some new blade guard designs became available for consumers. In 2008, staff conducted testing to evaluate new blade guard designs.

Goal: In 2009, staff will analyze test data and complete a report on the staff’s evaluation.

Toys - Annual Update

Each year, staff prepares an annual report of toy-related deaths and injuries. Forty-six percent of the estimated emergency department treated injuries in 2006 were associated with toy types that cannot be placed under already established toy product codes and are, therefore, categorized as “Toys, Not Elsewhere Classified.” In 2008, staff began activities to conduct a NEISS-based study to identify the toys included in this category. This special study will

also facilitate characterization of hazard patterns associated with injuries.

Goal: In 2009, staff will prepare its annual report on toy-related deaths and injuries. Staff will also implement its plan for a special study of toys not elsewhere classified, initiating data collection.

4. Support the development/revision of voluntary standards and codes.

Voluntary Standards

Goal: In 2009, staff will support the development or revision of voluntary standards for the following 50 products:

- | | |
|--|--|
| - air cleaner's (ozone generating) | - infant bedding and accessories |
| - ATVs | - infant bouncers |
| - bassinets/cradles | - infant carriers (3 standards) |
| - bath seats | - infant gates |
| - bed rails | - infant tubs |
| - bicycles | - infant swings |
| - blind cords | - infant walkers |
| - booster seats | - ladders |
| - bunk beds | - lead in children's vinyl products |
| - changing tables | - motorized scooters |
| - child-resistant packaging | - mowers |
| - cribs (3 types) | - playground equipment and surfacing (4 standards) |
| full-size | - pool alarms |
| non-full size & play yards | - pools and spas |
| commercial | - portable amusement rides |
| - electric toys | - portable pools |
| - fuel tanks | - ranges (tip-over) |
| - furniture | - recreational helmets |
| - garage door and gate openers | - strollers |
| - gasoline containers (child-resistant closures) | - suction release devices |
| - GFCIs (ground-fault circuit interrupters) | - toddler beds |
| - highchairs | - table saws |
| - hot tubs/spas | - toys |

Staff participates in the process by providing expert advice, technical assistance, and information based on data analyses of how deaths, injuries and/or incidents occurred.

Compliance

5. *Corrective Action Timeliness (Unregulated Products)*

Each investigation involving a hazard will culminate in a preliminary determination that a product is or is not defective. If

the product is determined to be defective, the Compliance Officer will begin negotiating with the responsible company to obtain a voluntary corrective action. For defects that pose a risk of serious injury, the Compliance Officer will seek a consumer-level recall, which usually involves a free repair or replacement of the product or a refund of the purchase price. For less serious hazards, the corrective action may involve stopping sale of the product and correction of future production.

Goal: Negotiate and commence 82 percent of children's and other hazards corrective actions within 60 business days after a firm is notified of the staff's preliminary determination.

**6. *Corrective Action Timeliness
(Regulated Products)***

Compliance staff regularly conducts surveillance activity to check compliance of products with CPSC mandatory standards. Samples collected by investigators in the Field are sent to the CPSC Laboratory for analysis. Additional technical analysis is often conducted by CPSC technical experts. When it is determined that a product violates CPSC standards, a Compliance Officer sends a letter of advice (LOA) to the manufacturer, importer or retailer. For violations posing a serious risk of injury, the letter will seek a consumer-level recall (unless the sample was collected at a port of entry and no products have been distributed within the United States). For less serious violations, the letter may seek a lesser corrective action, such as stopping sale of the violative products and correction of future production.

Goal: Obtain 90 percent of children's and other hazards corrective actions within 35 business days after the LOA is issued.

**7. *Voluntary Standard
Compliance***

Goal: In 2009, staff will monitor compliance with one existing voluntary standard likely to reduce children's and other hazards.

Consumer Information

Alert the public to children's and other hazards through:

8. *Consumer Outreach*

In 2007, about 978 million views of CPSC safety messages related to children and other hazards were received by consumers through TV appearances, video news releases (VNRs) and e-publications through CPSC's Web site. This is unusually high due to unprecedented press coverage of a number of recalled items that arose in 2007.

Goal: In 2009, 450 million views of CPSC safety messages related to children's and other hazards were received by consumers through TV appearances and interviews on national television networks, video news releases (VNRs) to national and local television networks, and e-publications through CPSC's Web site.

9. Conduct 13 public information efforts to warn the public about other hazards.

Drive to One Million

Our “Drive to One Million” campaign was started in 2007. This effort uses several different agency tools to make the public aware that despite our best efforts there are still many recalled products in the hands of the public. Our goal is to have at least one million consumers sign up to receive, electronically and free of charge, potentially life-saving information through CPSC’s e-mail notification system. Consumers can receive notice of recall information as it is released by signing up at www.cpsc.gov/cpsclist.aspx.

Goal: In 2009, we will aim to reach the one million mark of consumers who have been registered to receive our recall announcements. CPSC will continue to work with major auction, retail, and consumer-oriented Web sites to promote and encourage visitors to sign up. Outreach will continue through the media, with each major recall announcement presenting an opportunity to promote the program. CPSC will also work with state and local governments to encourage their constituents to register for recall alerts. Marketing of this program will continue to be driven by promotion of our Drive to One Million logo.

ATV Safety

Goal: In 2009, staff will continue information and education activities begun in 2006 focusing on preventing injuries and deaths to both children and adults from all-terrain vehicles (ATVs). Staff will focus on states and communities affected by injuries and deaths, using grassroots communications, such as public service announcements, local media tours, and other educational tools. In addition, a multi-faceted Web page (www.ATVsafety.gov) dedicated to ATV safety will continue to be promoted and updated with information for state officials, parents, children, and the press. The ATV webpage received about 135,000 visits in 2007. An educational roundtable/forum on ATV safety is planned to be held by CPSC for all organizations interested in promoting safe riding practices.

Baby Safety Month

Goal: In 2009, CPSC will recognize Baby Safety Month by partnering with one or more organizations that are focused on the safety of young children in and around the home. Information and education activities for this effort will include materials such as a new publication, a press release featuring new data, a Podcast, a message to NSN members, a video, and media interviews.

Back to School Safety

Goal: In 2009, CPSC staff will work to increase public awareness of child safety issues prior to the start of the school year. Our campaign will offer tips on making schools safer – in the classroom, on the playground, and to and from school. Staff will participate in back-to-school activities such as issuing a press release or an NSN poster, producing a Podcast, or developing a partnership in order to increase outreach to schools, and/or conducting media interviews.

Bicycle/Helmet Safety

Goal: In 2009, CPSC will communicate with the public about the need to wear helmets and ensure children are safe when riding their bikes through publication information efforts such as a news release, re-issuance of NSN posters on bike and helmet safety, a Podcast, video, and/or partnering with agencies such as the National Highway Traffic Safety Administration.

General Electrical Safety

Goal: In 2009, staff will determine the most significant electrocution hazards to consumers around the home. CPSC will warn the public about those electrical hazards through one or more of the following communication tools: a news release, a new NSN poster, a Podcast, media interviews, and/or partnership with an organization such as Electrical Safety Foundation International.

In-Home Drowning Prevention

Goal: In 2009, we will focus at the end of the summer on addressing the hazard of standing water in places such as buckets and bathtubs to prevent drownings to young children. As part of this effort to reduce in-home drownings, CPSC will use tools such as issuing a news release, conducting, media interviews, recording a Podcast, distributing a video, or issuing a poster for NSN members.

Playground Safety

Goal: In 2009, CPSC will recognize National Playground Safety Week by using all or some of the following communication tools: news release, new NSN poster, public service announcement, media interviews, and/or Podcast.

Poison Prevention

Goal: In 2009, during National Poison Prevention Week, CPSC will continue to support the efforts of the Poison Prevention Council by issuing a news release to promote child-resistant packaging and other poison prevention measures. CPSC will conduct activities such as media interviews, a Podcast, and a safety message to NSN members.

Pool and Spa Safety

Goal: In December 2007, the Congress passed and the President signed the Virginia Graeme Baker Pool and Spa Safety Act. In 2009, staff will continue implementation of the plan developed in 2008 through activities such as developing publications and information materials for pool owners, communities and the public; producing public service announcements; holding press events; working with the Neighborhood Safety Network; and implementing a rapid response program after learning of a pool or spa related death.

Product Tip-overs – A Danger to Children

Goal: In 2009, CPSC will continue its work to alert parents to the dangers of televisions, heavy furniture, and freestanding ovens tipping over and crushing young children. CPSC will communicate this hazard through one or more of the following communication tools: issuance of a video, news release with new data, or Podcast, conduct media interviews, or produce a new NSN poster.

Safety Publication Update

Some of CPSC's electrical, nursery, and mechanical/recreational brochures and product safety alerts (both in print and on the Web site) are aging. That is, they may depict older products that do not comply with more recent standards, contain outdated epidemiological information, refer to codes and standards that have been revised, or refer to organizations that have changed names. This project will establish a pilot process for regularly updating CPSC safety publications and on-line documents.

Goal: In 2009, staff will update safety publications that address hazards in 3 product areas (electrical, nursery/juvenile, and mechanical/recreational).

*Smart Holiday Shopping /
Toy Safety*

Every holiday season, staff continues efforts to educate parents and caregivers on the appropriate products for appropriate ages. We will also continue at this time of year to encourage consumers to be aware of the various Web sites that will assist them to identify recalled products. As part of the drive to remove dangerous products from homes, staff will continue to build upon the success of our Web site, www.cpsc.gov, and the www.recalls.gov Web site for notifying consumers about recalled products.

Goal: In 2009, staff will issue materials such as a VNR, safety poster, or other materials as necessary for use at the grassroots level.

BUDGET PROGRAM: Identifying Product Hazards

The work in this program provides the information needed to assess product hazards and apply hazard reduction strategies. The program includes Data Collection and Data Analysis Activities.

2009 RESOURCE CHANGES

Total dollars increase by \$587,000 to reflect the program's share of the agency request to maintain current safety efforts at 2009 prices, increased staffing, and reductions for non-recurring 2008 costs.

2007-2009 RESOURCES (DOLLARS IN THOUSANDS)					
2007 Actual		2008 Plan		2009 Request	
FTEs	Amount	FTEs	Amount	FTEs	Amount
82	\$12,460	77	\$14,074	81	\$14,661

HOW WE IDENTIFY HAZARDS

CPSC collects data on consumer product-related injuries and deaths, as well as economic and hazard exposure information, for products under our jurisdiction. We also investigate specific injury cases to gain additional knowledge about injuries or hazards and how the reported product was involved. We systematically analyze this information to determine where hazards exist and how to address them. These activities reflect the agency's commitment to making decisions based on appropriate data analyses. This work provides underlying support to all of CPSC's safety activities.

Product-Related Injuries. Each year, we collect information about product-related injuries treated in hospital emergency rooms through our National Electronic Injury Surveillance System (NEISS). This unique system provides statistically valid national estimates of product-related injuries from a probability sample of hospital emergency rooms and is the foundation for many CPSC activities. Several foreign governments have modeled their national injury data collection systems after CPSC's system. Annually, NEISS supplies over 360,000 product-related cases from a sample of about 100 hospitals. The hospitals transmit incident information electronically and, in some cases, the data are available within 24 hours after an incident.

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

Product-Related Deaths. CPSC also collects mortality data. We purchase, review, and process about 8,000 death certificates each year covering unintentional product-related deaths from all 50 states. Our Medical Examiner and Coroner Alert Project collects and reviews approximately 4,400 additional reports from participating medical examiners and coroners throughout the country. We also collect and review about 8,000 newsclips and 12,000 other reports of product-related injuries and deaths from consumers, lawyers, physicians, fire departments, and others.

CPSC also has an initiative to explore ways to enhance our current hazard identification systems into a more robust “Early Warning System.” Our goal is to better identify and respond to children’s product safety hazards starting with cribs, bassinets and play yards (play pens). This initiative is important because it is designed to address possible emerging hazards more quickly and effectively. Through an enhanced system, we hope to catch any discrepancies in information and find product safety patterns as they emerge.

2009 ANNUAL DATA COLLECTION AND DATA ANALYSIS GOALS

Annual Goals Summary		2004	2005	2006	2007	2008	2009
Data Collection Activities							
1. Evaluate, train and audit each hospital in the NEISS sample	Goal	100%	100%	95%	95%	95%	95%
	Actual	98%	99%	100%	99%		
2. Capture the product-related cases	Goal	90%	90%	90%	90%	90%	90%
	Actual	93%	92%	91%	91%		
3. Complete headquarters telephone investigations in less than 45 business days	Goal	85%	90%	90%	90%	90%	90%
	Actual	100%	99%	100%	99%		
4. Complete fire investigations as on-site or other in less than 45 business days	Goal	**	**	**	95%	95%	95%
	Actual	91%	97%	95%	98%		
5. Complete non-fire investigations as on-site or other in less than 45 business days	Goal	**	**	**	93%	93%	93%
	Actual	90%	97%	93%	96%		
6. Increase the number of establishment inspections by field staff	Goal	**	**	**	400	400	400
	Actual	417	274	320	493		
7. Sustain the number of incident reports collected from medical examiners/coroners	Goal	3,600	3,600	4,160	3,900	4,500	4,500
	Actual	4,514	4,428	4,843	4,724		
8. Sustain the number of incident reports collected from newsclips	Goal	7,000	7,000	8,100	7,300	7,800	7,800
	Actual	7,870	8,766	8,634	8,612		
Data Analysis Activities							
9. Early Warning System	Goal	**	**	**	**	1	1
	Actual	--	--	--	--		
10. Special Economic Studies	Goal	10	8	8	8	8	8
	Actual	10	8	11	9		

** No goal established. -- Data not available

Data Collection Activities

Maintain the quality of injury data.

1. *Monitoring Hospitals*

Goal: In 2009, staff will conduct at least one evaluation visit at 95 percent of the hospitals in the NEISS sample. Evaluation visits provide CPSC staff an opportunity to review hospital records and ensure that hospital coders are capturing and reporting data on the highest possible percentage of reportable cases.

2. *Capturing Product-Related Cases*

Goal: In 2009, the results of the audits in each hospital will indicate that NEISS hospitals are reporting over 90 percent of the product-related cases. A high reporting percentage is necessary to ensure the integrity of the estimates. Remedial action would be implemented in any hospital that is missing significant numbers of reportable cases.

Identify and investigate product hazards in the field.

3. *Telephone Investigations (Headquarters)*

Goal: In 2009, staff will complete at least 90 percent of investigations in fewer than 45 business days. The headquarters telephone investigations provide valuable information on specific NEISS cases of interest to CPSC analysts. Analysts must receive these data as quickly as possible to support hazard reduction activities.

4. *On-site and Other Fire Investigations (Field) – Timeliness*

Goal: In 2009, field staff will complete at least 95 percent of on-site and other fire investigations (not including telephone investigations) in fewer than 45 business days. These investigations provide valuable information on cases of interest to CPSC compliance officers and analysts. Analysts must receive these data as quickly as possible to support hazard reduction activities.

5. *On-site and Other Non-Fire Investigations (Field) – Timeliness*

Goal: In 2009, field staff will complete at least 93 percent of on-site and other non-fire investigations (not including telephone investigations) in fewer than 45 business days. These investigations provide valuable information on cases of interest to CPSC compliance officers and analysts. Analysts must receive these data as quickly as possible to support hazard reduction activities.

6. *Compliance Inspections*

Goal: In 2009, field staff will conduct 400 Compliance inspections.

7. *Medical Examiner/Coroner Reports*

Goal: In 2009, staff will obtain 4,500 medical examiner/coroner reports. These reports provide critical information on product-related deaths. The data are especially valuable because, unlike death certificates, they are generally received soon after the incident and provide some detail on how the incident occurred.

8. *Newsclips*

Goal: In 2009, staff will obtain 7,800 incident reports from newsclips. CPSC relies on clips from newspapers in all 50 states to identify incidents. These clips provide many reports of product-related deaths, serious injuries, and hazardous fires. The reports fill gaps in reporting from other data systems and provide a very important source of incidents to investigate in support of hazard identification and analysis activities.

Data Analysis Activities

9. *Early Warning System (Pilot Program)*

In 2007, CPSC staff initiated a pilot program for an Early Warning System (EWS) that will facilitate rapid identification of and action on emerging product-associated hazards. The pilot will consist of a system of processes and procedures that integrates timely input from subject matter experts (SMEs) and electronic assessment tools for evaluating incoming product-related reports. The system will also document the status of activities and actions taken by various CPSC offices.

In 2008, staff will develop and implement processes and procedures for a pilot EWS focusing on products found in the sleeping environments of children – cribs, bassinets, and play yards (play pens). A multidisciplinary team of SMEs will meet weekly to evaluate and characterize the hazard scenarios and failure modes of product associated incidents received during the previous week. An electronic database will be developed to capture the hazard scenarios, failure modes, investigative status and compliance action, and disposition of each incident. The characterized incidents will then be appended to a pilot system database that will support electronic summaries to better detect trends and potential emerging hazards. The focus is on mechanical or structural hazards that have the potential to entrap or otherwise fatally injure a child.

Goal: In 2009, depending on the outcome of the pilot assessment, the program may be expanded to cover other products.

10. *Special Economic Studies*

Staff conducts economic studies to develop hazard exposure data; to provide injury cost estimates; to develop estimates of product life and numbers of products in use; and to determine general and small business impacts, such as costs of production, environmental impact, labeling, and recalls. Staff will maintain econometric models through periodic review to assure that methodological approaches and models are current and adequate for CPSC staff use.

Goal: In 2009, staff will complete 8 special economic studies.

SERVICES AND MANAGEMENT GOALS

In support of our two core budget programs, “Reducing Hazards to Children and Families” and “Identifying Product Hazards,” we conduct activities designed to maintain and improve outstanding agency service and management. In the area of service quality, we focus on ways to better provide industry service and satisfy our customers. We have both long-term strategic goals and annual performance goals in each service quality area. We also have annual performance goals in response to the President’s Management Agenda.



INDUSTRY SERVICES

STRATEGIC GOAL: Maintain success with the timeliness and usefulness of the Fast Track Product Recall and the Small Business Ombudsman programs for industry through 2010.

THE PROGRAM

CPSC's Compliance function ensures that firms comply with the laws, regulations, and safety standards that protect consumers from hazardous and defective products. When a violation of a safety standard is found or a defective product is identified, we work cooperatively and quickly with industry to obtain an appropriate corrective action that can include recall of the hazardous product.

We administer two programs to assist industry: the Fast Track Product Recall (Fast Track) and Small Business Ombudsman programs. Under the Fast Track program, a firm that reports a hazardous product and recalls it quickly avoids a CPSC staff preliminary determination that its product is defective and presents a substantial risk of injury. Other advantages of this program for industry include reductions in paperwork, red tape, and legal expenses related to voluntary recalls. For CPSC, advantages of this program include removing hazardous products from consumers and the marketplace more quickly and a reduction in staff time to process the recall.

To date, over 1,300 firms have participated in the program, resulting in 2,229 product recalls involving over 266 million product units. The Fast Track program has been cited as outstanding by both government and private organizations.

With the Small Business Ombudsman program, we help small businesses comply more easily with product safety guidelines to manufacture safer products. This program provides firms with a single point of contact that expedites a clear and easy-to-understand response from our technical staff. To date, CPSC's Ombudsman has helped about 3,185 small businesses.

2009 ANNUAL INDUSTRY SERVICES GOALS

Annual Goals Summary		2004	2005	2006	2007	2008	2009
1. Initiate a Fast Track recall within 20 days	Goal	95%	95%	90%	90%	90%	90%
	Actual	96%	94%	98%	95%		
2. Respond to requests for CPSC's Ombudsman within 3 business days	Goal	80%	80%	80%	85%	85%	85%
	Actual	82%	94%	N/A*	N/A*		
3. Develop guidance documents	Goal	5	5	5	5	5	5
	Actual	8	8	8	5		

* Technical problems and staff changes resulted in incomplete data for 2006 and 2007. Data will be complete for 2008.

1. *Fast Track Timeliness*

Goal: In 2009, staff will complete a technical review and initiate a recall within 20 days 90 percent of the time for the Fast Track Program.

2. *Ombudsman Timeliness*

Goal: In 2009, staff will respond to requests from small businesses through the CPSC Small Business Ombudsman within 3 business days 85 percent of the time.

3. *Guidance Documents*

Goal: In 2009, staff will develop brief guides or other guidance documents for CPSC regulations so that industry can quickly and easily understand how to comply. Five additional guidance documents will be developed to explain regulations, other policies or procedures, or to assist industry in complying with CPSC regulations.



THE PROGRAM

CUSTOMER SATISFACTION WITH CPSC SERVICES

STRATEGIC GOAL: Sustain the high level of customer satisfaction with the CPSC Web site, hotline, Clearinghouse, and State Partnership Program at 90 percent or better through the year 2010.

In addition to our work reducing hazards associated with consumer products, we provide additional services to the public in the form of information services, including the agency's Internet Web site, hotline, the National Injury Information Clearinghouse, and the State Partners Program. These resources are used both to provide safety information to, and receive information from, the public. Customer satisfaction with these services is vital if CPSC is to fulfill its mission.

Our Web site (www.cpsc.gov) provides Internet access to CPSC resources and allows the public to view information about recalled products, report unsafe product incidents, request information, and download safety information. The hotline is a toll-free service that allows consumers to report product complaints or product-related injuries, learn about recalls and safety hazards, and obtain safety publications. The National Injury Information Clearinghouse provides data to the public in response to about 1600 requests each year. It also alerts manufacturers to potential hazards associated with their products, providing them with consumer complaints, reported incidents, and incident investigations involving their products. Our State Partners Program, using limited CPSC funds and CPSC-developed safety information, brings product safety services to consumers through cooperative programs with state and local governments. The program extends our reach throughout the nation.

2009 ANNUAL CUSTOMER SATISFACTION GOALS

Annual Goals Summary		2004	2005	2006	2007	2008	2009
CPSC Web Site							
1. CPSC Web site visits (in millions)	Goal	10.0	11.0	18.0	25.0	38.8	50.7
	Actual	11.9	13.7	20.3	32.3		
Hotline Services (1-800-638-2772)							
2. Respond to voicemail messages the next business day	Goal	85%	85%	85%	85%	95%	95%
	Actual	96%	86%	89%	99%		
3. Process incident reports within 8 working hours	Goal	90%	95%	95%	100%	95%	95%
	Actual	100%	100%	100%	100%		
National Injury Information Clearinghouse							
4. Mail incident information for verification to consumers within 2 business days	Goal	95%	95%	95%	95%	95%	95%
	Actual	99%	95%	100%	98%		
5. Provide manufacturers with verified incidents and investigations within 48 business days	Goal	90%	90%	90%	90%	95%	95%
	Actual	95%	95%	96%	97%		
6. Provide responses to requests within 7 business days	Goal	95%*	95%*	95%	95%	80%	80%
	Actual	97%	99%	98%	82%		
State Partners Program							
7. Conduct product safety activities within 90 days or less	Goal	**	**	**	88%	95%	95%
	Actual	81%	87%	95%	99%		
8. Host state caucus training sessions	Goal	**	**	**	1	1	1
	Actual	0	0	0	1		

*Starting in 2006, this goal was changed from 5 to 7 business days.

**No goal established.

CPSC Web Site

1. Web Site Visits

CPSC's Web site (www.cpsc.gov) was established to widen and speed public access to important safety information. The site started out simply, allowing for the retrieval of basic information such as press releases (usually announcing product recalls) and the agency's public meeting calendar. Over time, new features have been added, such as allowing the public to make online reports of product hazards and providing the ability to search and download data from our National Electronic Information Surveillance System (NEISS).

The number of visits to the Web site has grown rapidly from about 200,000 visits in 1997 to about 32.3 million visits in 2007. Based on a customer feedback survey and a review of our Web site, we plan to implement changes that will improve the ability to access safety information.

Goal: In 2009, we anticipate that we will have 50.7 million visits to CPSC's Web site.

Hotline Services (1-800-638-2772)

2. Voicemail

The hotline maintains high levels of customer satisfaction through administering a performance-based contract for hotline operators who deal directly with the public. Under this type of contract, we evaluate the performance and renew the contract only if the performance level meets or exceeds the standards set forth in the contract. This includes maintaining the hotline automated message system, maintaining the system for responding to e-mail messages, and preparing reports on consumer usage of these systems. In 2007, we received 3,547 messages from the public through voicemail.

Goal: In 2009, hotline staff will respond to voicemail messages the next business day 95 percent of the time.

3. Incident Reports

Consumers may make a complaint of an unsafe product or product-related injury through the hotline. In 2007, hotline staff processed 3,765 complaints about consumer products, and 100 percent were completed within eight working hours. We use these complaints to look for emerging hazards and to support studies of specific product hazards.

Goal: In 2009, hotline staff will process product incident reports within eight working hours 95 percent of the time.

National Injury Information Clearinghouse

4. Consumer Confirmation

The Clearinghouse contacts consumers to request verification of information contained in reports of unsafe products submitted to us through our consumer hotline, the Internet, or by mail. Requests for verification are mailed to consumers within 48 hours after the report arrives in the Clearinghouse. In 2007, we sent nearly 12,000 reports to consumers for verification and 98 percent were completed within two business days.

Goal: In 2009, staff will mail incident report verification information to consumers within 2 business days 95 percent of the time.

5. Manufacturer Mailing

The incidents from consumers and investigation reports from CPSC's field staff are sent to manufacturers whose products are named in these reports. Consumer verification information and manufacturer responses are also made available to staff electronically for review. In 2007, we mailed 12,400 reports to manufacturers and 97 percent were completed within 48 business days. The number of business days is calculated from the date the incident or investigation is received in the Clearinghouse and includes 20 business days of waiting for a response verifying the information from the complainant.

Goal: In 2009, staff will provide reported incidents and completed investigation results to manufacturers of identified products within 48 business days of receiving the reports in the Clearinghouse 95 percent of the time.

6. Information Requests

The Clearinghouse provides the public with technical information relating to the prevention of death and injury associated with consumer products. Requests for injury data are assigned to technical information specialists who search agency databases and publications to tailor responses to each customer's needs. Most of the about 1600 requests received in 2007 were completed within seven business days. Since 2006, goal definition and targets have been adjusted because of reprioritization of resources.

Goal: In 2009, staff will provide responses to requests for information within 7 business days 80 percent of the time.

State Partners Program

7. Product Safety Activities

CPSC's State Partners program works in cooperation with a group of state and local officials to deliver CPSC services to consumers, including recall checks, inspections, and in-depth injury investigations to support CPSC priorities.

Goal: In 2009, staff will conduct 95 percent of product safety activities within 90 days or less of assignment.

8. State Caucus Training

State and local officials work with CPSC on cooperative activities that complement those performed by CPSC field staff and are done at little or no cost to CPSC. Staff will host training for these officials.

Goal: In 2009, staff will host one annual training session for state and local officials.



PRESIDENT'S MANAGEMENT AGENDA

The President envisions a government that has a citizen-based focus and is results-oriented and market-based. To improve the functioning of the Federal Government and to achieve efficiencies in its operations, the President has highlighted five government-wide management initiatives. They are Strategic Management of Human Capital, Competitive Sourcing, Improved Financial Performance, Expanded Electronic Government, and Budget and Performance Integration. The Commission has taken a number of steps to support the management initiatives in the areas delineated in the President's Management Agenda, which allow us to achieve our goals while managing public resources with prudence.

Strategic Management of Human Capital

Annual Goals Summary		2004	2005	2006	2007	2008	2009
1. Modify the appraisal system	Goal	1	1	1	0	1	1
	Actual	1	1	0	0		
2. Identify skill gaps and develop training plans	Goal	1	1	1	1	1	1
	Actual	0	0	0	1		
3. Maintain the recruitment process time (days)	Goal	62	62	62	62	62	62
	Actual	60	61	61	49		
4. Conduct training for managers in human resource management	Goal	2	1	2	2	6	6
	Actual	3	2	4	6		
5. Conduct focus groups/on line surveys of new employees	Goal	2	2	1	1	1	1
	Actual	2	2	1	2		
6. Target recruitment efforts to organizations serving under-represented populations	Goal	10	12	12	8	10	11
	Actual	12	14	14	11		
7. Conduct training sessions for managers and employees in EEO/AEP responsibilities	Goal	3	3	3	3	5	5
	Actual	10	10	4	6		
8. Promote representation of under-represented groups and individuals with disabilities	Goal	5	5	5	5	5	5
	Actual	12	13	10	6		

1. Appraisal System

Staff revised CPSC's Senior Executive Service (SES) Performance Management System performance elements and standards in 2004 to include measures of success in meeting agency goals in our annual performance plans. In 2005, we revised the elements and standards for the remainder of the employees. In 2006, we monitored the use of the SES performance elements and standards and began implementing the modified elements and standards for the remainder of the employees. In 2008, we will fully implement the modified elements and standards for the remainder of the employees incorporating results-based performance measures with a direct link to CPSC's strategic goals.

Goal: In 2009, staff will monitor the use of the performance elements and standards for the remainder of the employees and assess the program performance.

2. Skills Analyses

In 2004, we developed competencies for some of our mission critical positions. In 2007, a new management training directive was developed that included a skill gap assessment, mandatory training requirements and a training plan for all supervisors, managers and executives. Additionally, skill gap analysis was completed for occupations in Human Resources and Information Technology. In 2008, we will identify skill gaps and develop training plans for other mission critical positions.

Goal: In 2009, we will continue to identify skill gaps and develop training plans for all mission critical positions. We will develop a succession plan to ensure continued development of current employees as well as targeted recruitment for mission critical positions.

3. Recruitment Time

Staff maintained the recruitment process time, calculated as the difference in the number of days between the recruitment request and the candidate selection date. In 2007, staff implemented an automated applicant intake system to improve efficiency of the staffing process. The average recruitment processing time for 2007 was 49 days, a reduction over the 2006 average of 61 days and well below the 2002 government average of 102 days.

Goal: Staff will maintain the recruitment process time.

4. Human Resource Training

In 2008, staff will conduct training for managers and supervisors in human resource management. This would include topics such as performance management, incentive programs, and other human resource procedures.

Goal: In 2009, staff will conduct essential management training on human resources management topics, such as performance management, staffing and recruitment, position management and other human resource policies.

5. Focus Group/Online Survey

In 2008, staff will conduct an on-line survey for all new employees to learn from their experience and determine how to improve our recruitment process.

Goal: In 2009, staff will implement recommendations from the survey and continue to assess the recruitment process through an on-line survey for all new employees as well as an applicant survey through our on-line applicant intake system.

6. Target Recruitment

Goal: In 2009, staff will target 11 recruitment efforts to organizations serving under-represented populations.

7. EEO/AEP Training

Goal: In 2009, staff will conduct 5 training sessions for CPSC managers and employees about their Equal Employment Opportunity/ Affirmative Employment Plan responsibilities.

8. Promote Representation

Goal: In 2009, staff will promote representation of under-represented groups and individuals with disabilities with at least 5 initiatives. Examples of these new initiatives are mentoring programs, summer volunteer program, employee training programs, and disability and diversity awareness programs.

Competitive Sourcing

Annual Goals Summary		2004	2005	2006	2007	2008	2009
9. Review and revise the annual FAIR Act Inventory as appropriate	Goal	1	1	1	1	1	1
	Actual	1	1	1	1		
10. Complete performance work statements and cost statements for activities in the FAIR Act Inventory annually	Goal	20%	20%	20%	0%	20%	20%
	Actual	0%	0%	0%	0%		
11. Complete competitions for activities in the FAIR Act Inventory	Goal	**	20%	20%	0%	20%	20%
	Actual	0%	0%	0%	0%		

**No goal established.

9. FAIR Act Inventories

We have published an inventory as required by the *Federal Activities Inventory Reform (FAIR) Act* each year since 1999. We reviewed all positions in the agency. We find that the majority of CPSC employees are engaged in the governmental public safety function of investigating product hazards and developing product standards.

We currently contract for most of our commercial services. For example, CPSC contracts for mail and driver services, laborer services, and copy and library services. We also contract for our consumer hotline operation, data screening for NEISS, and much of our computer programming and Help Desk operations. A total of 43 FTEs are represented by these contractual services. Moreover, we contract for specialized commercial reviews, such as bankruptcy experts, during the course of our investigations. We also contract out for operations of various major administrative systems such as payroll, finance, human resources, and procurement. These contracts represent at least another 7 FTEs for an equivalent of 50 FTEs currently contracted out.

In our 2007 inventory, we determined that an additional 12 employees over and above the 50 that are already contracted out may be performing commercial activities under the definitions in the FAIR Act and OMB Circular A-76 (Revised).

Goal: In 2009, staff will review and revise the FAIR Act inventory, as appropriate.

10. Performance Statements

Goal: In 2009, staff will complete performance work statements and cost statements for at least 20 percent of the activities in our FAIR Act inventory. Past work under this goal was deferred because of Commission reorganizations.

11. Competition

Goal: Through 2009 staff will complete competitions for at least 20 percent of the activities in our FAIR Act inventory. Past work

under this goal was deferred because of Commission reorganizations.

Improved Financial Performance

Annual Goals Summary		2004	2005	2006	2007	2008	2009
12. Monitor financial management systems that meet Federal requirements and standards (Letter of Assurance)	Goal	1	1	1	1	1	1
	Actual	1	1	1	1		
13. Financial management system replacement and implementation	Goal	**	**	**	1	1	1
	Actual	--	--	--	1		
14. Reduce or maintain the number of business days after month-end to produce monthly financial reports	Goal	3	3	3	3	3	3
	Actual	3	3	3	3		

**No goal established. --Data not available.

12. Financial Management Systems

In 2001, CPSC implemented a new core accounting system, the Federal Financial System (FFS), contracted from the Department of Interior’s National Business Center (NBC), a major provider of Federal accounting services meeting all Federal accounting system requirements and standards. In 2008, CPSC will continue to monitor the system to ensure continued compliance with all applicable Federal regulations and standards. This will be documented in staff annual letters of assurance.

Goal: In 2009, staff will continue to monitor the system for compliance.

13. Financial Management System Replacement

In 2007, staff evaluated new financial systems for a replacement system as NBC is dropping support of FFS in 2010. In 2008, staff will sign a contract for replacing the system.

Goal: In 2009, staff will begin implementing the new system .

14. Information Timeliness

Currently, we provide monthly financial reports electronically throughout the agency by the 3rd business day after the close of the month. This provides electronic on-demand access to financial information.

Goal: In 2009, staff will maintain the third business day delivery of reports to agency staff.

Expanded Electronic Government

Annual Goals Summary		2004	2005	2006	2007	2008	2009
15. Implement Web-based application to improve government-to-business communication	Goal	1	1	1	1	0	0
	Actual	1	1	0	0		
16. Develop and implement technology to improve access and transfer of information government-to-government	Goal	1	1	1	1	1	1
	Actual	1	1	1	1		
17. Improve internal efficiency and effectiveness	Goal	2	1	1	1	1	1
	Actual	2	3	6	0		

15. *Government-To-Business*
(G2B)

Government-to-Business initiatives will reduce the burden on business by adopting processes that dramatically reduce redundant data collection, provide one-stop streamlined support for businesses, and enable digital communications with businesses.

Several Government-to-Business initiatives are on hold because of work being done at GSA to finalize their Public Key Infrastructure (PKI) solution. This initiative is a required element for many of our upcoming G2B projects.

Goal: No Government-To-Business goals are currently planned for 2009.

16. *Government-To-Government*
(G2G)

Improved electronic data exchanges with Customs' databases will improve our capabilities to identify, track, and stop hazardous products from entering the United States. Improved information sharing, both within CPSC and with Customs, will substantively increase our capability in this area. For example, expanded access to the Customs' Automated Commercial Environment (ACE) will improve case monitoring at the ports as well as remotely. The addition of system capacity, such as hardware and software support will allow for improved screening at the ports. Creating new procedures to share compliance data with other federal agencies will reduce the lag time for information sharing. These efforts will only be possible with additional programming, project management and network support resources. This access and interchange will benefit other compliance activities.

Goal: In 2009, staff will implement new data sharing procedures that will improve CPSC's electronic data exchange with U.S. Customs and other regulatory agencies through the (ACE) database.

17. *Internal Efficiency and*
Effectiveness (IEE)

This initiative brings commercial best practices to key government operations, particularly information security, supply chain management, human capital management, financial management and document workflow. In 2007, we installed a new Freedom of Information Act (FOIA) Case Management system. It is expected to yield many operational and workflow improvements in the years to come. In 2008, we will begin to roll-out the application to internal staff. Many procedural and system adjustments are anticipated as users get used to this new tool.

Goal: In 2009, we will complete the roll-out of this application across the agency.

Budget and Performance Integration

Annual Goals Summary		2004	2005	2006	2007	2008	2009
18. Perform program evaluations	Goal	7	8	6	4	4	5
	Actual	5	6	6	4		

18. Program Evaluations

To integrate performance review with budget decisions, we have taken a number of steps, including: (1) changing internal databases to capture performance by strategic goal; (2) developing a system for resource allocation by strategic goal for direct and indirect costs; (3) adding resource allocations (FTE, costs) for each strategic goal to the performance plan; (4) combining the performance plan and budget request; (5) realigning our budget programs to match our strategic goals; and (6) incorporating the Office of Financial Management, Planning and Evaluation work under the direction of the Office of the Executive Director to provide a comprehensive and cohesive integration of budget and performance. We believe that our annual budget and performance plans make the agency performance-oriented by showing progress achieved on our hazard reduction goals and our quality and management goals. For continued improvement, however, we must evaluate our programs.

Goal: In 2009, staff will perform specific evaluations of fire-related deaths, fireworks-related deaths, CO deaths associated with all consumer products, impact evaluation of CO poisoning deaths, and Ombudsman program.

PROGRAM EVALUATIONS

Program evaluations used to develop the Strategic Plan. Strategic targets for the extent of injury and death reductions in each hazard area were based on statistical analyses of data and staff expertise. We calculated 10-year trends of injuries and deaths at both the product and hazard levels. Staff experts in each hazard area set specific targets after assessing the potential actions of the Commission and the effect of joint efforts with other organizations and industry. Staff also made assumptions concerning the outcomes of potential technical feasibility studies.

Customer service/satisfaction and human capital goals were based on information from surveys and tracking systems, as well as on staff expertise as to what could be accomplished in a given time span.

Future program evaluations. Injury and death reduction strategic goals will have two types of evaluations: yearly tracking of injuries and deaths at the hazard level and evaluations of injury and death reductions associated with specific products at appropriate time intervals. The timing for evaluating injury and death reductions depends, in part, on how long consumers keep specific products. Evaluations at the product level will be conducted when consumers are expected to have replaced a substantial proportion of older products with safer products. We derive estimates of the extent to which safer products have replaced older products using CPSC's Product Population Model.

Customer service/customer satisfaction goals will also have two types of evaluations: (1) tracking of customer service standards and activities and (2) assessments of consumers and industry. Tracking will be evaluated annually, while assessments are planned to be implemented on a cycle of every three years. An overall plan for future evaluations is provided in Table A.

A. Reducing Fire-Related Deaths

- 2004: Tracking of fire-related deaths
- 2004: Tracking of fireworks-related deaths
- 2005: Tracking of fire-related deaths
- 2005: Tracking of fireworks-related deaths
- 2006: Tracking of fire-related deaths
- 2006: Tracking of fireworks-related deaths
- 2006: Impact evaluation of product(s) with fire-related hazards
- 2007: Tracking of fire-related deaths
- 2007: Tracking of fireworks-related deaths
- 2008: Tracking of fire-related deaths
- 2008: Tracking of fireworks-related deaths
- 2009: Impact evaluation of fireworks regulations
- 2009: Tracking of fire-related deaths
- 2009: Tracking of fireworks-related deaths

B. Reducing CO Poisoning Deaths

- 2004: Tracking of CO deaths
- 2005: Tracking of CO deaths
- 2006: Tracking of CO deaths associated with portable generators
- 2007: Tracking of CO deaths associated with all consumer products
- 2008: Tracking of CO deaths
- 2009: Tracking of CO deaths associated with all consumer products

C. Assessments by Industry

- 2004: Fast Track
- 2005: Ombudsman (Carryover from 2004)
- 2007: Fast Track
- 2009: Ombudsman

D. Customer Satisfaction

- 2005: Web Site
- 2006: Clearinghouse (Carryover from 2005)
- 2006: State Partners
- 2008: Hotline

Table A
Schedule of Evaluations

Strategic Goals	Issues	General Scope	Procedures	
			Method	Time
Hazards Fire Carbon Monoxide	Reduce the rate of death	National estimates of deaths	1. Hazard Surveillance (NFIRS, NCHS)* 2. Evaluation of specific products – tracking before/after studies.	1. Annually 2. As appropriate
Customer/Industry Services Hotline Clearinghouse State Partners Web Site Industry	1. Timeliness standards met 2. Satisfaction with CPSC's services	1. Population of users 2. Random sample of users	1. Logs 2. Interviews; mail surveys	1. Annually 2. Every 3 years

*National Electronic Injury Surveillance System (NEISS), National Fire Incident Reporting System (NFIRS), National Center for Health Statistics (NCHS).

VERIFICATION AND VALIDATION

This section describes the means by which we will verify and validate the results of our annual performance measurement. Each annual goal was set by targeting or projecting a number of activities to be completed. We provide a complete list of performance measures with corresponding databases and verification procedures in Table B. We also provide further descriptions separately for: (A) reducing hazards to children and families for each of the core functions (safety standards, compliance, and consumer information); (B) identifying product hazards; and (C) service quality and customer satisfaction.

A. Annual Goals for Reducing Hazards to Children and Families

1. Safety Standards

- *Targeted performance goals for: (a) rulemaking activities, (b) recommendations sent to voluntary standards groups, and national or international code groups, (c) assessments completed (hazard analyses, data collection, technical feasibility studies), and (d) supporting of voluntary standards developments/revisions.*

Performance measures: The number of completed activities in each category.

Database: A milestone tracking systems record (including a semi-annual voluntary standards tracking report), the completion dates for significant activities such as Commission briefings, recommendations sent to voluntary standards committees, and completed reports.

Verification: A review by senior managers and a formal clearance process, resulting in publicly available official, dated documents.

2. Compliance

- *Preliminary determination within 85 business days (unregulated products)*

Performance measures: The percent of unregulated cases with preliminary determination within 85 business days of initiation.

Database: The Compliance Corrective Actions (CCA) database tracks this performance metric.

Verification: Internal consistency checks, required fields, automatic generation of data reports and reviews of each action by senior managers.

- *Corrective Action within 60 business days of preliminary determination (unregulated products)*

Performance measures: The percent of cases involving an unregulated product where a corrective action was commenced within 60 business days of preliminary determination.

Database: The Compliance Corrective Actions (CCA) database tracks this performance metric.

Verification: Internal consistency checks, required fields, automatic generation of data reports and reviews of each action by senior managers.

- *Corrective Action within 35 business days of notice of violation (regulated products)*

Performance measures: The percent of cases involving a regulated product where a corrective action was obtained within 35 business days of the Letter of Advice being sent.

Database: CPSC's Integrated Field System (IFS) is used to track this performance measure.

Verification: Internal consistency checks, required fields, automatic generation of data reports and reviews of each action by senior managers.

3. Consumer Information

- *Consumer Outreach*

Performance measures: The number of US consumers estimated to have been reached through TV appearances and interviews on national television networks, video news releases to national and local television networks and e-publications on CPSC's Web site.

Database: The data come from three separate and independent tracking sources. The number of viewers of TV appearances and interviews is determined from Nielson ratings of major television networks. The number of viewers of video news releases is provided by a third party contractor. The number of e-publications viewed is determined through computer programming that links Web statistics (Webtrends) to publications by hazard.

Verification: All data is obtained from third parties.

- *Performance goals for responding to the public's requests for publications through our Web site. [Note that each CPSC publication has been classified by the hazard addressed.]*

Performance measures: The number of Web publications in each hazard area.

Database: The Inventory of Web Publications database tracks the number of each publication viewed or downloaded.

Verification: This information is reported to us through an off-the-shelf software application, *Webtrends*. Perform monthly check of database information.

B. Annual Goals for Identifying Product Hazards

- *Targeted performance goals for: (a) collecting data from NEISS hospitals, telephone and onsite investigations, medical examiners and coroners, and newsclips, and (b) evaluating, training and auditing NEISS hospitals.*

Performance measures: The number of completed activities or percent of hospitals visited in each.

Database: The NEISS, IPII (Injury or Potential Injury Incidents), INDP (In-depth Investigations), and NARS (NEISS Administrative Record System) databases track these performance measures.

Verification: Internal quality control process.

C. Annual Goals for Service Quality and Customer Satisfaction

- *Performance goals for contacts with the public and timeliness of CPSC actions.*

Performance measure: The number of Web site contacts, hotline calls, and timeliness checks.

Verification: These performance measures are all stored electronically and are either automatically generated by contractors (Web and hotline) or automatically generated through our programming.

- *Performance goals for number of business days for technical review.*

Performance measures: The number of business days for CPSC to provide a technical response to small business callers.

Database: The number of business days is generated automatically in the Ombudsman database.

Verification: Manager review.

- *Performance goals for customer satisfaction and industry assessments.*

Performance measures: Percent of customers satisfied with our services; improvements made based on stakeholders' suggestions.

Verification: Standardized surveys and interviews based on census or sample of respondents.

Table B
Verification and Validation of Performance Measures for Annual Goals

Type of Performance Measure	Performance Measure	Database	Verification/Validation
Results-Oriented Goals			
Candidates for Commission consideration	Number of Commission briefing packages	Milestone tracking	Official documents
Voluntary standards development or changes	Number of recommendations	Milestone tracking	Official documents
National codes changes	Number of recommendations	Milestone tracking	Official documents
Model legislation	Number of recommendations	Milestone tracking	Official documents
Hazard/cost analyses, data collection	Number of reports completed	Milestone tracking	Official documents
Technical feasibility studies	Number of reports completed	Milestone tracking	Official documents
Time to PD* (Unregulated)	Percent within 85 days	CCA*	Manager review
Time from PD* to CAP* (Unregulated)	Percent within 60 days	CCA*	Manager review
Time from LOA* to Corrective Action (Reg.)	Percent within 35 days	IFS*	Manager Review
Voluntary standards (VS) supported	Number of VS supported	IFS*, official documents	Manager Review
Public information efforts	Number of efforts	Milestone tracking	Official documents
Consumer Outreach	Number of consumer hits	Tape file log, Inventory	Official documents
NEISS hospital data	Number of cases	NEISS	Office Quality Control Process
Medical Examiner/Newsclip reporting	Number of cases	IPII	Office Quality Control Process
Investigations	Number of cases	INDP	Office Quality Control Process
NEISS training	Percent of hospitals visited	NARS	Office Quality Control Process
Service Quality/Consumer Satisfaction			
Web site	Number of contacts	Web server file log	Automated reports (Contractor)
Meet timeliness customer service standards	Number of standards met	Log of actions	Automated reports
Improve services	Number of services improved	Milestone tracking	Manager review
Survey consumer satisfaction	Ratings by consumers	Random sample	Procedural checks
Industry Services			
Assess services	Responses of industry callers	Random sample/census	Procedural checks
Meet timeliness standards for hotline, Clearinghouse and State Partners	Number of standards met	Log of actions	Automated reports
Track performance	Procedures completed	Milestone tracking	Manager review

*IFS = Integrated Field System; CCA = Compliance Corrective Actions; PR/RA = Press Release/Recall Alert database; PD = Preliminary Determination; CAP = Corrective Action Plan; LOA = Letter of Advice; NEISS = National Electronic Injury Surveillance System; IPII= Injury or Potential Injury Incident; INDP= In-Depth Investigation; NARS= NEISS Administrative Records System.

SOCIETAL COST ESTIMATION

The \$800 billion in societal costs is the total of three components: injury costs, costs of fatalities, and property damage. To estimate medically attended injuries, CPSC employs the Injury Cost Model (ICM), which uses empirically derived relationships between emergency department injuries reported through the National Electronic Injury Surveillance System (NEISS) and those treated in other settings (e.g. doctor's offices, clinics). The injury cost estimates are made up of four major components including medical costs, work losses, pain and suffering, and legal costs. The methods used to estimate these four broadly defined components are described in detail in the *Consumer Product Safety Commission's Revised Injury Cost Model*, Miller et. al., Public Services Research Institute, Calverton, MD, December 2000.

The cost of fatalities is estimated by applying a statistical value of life to the number of deaths. CPSC staff's statistical value of life is consistent with the results of research employing the "willingness to pay" methodology. CPSC staff uses a \$5 million cost of fatalities.

The estimate for average annual property damage (\$5.01 billion in 2001 to 2003) comes from data on residential fires collected by the National Fire Protection Association in an annual survey. The property damage estimate does not include costs associated with fires that are not reported to a fire department or goods destroyed or damaged when an incident other than fire occurs.

The \$800 billion figure does not include the costs of illnesses and deaths resulting from chemical or bacterial exposure from use of consumer products.

PROCESSES AND TECHNOLOGIES NEEDED TO MEET THE PERFORMANCE GOALS

This section reviews the (A) processes, (B) technologies (capital assets), (C) treatment of major management problems, (D) accountability, and (E) methodology for allocating CPSC's budget request to strategic goal activities in the annual performance plan.

A. Processes

We plan to achieve our annual goals by continuing our current operational processes. These are described more fully under the introduction to each budget program and activity. In summary, our processes involve these hazard reduction activities:

- Participating in the voluntary standards process or developing mandatory safety standards
- Conducting compliance activities such as recalls, corrective actions, and enforcement of existing regulations (In 2008, a new Import Safety Initiative has been implemented to provide a more robust response to increased volume of imported products)
- Distributing information to the public on how to avoid product hazards.

These activities are supported by our work in the area of hazard identification and analysis.

B. Capital Assets / Capital Programming

We have two major recurring capital asset acquisitions identified in support of our performance goals – continued investment in information technology (IT) and the modernization of our laboratory. Our investments in IT and laboratory modernization have a direct impact on our ability to achieve our mission and strategic goals.

We use IT to speed access to injury and death information to set priorities for using our resources; support various voluntary and mandatory approaches to reducing hazards; and more quickly reduce hazards to American consumers. In addition, automating various tracking, planning, and mission-critical systems needed to accomplish organizational tasks has saved thousands of administrative staff hours, thus expanding staff time devoted to injury reduction activities. This has benefited the various CPSC programs established to carry out the agency's mission. In 2008, we have allocated \$1 million to establish a recurring IT Capital Investment Fund, \$1 million to establish a recurring Applications Development Fund, and \$2.3 million for a one-time replacement of the agency's financial management system.

The existing 1950s era laboratory facility provides critical support to our compliance investigations and development of safety standards. We are working with GSA to seek efficiency improvements in our laboratory facility including relocating the lab to a more modern facility. We have allocated \$8 million in 2008 Operating Plan and we are requesting \$6 million in 2009 towards completion of this project.

C. Treatment of Major Management Problems and High-Risk Areas

We do not have any major problems of fraud and mismanagement in our programs and operations. We can address problems of fraud and mismanagement in programs and operations, if they were to arise, through CPSC's: (1) Office of Inspector General, responsible for audits, inspections, special reports, and investigations; (2) the Office of the Chairman, responsible for the annual Federal Financial Managers

Improvement Act (FFMIA) report to the President and Congress; and (3) the Senior Management Council, responsible for internal control reviews and annual letters of assurance.

We produced audited 2007 financial statements (reported in our 2007 Performance and Accountability Report, November 2007). CPSC's statements received a "clean opinion." These statements met the *accelerated* Federal schedule of 45 days after the close of the fiscal year. The audit found that CPSC's statements and financial system conformed to accepted accounting principles, laws, and regulations and that CPSC had effective internal controls. We are replacing our financial system in 2009 because the system vendor is withdrawing support.

D. Accountability

The agency's budget review process, annual performance report, and staff performance appraisals are the primary methods for assigning accountability to managers and staff for achievement of objectives. Each year during the budget and operating plan process, we will link the Strategic Plan and the Performance Budget. The Executive Director of the agency and the directors for the Offices of Hazard Identification and Reduction (for Safety Standards and Data Collection), Compliance (for Recalls and Corrective Actions), and Information and Public Affairs (for Consumer Information) are responsible for this linkage. Finally, the Commission stresses the achievement of the Strategic Plan's objectives as an important consideration in the performance appraisals of agency managers. In addition, the agency's Inspector General conducts an annual audit program of various aspects of agency operations, including auditing portions of the performance plans.

E. Resource Allocation to Accomplish Annual Goals

For 2009, the funding request for the agency is \$80,000,000 with a staff level of 444 full time equivalents (FTEs) nationwide. All of the annual goals outlined in this document assume that the \$80,000,000 or equivalent purchasing power will be available for 2009. We may need to adjust the annual goals to reflect the actual level of funding and staff made available to the agency, particularly if our current service funding needs are not met.

About 85 percent of our resources (excluding one-time laboratory modernization expenditures) are allocated to the compensation and housing of our professional and technical staff who identify product-related hazards; investigate and act on product safety hazards and violations of safety regulations; provide recommendations to CPSC for decision-making; and inform the public about product safety. After staff compensation and housing costs, about 15 percent of our annual budget is available for other critical support costs, such as injury data collection, in-depth investigations of deaths and injuries, independent expert technical evaluations, and travel in support of investigations and voluntary standards development. Our challenge is to work within these constraints while maintaining enough flexibility to fulfill our mission of protecting the public.

Allocation Methodology. Resources in the Annual Performance Plan are allocated between our two budget programs, "Reducing Product Hazards to Children and Families," and "Identifying Product Hazards." These budget programs include activities that support the strategic goals and reflect both direct and indirect costs. We estimated the resource allocation for each strategic goal by:

- Determining the direct costs for each strategic goal for those activities classified by hazard in the budget (e.g., resources for the upholstered furniture project were directly applied to the goal for reducing fire-related deaths). Most of the agency's costs are direct costs, such as salary and contract support costs.

- Estimating direct costs for those strategic goal activities not classified by hazard in the budget, such as customer and industry service activities. Staff estimated the distribution attributable to the strategic goals using historical data and expert judgment.
- Distributing proportionately indirect costs, such as administration and space rent, to the strategic goals for each program.

PROGRAM AND FINANCING SCHEDULE
(DOLLARS IN THOUSANDS)

	2007	2008	2009
	<u>Actual</u>	<u>Plan</u>	<u>Request</u>
Obligations by Program Activity:			
Direct Program:			
Reducing Product Hazards to Children and Families	\$48,103	\$58,029	\$59,417
Identifying Product Hazards	12,460	13,971	14,583
Laboratory Modernization	2,100	8,000	6,000
Total Direct Program	62,663	80,000	80,000
Reimbursable Program	3,344	3,500	3,500
Total New Obligations	66,007	83,500	83,500
Budgetary Resources Available for Obligation:			
New Budget Authority (gross).....	66,072	83,500	83,500
Total New Obligations.....	-66,007	-83,500	-83,500
Unobligated Balance Expiring.....	65	--	--
New Budget Authority (Gross), Detail:			
Discretionary:			
Appropriation (Definite).....	62,728	80,000	80,000
Discretionary: Spending Authority from Offsetting Collections:			
Offsetting Collections (Cash)	3,344	3,500	3,500
Total New Budget Authority (Gross)	66,072	83,500	83,500
Change in Obligated Balances:			
Unpaid Obligations, Start of Year:			
Obligated Balance, Start of Year	9,604	12,495	12,099
Total New Obligations.....	66,007	83,500	83,500
Total Outlays (Gross)	-62,712	-83,896	-83,896
Adjustments in Expired Accounts	-404	--	--
Unpaid Obligations, End of Year:			
Obligated Balance, End of Year	12,495	12,099	11,703
Outlays (Gross), Detail:			
Outlays from New Discretionary Authority	55,814	73,900	73,900
Outlays from Discretionary Balances	6,898	9,996	9,996
Total Outlays (Gross)	62,712	83,896	83,896
Offsets:			
Against Gross Budget Authority and Outlays:			
Offsetting Collections (Cash) from Federal Sources	3,306	3,480	3,480
Offsetting Collections (Cash) from Non-Federal Sources	37	20	20
Total Offsetting Collections (Cash).....	3,344	3,500	3,500
Net budget authority and outlays:			
Budget Authority (Net).....	\$62,728	\$80,000	\$80,000
Outlays (Net)	\$59,368	\$80,396	\$80,396

OBJECT CLASSIFICATION SCHEDULE (DOLLARS IN THOUSANDS)

		<u>2007</u> <u>Actual</u>	<u>2008</u> <u>Plan</u>	<u>2009</u> <u>Request</u>
Direct Obligations:				
Personnel Compensation:				
11.1	Full-Time Permanent	\$34,383	\$38,445	\$41,716
11.3	Other than Full-Time Permanent	1,897	2,852	3,095
11.5	Other Personnel Compensation.....	375	674	674
11.8	Special Personnel Services Payments	--	--	--
11.9	Total Personnel Compensation	36,655	41,971	45,485
Personnel Benefits:				
12.1	Civilian	9,213	10,037	11,233
13.0	Benefits for Former Personnel	3	10	10
	Subtotal, Compensation and Benefits	45,871	52,018	56,728
21.0	Travel and Transportation of Persons	820	970	1,113
22.0	Transportation of Things	71	85	85
23.1	Rental Payments to GSA	4,344	4,277	4,500
23.2	Rental Payments to Others.....	5	1	1
23.3	Communication, Utilities and Miscellaneous Charges	662	672	685
24.0	Printing and Reproduction	283	301	301
25.1	Advisory and Assistance Services	184	200	200
25.2	Other Services.....	4,628	7,266	5,855
25.3	Purchases from Other Federal Agencies	3,195	11,533	7,800
25.4	Operation and Maintenance of Facilities	153	324	330
25.5	Research and Development Contracts	68	--	--
25.7	Operation and Maintenance of Equipment	649	718	731
26.0	Supplies and Materials.....	601	456	470
31.0	Equipment.....	1,125	1,175	1,197
42.0	Insurance Claims and Indemnities	4	4	4
99.0	Subtotal, Direct Obligations	62,663	80,000	80,000
Reimbursable Obligations:				
11.1	Full-Time Permanent	7	35	35
12.1	Civilian	--	--	--
21.0	Travel and Transportation of Persons	38	53	53
25.0	Other Services.....	3,299	3,412	3,412
	Subtotal, Reimbursable Obligations	3,344	3,500	3,500
99.9	Total Obligations	\$66,007	\$83,500	83,500

PERSONNEL SUMMARY

Direct:

Total Compensable Work Years:

Full-Time Equivalent Employment.....	393	420	444
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VOLUNTARY AND MANDATORY STANDARDS SUMMARY

	<u>2007</u> <u>Actual</u>	<u>2008</u> <u>Plan</u>	<u>2009</u> <u>Request*</u>
VOLUNTARY STANDARDS UNDER DEVELOPMENT			
Fire Hazard	12	13	12
Carbon Monoxide Hazard.....	3	3	3
Children’s and Other Hazards	<u>51</u>	<u>56</u>	<u>50</u>
Total Voluntary Standards.....	66	72	65
MANDATORY STANDARDS UNDER DEVELOPMENT			
Fire Hazard	5	9	7
Carbon Monoxide Hazard.....	1	1	1
Children’s and Other Hazards	<u>5</u>	<u>4</u>	<u>4</u>
Total Mandatory Standards	11	14	12

*It is anticipated that these numbers will change to reflect activities changed during the operating plan period.

PROGRAM ASSESSMENT RATING TOOL (PART) SUMMARY

Assessment Year: 2006

Assessment Rating: Effective

Findings:

- *The program has a clear and unique Federal role as the only Federal agency with the authority to identify and address risks posed by over 15,000 types of consumer products.*
- *Long-term goals and annual performance measures are concrete, measurable, and directly support the agency's mission.*
- *CPSC recently improved its management practices by developing a better way to systematically review its current regulations.*

Key Performance Measures	Year	Target	Actual
<i>Long-term (Outcome):</i> Reduce the rate of death from fire-related causes by 20 percent from 1998 to 2013. Three-year moving averages are used to measure death rate reduction. Figures represent the number of deaths per million citizens.	1998	N/a	9.5
	1999	N/a	9.3
	2000	N/a	9.1
	2001	N/a	8.8
	2002	N/a	8.8
	2003	N/a	9.0
	2013	7.6	
<i>Long-term (Outcome):</i> Reduce the rate of death from carbon monoxide poisoning by 20 percent from the 1999-2000 average by the year 2013. Three-year moving averages are used to measure death rate reduction. Figures represent the number of deaths per ten million citizens.	1999	N/a	5.1
	2000	N/a	4.5
	2001	N/a	5.2
	2002	N/a	5.4
	2003	N/a	5.7
	2013	3.8	
<i>Annual (Efficiency):</i> Percent of fire hazard cases going to the preliminary determination panel within 85 business days after a firm report or opening of a case.	2005	N/a	64%
	2006	N/a	58%
	2007	66%	94%
	2008	70%	
	2009	70%	
<i>Annual (Efficiency):</i> Percent of fire-related cases where corrective action is taken within 60 business days after notice of staff's preliminary determination that a product is defective.	2005	N/a	70%
	2006	N/a	82%
	2007	80%	81%
	2008	82%	
	2009	83%	
<i>Annual (Efficiency):</i> Percent of cases where corrective action is taken within 35 business days after notice of a violation of CPSC standards relating to fire.	2005	N/a	70%
	2006	N/a	90%
	2007	80%	99%
	2008	82%	
	2009	82%	
<i>Annual (Efficiency):</i> Percent of defective product cases where corrective action is taken within 60 business days after notice of staff's preliminary determination involving all children's hazard areas.	2005	N/a	83%
	2006	N/a	89%
	2007	80%	89%
	2008	82%	
	2009	82%	

Key Performance Measures (cont.)			
	Year	Target	Actual
<i>Annual (Efficiency):</i> Percent of cases where corrective action is taken within 35 business days after notice of a violation of CPSC mandatory standards involving all children’s hazard areas.	2005	N/a	89%
	2006	N/a	92%
	2007	85%	97%
	2008	88%	
	2009	88%	
<i>Annual (Output):</i> (in millions) Number of consumers reached with CPSC's fire safety messages through TV appearances and interviews on national television networks, video news releases to national and local television networks, and e-publications on CPSC's Web site.	2005	N/a	94.1
	2006	N/a	185
	2007	125	
	2008	125	
	2009	125	
<i>Annual (Output):</i> (in millions) Number of consumers reached with CPSC's carbon monoxide safety messages through TV appearances and interviews on national television networks, video news releases to national and local television networks, and e-publications on CPSC's Web site.	2005	N/a	5.2
	2006	N/a	14.6
	2007	20	
	2008	25	
	2009	27	

Improvement Plan	Status	Comments
Establishing broader, more comprehensive long-term goals consistent with CPSC’s overall mission.	Action taken, but not completed	Actions currently underway. Lack of a CPSC quorum between January and August 2007 delayed completion to 2008.
Ensuring budget requests are explicitly tied to the accomplishment of annual and long-term performance goals, and that resource needs are presented clearly in the budget.	Action taken, but not completed	Future justification materials should reflect clear links between funding requests and performance accomplishments. Agency is researching alternatives including the potential purchase of a financial management system with performance reporting capabilities.

Program Funding Level (in millions of dollars)		
2007 Actual	2008 Plan	2009 Request
63	80	80

CPSC ACCOMPLISHMENTS

Our accomplishments illustrate our continuing efforts to reduce injuries and deaths from consumer products. CPSC's injury prevention activities involve all members of the product safety triangle -- consumers, industry, and CPSC -- working together for product safety. CPSC stresses three approaches in carrying out its mission. First, the agency seeks to prevent deaths and injuries from hazardous products before tragedies occur. Second, CPSC seeks to work cooperatively with, and be accessible to, American consumers and businesses. Finally, the agency continually evaluates the way it operates to create a more efficient agency.



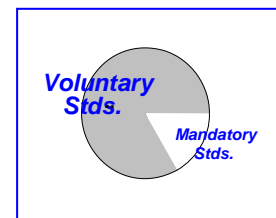
The Safety Triangle at Work: Working with Businesses and Consumers. Because government, businesses, and consumers all share responsibility for product safety, CPSC:

- Continues to address potential risks associated with imported products, including lead in children's products, especially from China. We are addressing the safety of Chinese imports with a four part plan of action, begun in 2007: dialogue and initiatives with the Chinese government; working with the private sector, including Chinese manufacturers directly; increased surveillance and enforcement activities at the borders and within the marketplace; and requests that Congress modernize our governing statutes.
- In 2008, CPSC has implemented a new, more aggressive "Import Safety Initiative" program with increased resources provided in 2008. CPSC created an Import Surveillance **Division** with specialists specifically trained in import surveillance procedures and the rapid identification of defective and non-complying consumer products to conduct import safety improvement activities. This marks the first permanent full-time presence of CPSC investigators at key ports of entry throughout the United States.
- Established the *Office of International Programs and Intergovernmental Affairs* to support CPSC's pre-eminent role in consumer product safety on a global level. A major emphasis of this program is helping foreign manufacturers establish product safety systems as an integral part of manufacturing. In 2007, the Commission entered into new Memoranda of Understanding (MOU) with Japan, in addition to the eleven existing MOUs in place with China and other countries.
- In 2007, CPSC staff initiated a pilot program for an Early Warning System (EWS) that will facilitate rapid identification of and action on emerging product-associated hazards. The pilot will consist of a system of processes and procedures that integrates timely input from subject matter experts (SMEs) and electronic assessment tools for evaluating incoming product-related reports. The system will also document the status of activities and actions taken by various CPSC offices.
- Started our "Drive to One Million" campaign in 2007. This effort uses several different agency tools to make the public aware that, despite our best efforts, there are still many recalled products in the hands of the public. Our goal is to have at least one million consumers sign up to receive, free of charge, potentially life-saving information electronically through CPSC's e-mail notification system. Consumers can receive notice of recall information as it is released by signing up at www.cpsc.gov/cpsclist.aspx.
- Continues the award-winning voluntary *Fast Track Product Recall Program* to speed up corrective actions, including product recalls and, most importantly, quickly remove unsafe consumer products from the marketplace. Total Fast Track product recalls were 246 in 2007. Since the program's inception, over 1,300 firms participated, resulting in over 220 million product units. The Fast Track program has been cited as an outstanding innovation by both government and private organizations.

- Initiated www.recalls.gov, an innovative “one-stop shop” for all federal product recalls, in partnership with five other Federal health and safety regulatory agencies that conduct safety recalls. CPSC also partnered with numerous businesses as well as public organizations in promoting the Web site. The site enables people to sign up for product recall alerts and automatically obtain future product safety information. In 2007, there were 1.9 million visits to the site. CPSC also added a one-stop search page where consumers can search for recalls from all six participating agencies, further enhancing their ability to disseminate important safety information.
- Expanded the grassroots *Neighborhood Safety Network* (NSN) which provides lifesaving information to consumers and families who are not familiar with CPSC’s safety messages, particularly vulnerable and hard-to-reach populations, such as the elderly, urban and rural low-income families, and some minority groups. NSN has more than 5,000 members, many of whom share CPSC produced posters and safety alerts with tens, hundreds, or even thousands of other people. Recent messages to the Network have focused on child care safety, a major magnet related recall, ATV safety, and furniture tip-overs. Through our Web site, interested organizations and individuals may sign up to become a partner in our future information campaigns. Some of our partners include the U.S. Department of Health and Human Services, Indian Health Service, American Indian reservations, Safe Kids Worldwide, Future Farmers of America, Boys & Girls Clubs of America, fire stations, and hospitals and health clinics.
- Designated an official *Small Business Ombudsman* at CPSC to enhance relationships between the agency and small businesses, and provide guidance to them. CPSC staff responded and offered guidance to 285 small businesses in 2007. So far, the agency has helped over 3,185 small businesses comply more easily with product safety guidelines. In a recent survey, 92 percent reported that they were satisfied or very satisfied with our services. The program has been cited in the National Ombudsman Report to Congress on Regulatory Fairness as one of the best programs in the Federal Government.
- Established a program to invite public comments on CPSC staff and contractor research reports. The primary goals of this program are to make the CPSC staff’s activities more transparent and to obtain the benefit of public review and input.

Stressing Voluntary Safety Standards. As directed by our governing statutes, we emphasize voluntary safety standards first and enact mandatory standards only when appropriate. For example, CPSC:

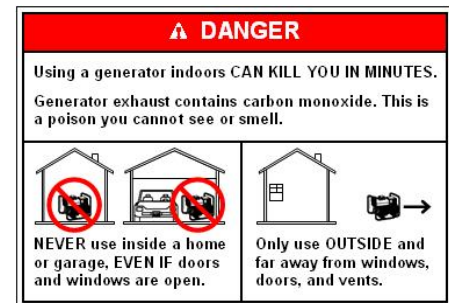
- Worked cooperatively with industry to complete 390 voluntary standards, while issuing only 38 mandatory rules from 1990 to 2007 – a *ten-to-one* ratio of voluntary to mandatory standards.
- Worked cooperatively with industry to revise the *voluntary baby walker safety standard* to address injuries from stair falls. New walkers with safety features are now on the market. There has been a decrease in injuries of almost 90 percent from 1992 to 2005, due in part to the new voluntary standards requirements. Injury costs have already decreased by \$1.5 billion.
- Worked cooperatively with industry to revise the *voluntary standard for gas water heaters* to prevent fires from flammable vapors. These fires, some resulting in deaths and severe burn injuries, typically occur when consumers use flammable liquids (usually gasoline, for cleaning purposes) or when flammable liquids leak or are spilled near the water heater. New, safer water heaters are now on the market.
- Initiated a program to provide information on the *CPSC Web site* about CPSC staff participation in voluntary standards activities, including advance notice of proposed staff positions on issues to be considered by voluntary standards organizations. This program further opens CPSC staff activities for public review and comment.



- Through a series of international conferences, training activities in other countries and several Memoranda of Understanding, we are educating foreign producers of consumer products about the need to address voluntary standards.

Saving Lives with Action and Information. To get unreasonably dangerous consumer products off store shelves and out of homes, CPSC:

- Issued a *major regulation* (impact of over \$100 million) for mattresses to address open-flame ignition. The new regulation, which became effective on July 1, 2007, is likely to save as many as 270 lives each year when consumers replace all existing mattresses with new complying ones. CPSC staff organized several seminars for manufacturers and retailers. Additionally, staff participated in several industry workshops and compiled several written documents including Question and Answer materials. Moreover, CPSC staff developed the Mattress Flammability Information Web page (www.cpsc.gov/businfo/mattress.html), which serves as a useful resource to all interested parties.
- Issued a mandatory standard, effective May 14, 2007, requiring a danger label on portable generators to warn consumers of the CO poisoning hazard and to encourage safe use.
- Completed 473 cooperative recalls (the largest number of voluntary recalls in the past 10 years) in 2007, involving nearly 110 million product units that either violated mandatory standards or presented a substantial risk of injury to the public. .



Generator On-Product Label

- Continued to enforce the laws and regulations designed to protect citizens from product hazards. In 2007, CPSC negotiated out of court settlements in which four companies voluntarily agreed to pay \$2.75 million in civil penalties to the U.S. Treasury.
- Prevented (in partnership with U.S. Customs and Border Protection) over 2.7 million non-complying product units (fireworks, lighters, and children's products and toys) that violated safety standards from entering the country in 2007.
- Staff developed a working *Retailer Reporting Model* under which certain retailers utilized a new way of meeting their obligation to report potential product hazards or violations of Commission safety standards.
- Enhanced recall effectiveness by establishing the CPSC-created *Neighborhood Safety Network*, a communications vehicle using email and the Internet; initiating the creation of www.recalls.gov and www.atvsafety.gov; and updating our www.cpsc.gov Web site.
- Informed the public in 2007 of hazardous products through 353 press releases and recall alerts, 97 television appearances, 4.7 million electronically-distributed publications, and through CPSC's Web site, consumer hotline, and National Injury Information Clearinghouse. We had 32.3 million Web site visits, a 59 percent increase from 2006.
- Staff completed a briefing package recommending that the Commission grant a petition regarding lead in children's jewelry. The Commission voted to grant the petition and to issue an advance notice of proposed rulemaking (ANPR).
- Staff held a Magnet Forum in 2007 to develop strategies to address the serious emerging hazards to children associated with magnetic toy ingestion. The forum included members of the medical community, voluntary standard developers, members of the toy industry, and officials from other government agencies, as well as from the Canadian government. Discussion topics included design/technical issues and potential requirements for magnetic toys.

Emerging Hazard Analyses. Because CPSC is data-driven, we always seek to improve the timeliness and quality of data collection efforts. Specifically, CPSC:

- Expanded and accelerated collection of medical examiner and coroner reports to provide faster identification of consumer product-related deaths.
- Improved the availability of hazard data to staff, industry, and consumers by making data from the agency's *NEISS database* available on CPSC's Web site.
- Expanded timely reporting of hazards by accepting hazard complaints through our telephone hotline and Web site.

CPSC and Citizens. We work hard to bring CPSC services to citizens through many different means. Specifically, CPSC:

- Started our “Drive to One Million” campaign in 2007. This effort uses several different agency tools to make the public aware that despite our best efforts there are still many recalled products in the hands of the public. Our goal is to have at least one million consumers sign up to receive, free of charge, potentially life-saving information electronically through CPSC's e-mail notification system. Consumers can receive notice of recall information as it is released by signing up at www.cpsc.gov/cpsclist.aspx.
- Developed the Web-based *Consumer Opinion Forum* to provide a venue for soliciting information from consumers who volunteer to respond to staff questions about interacting with consumer products.
- Provided a "user friendly" *CPSC Internet Web site* (www.cpsc.gov), increasing visits to the site to 32.3 in 2007 from 20.3 million in 2006 (a 59 percent increase). The CPSC Web site provides up-to-the minute recall and other safety information, and allows the public to send CPSC complaints about hazardous products. Industry also can use this site to file hazardous product reports required under Section 15 of the Consumer Product Safety Act and obtain current information about CPSC actions. CPSC safety brochures are available on our Web site for citizens and organizations to download and distribute. In a recent survey, 94 percent of Web site users reported they were satisfied or very satisfied with the Web site.
- Combined state-of-the-art technology and existing resources to transform our hotline into an *innovative, user-friendly hotline information system*. The hotline provides a critical gateway to CPSC for consumers seeking important safety information and filing reports about unsafe products. In 2007, there were over 188,000 hotline calls from the public.
- Brought staff closer to citizens by reassigning staff from larger, centralized regional offices to locations dispersed throughout the nation, and providing greater local presence and access.

Streamlining and Strengthening Agency Operations. To assure the most value for the American public from every agency dollar, CPSC:

- Produced 2007 audited financial statements earning a “Clean Opinion” (reported in our 2007 Performance and Accountability Report, November 2007). These statements met the *accelerated* Federal schedule of 45 days after the close of the fiscal year. The audit found that CPSC's statements and financial system conformed to accepted accounting principles, laws, and regulations and that CPSC has effective internal controls.
- Reorganized in 2005 to streamline our workforce, reduce support positions, and reduce managerial and supervisory levels.
- Established and secured funding to modernize the aging testing laboratory facility..

- Modernized information technology infrastructure from mainframe technology to a client–server internal network environment that has lowered costs, improved access to hazard data, and increased the speed of agency responses.
- Implemented a field teleworking program that eliminated all field space rent and increased staff efficiency.

ACRONYMS

ACE	Automated Commercial Environment
ANPR	Advance Notice of Proposed Rulemaking
ATV	All terrain vehicle
CF&IPRU	U.S. Immigration and Customs Enforcement (ICE) Headquarters Commercial Fraud and Intellectual Property Rights Unit
CO	Carbon Monoxide
CPI	Consumer Price Index
CPSC	Consumer Product Safety Commission
EEO/AEP	Equal Employment Opportunity/Affirmative Employment Program
EWS	Early Warning System
FAIR	Federal Activities Inventory Reform
FDA	Food and Drug Administration
FFS	Federal Financial System
FHSA	Federal Hazardous Substances Act
FISMA	Federal Information Security Management Act
FOIA	Freedom of Information Act
FTE	Full-time equivalent
GSA	General Services Administration
GHS	Globally Harmonized System
ICCVAM	Interagency Coordinating Committee Validation of Alternative Methods
ICE	U.S. Immigration and Customs Enforcement
IT	Information Technology
ITDS	International Trade Data System
NEC	National Electrical Code
NEISS	National Electronic Injury Surveillance System
NFIRS	National Fire Incident Reporting System
NIST	National Institute for Standards and Technology
NSN	Neighborhood Safety Network
NPR	Notice of Proposed Rulemaking
OMB	Office of Management and Budget
PART	Program Assessment Rating Tool
PMA	President's Management Agenda
PPPA	Poison Prevention Packaging Act
VNR	Video News Release
200X	Years mentioned refer to fiscal years except for deaths, injuries and associated property loss, which are on a calendar year basis.

**U.S. CONSUMER PRODUCT SAFETY COMMISSION
BETHESDA, MD 20814**