



United States
CONSUMER PRODUCT SAFETY COMMISSION
Washington, D.C. 20207

Office of the Executive Director

MEMORANDUM

DATE: July 1, 1997

TO : Commissioners

Through: Sadye E. Dunn, Secretary *S. Dunn*
Jeffrey S. Bromme, General Counsel *J. Bromme*

FROM : Pamela Gilbert *PG*
Executive Director

SUBJECT: 1999 Budget Recommendation

This memorandum transmits the staff recommendation for CPSC's 1999 budget request. The staff recommends a 16 percent increase over the 1998 budget request currently pending before Congress. This funding level will allow the agency to maintain and enhance its mission of saving lives and preventing injuries. Despite a budget cut in 1996 that continues to affect the agency's purchasing power, CPSC has maintained its valuable, cost-effective service to the American public, preventing thousands of family tragedies and saving society millions of dollars. However, without additional investments in technology, infrastructure, and expertise to address sophisticated and hidden hazards, the agency faces erosion of its effectiveness in the future.

Recommendation Summary

The 1999 request is for \$52.4 million, an increase of \$7.4 million over our pending 1998 request of \$45 million. FTEs remain constant at 480, preserving the FTE reductions made by the President in 1995 and in 1998. The request recognizes that:

1. Minimal maintenance of our current services level (or purchasing power) requires additional funding of \$2.1 million, or 28 percent of the total increase.
2. As a data-driven agency, we must strengthen the tools we use to identify and analyze hazards if we are to continue making sound risk-based decisions. The information technology increase of \$2.4 million (or 32 percent of the total increase) represents funding necessary for maintenance as well as key improvements, such as an integrated database.

NOTE: This document has not been
reviewed or accepted by the Commission.
Initial *ph* Date *6/30/97*

CPSA 6 (b)(1) Cleared
A *6/30/97*
No (Mfrs/Priv/Bus) or
Products Identified
Excepted by _____
Firms Notified,

3. We must continually explore new directions in hazard reduction and compliance if we are to continue to deliver value to the American consumer and business. The balance of the request, \$2.9 million or 40 percent of the total increase, addresses new initiatives. Some proposals will be familiar, since they were proposed last year but were left unfunded.

1999 Budget Base to Maintain Current Services

The staff recommendation is based on the President's 1998 request of \$45 million. The Congress has not completed action on our 1998 request. While further action is pending in the Congress, for planning purposes - and based on Office of Management and Budget (OMB) guidance - we have assumed that CPSC's 1998 budget will be at the President's request.

The staff developed the costs of maintaining current agency services in 1999 using OMB guidelines. At a minimum, the budget must increase by \$1,565,000 to pay for statutorily-mandated staff compensation costs in 1999. In addition, the staff estimates that \$207,000 will be necessary to meet increased costs of noncompensation items such as travel, supplies, and services. There are also space rent increases proposed by the General Services Administration (GSA), including \$75,000 for office space. There is an unknown additional increase GSA is proposing in rent for the laboratory site. When we learn this amount, it will be added to the budget before submission to the OMB.

The staff recommendation for maintaining current services also includes restoration of two earlier budget cuts made to meet the reduced 1996 appropriation. Continuing these cuts will harm the agency's level of service. Thus, we recommend \$100,000 to restore quality step increases to recognize superior staff performance and \$125,000 to increase staff training necessary to maintain the scientific and technical skills of our staff. These investments are important to sustain staff productivity that have offset staff reductions of the past several years.

Program Changes

There are two types of programmatic changes reflected in the 1999 request: new efforts funded within the \$45 million base; and, new initiatives that require funding above the 1998 level. The major changes are summarized below by budget program.

Hazard Identification and Analysis - Because our decisions are data-driven, it is imperative that we sustain and improve our data-collection and analysis capabilities. The 1999 recommendation includes several initiatives to strengthen the collection, investigation and analysis of injury data, and the economic assessment necessary to take risk-based injury reduction actions. These initiatives include:

1. Purchase of annual, sole source poisoning data (\$70,000) which supports our poison prevention work.
2. Two economic studies on the full costs of child injuries and head injuries to improve the agency's Injury Cost Model (\$80,000). These two studies were contained in last year's budget request to OMB but not funded.
3. Update of the Product Population Model (\$165,000) used by staff to develop product-in-use and product life estimates critical to decide the risk presented by products. This key model has not been updated in the last 15 years.

Hazard Assessment and Reduction - As expected, some 1998 activities in this program area will be approaching conclusion in 1999. Since these efforts are reduced, we recommend funding several new initiatives within the \$45 million base. The new efforts include:

1. Fire Hazards - development of a mechanical method for testing child resistance in cigarette lighters, a greater emphasis on carbon monoxide poisonings, and an assessment of the role wallcoverings play in residential fires.
2. Electrical/Mechanical Codes and Standards - development of an electrical fire investigation guide, evaluation of arc fault protection devices, an assessment of the voluntary standards requirements for portable heaters and ceiling fans, development of a new voluntary standard for swimming pool alarms, and limited ATV standards work, if necessary.
3. Children's Products - study of youth basketball injuries, development of a bicycle helmet testing manual, and research focusing on how children use a variety of products.
4. Chemical Hazards - evaluation of respiratory masks intended for consumer use.
5. Testing and Evaluation Support - establishment of a modest fund to provide for peer review or testing to address unanticipated and unplanned evaluation needs.

In addition, the second year of the planned three-year update of children's anthropometric measurements, used in support of reducing children's hazards, continues in 1999 at \$300,000, the same level as contained in the 1998 President's request now before Congress.

New funding is requested for the following initiatives to address additional deaths and injuries and strengthen our hazard reduction tools:

1. Under Fire Hazards, research on existing smoke detector technologies as well as emerging technologies (\$500,000), and research into the application of child-resistance techniques to matches (which cause the deaths of 50 children under five years of age each year) (\$60,000).
2. Laboratory equipment (\$100,000) to restore last year's temporary cut to the laboratories' normal equipment replacement level.

3. Staff travel (\$10,000) to provide support of increased agency reliance on voluntary standards to reduce product hazards.

Compliance - The core of the budget recommendation for Compliance is a major initiative to identify and pursue more substantial-risk, technologically-complex hazards. This \$1.5 million addition involves the targeted application of resources to address the most difficult and time-consuming hazards that pose the most serious risks. We have now developed an inventory of such cases and, if we expect to continue properly addressing these technically complex hazards, we need to provide additional expert support.

Additional initiatives include:

1. A small amount of contract funds to seek State and local assistance to handle unanticipated emerging compliance problems during a budget year (\$15,000). Investments in State and local assistance are always cost-effective, producing a much larger expansion of CPSC coverage for a small sum.
2. Increased investigation support with \$39,000 for travel (\$34,000 for field, \$5,000 for headquarters compliance staff) and \$24,000 for other operating expenses (\$19,000 for field case file equipment and \$5,000 for operating expenses of headquarters compliance staff).
3. Survey funding to verify compliance achievements in meeting the agency's Government Performance and Results Act (GPRA) goal for industry satisfaction (\$20,000).

Consumer Information - Beyond continuing the base program, several initiatives are proposed to strengthen our delivery of hazard reduction and compliance information to the American public:

1. As part of the agency's focus on fire hazards and vulnerable populations, a pilot outreach effort in six cities to improve the availability of working smoke detectors to high-risk populations (\$50,000).
2. The efficient distribution of children's safety information to the nation's pediatricians (\$35,000).
3. The first development of cost-effective news feeds directed to the radio media (\$25,000).
4. The expansion of the Hotline operating hours and initiation of consumer publication ordering through the Hotline (\$130,000).
5. The expansion of support for the agency's information center and Internet Website to further improve customer service and consumer information distribution (\$25,000).
6. Survey funding to verify consumer information achievements in meeting the agency's GPRA goals for customer service (\$11,000).

All of these items, except the GPRA survey funding, were contained in the 1998 proposal to OMB but not funded.

Agency Management - There are no changes proposed in this program.

Information Technology - Because we are a data-driven agency, it is not surprising that there is significant funding requested for information technology (\$2.4 million). This increase would, for the first time, allow the agency to keep up with changing technology by establishing a systematic replacement and maintenance program, as well as permit critical information enhancements, such as creating an integrated database.

Specifically, the request would:

1. Establish a maintenance program (\$1,351,000) that would provide a reasonable replacement cycle for critical equipment and software, thus keeping our information systems functioning with current and efficient technology.
2. Complete the major work needed for an integrated hazard database to allow an investigator or researcher to quickly assemble all relevant information from the agency's several databases (\$700,000).
3. Provide for new technology applications to take advantage of improvements in software and equipment that would increase agency productivity (\$315,000).
4. Provide contract support to help the agency's National Injury Information Clearinghouse sustain its recent success in speeding up its responses to staff, consumer, and industry inquiries and data (\$65,000).

These costs, when added to present funding levels, is comparable to the average annual investment made by Federal agencies in information technology.

GPRA and the Budget

The long-range goals contained in the agency's April draft GPRA strategic plan guided the development of this budget proposal. These goals include reductions in deaths and injuries in these areas: fire, children's head injuries, carbon monoxide poisoning, and electrocutions. In addition, there are industry satisfaction and customer service satisfaction goals.

In some cases, such as in fire hazards, there are both base level activities and increases above the base (\$560,000). Also, above base funding, there are funds (\$31,000) requested for independent assessment of GPRA goal progress in Compliance and Consumer Information programs. In other areas, such as in children's head injuries, proposed work is within base resources. However, in all GPRA goal areas, the budget provides appropriate resources to make progress in the first-year of the multiyear goals. And while progress would not necessarily be diminished by failure to fund projects above the base, such funding would enhance our ability to meet the GPRA goals in future years and fulfill our mission to reduce deaths and injuries from consumer products.

Based on the Commission's 1999 budget decision, the staff will prepare a draft performance plan for 1999 as required by GPRA. The draft will be submitted to OMB in the Fall but will not be completed until CPSC receives the President's 1999 request level.

Next Steps

The staff is available to answer any questions you may have before the briefing on July 16. If needed, a decision meeting is scheduled on July 23.

After the Commission decision, the staff will prepare a revised budget document to reflect Commission budget decisions. Staff will also include additional information required by the Office of Management and Budget. This revised document will be provided to the Commission before submission of the 1999 request to OMB on September 8.

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

Attachment



U.S. Consumer Product Safety Commission

1999 Preliminary Budget Request

July 1997

**1999 PRELIMINARY BUDGET REQUEST
Table of Contents**

I.	Overview*	
II.	Budget Summary:	
	Table 1 - 1999 Budget by Program/Subprogram	1
	Table 2 - Summary of Changes	2
III.	Hazard Identification and Analysis	4
	Surveillance Data	6
	Investigations	7
	Emerging Hazards	7
	Economic Studies	8
IV.	Hazard Assessment and Reduction	9
	Fire/Household	12
	Electrical and Mechanical/Children's and Recreational Products	15
	Chemical	18
	Testing and Evaluation Support	19
V.	Compliance	20
	Section 15 Activities	22
	Regulated Products	24
	Voluntary Standards Conformance	26
VI.	Consumer Information	28
	Continuing Publications and Outreach	29
	Clearinghouse	30
	Public Information Services	31
VII.	Agency Management	33
VIII.	Appendix:	
	Resources by Project	36
	FTEs by Organization	39
	Summary of Field Resources	40
	Voluntary and Mandatory Standards Summary, 1997-1999 ..	41
	Participating Voluntary Standards, 1997-1999	42
	Monitoring Voluntary Standards, 1997-1999	43
	Rulemaking Program, 1997-1999	45
	Information Technology Initiatives for 1999	46

*** To be prepared at later date for submission to the Office of Management and Budget.**

II. BUDGET SUMMARY

TABLE 1
1999 BUDGET BY PROGRAM/SUBPROGRAM
(dollars in thousands)

	1997 Appropriation		1998 Request		1999 Recommendation		1999 Change from 1998	
	FTEs	Amount	FTEs	Amount	FTEs	Amount	FTEs	Amount
Hazard Identification and Analysis:								
Surveillance Data.....	24	\$3,174	24	\$3,190	25	\$3,550	+1	+\$360
Investigation Data.....	22	1,628	22	1,745	22	1,835	--	+90
Emerging Hazards.....	10	884	13	1,158	11	1,100	-2	-58
Economics Studies.....	2	211	2	191	2	463	--	+272
Program Support.....	6	567	5	534	4	527	-1	-7
Subtotal.....	64	6,464	66	6,818	64	7,475	-2	+657
Hazard Assessment and Reduction:								
Fire/Household.....	27	2,325	24	2,442	23	2,946	-1	+504
Electrical/Mechanical/Children.....	29	2,480	27	2,592	28	3,175	+1	+583
Chemical.....	12	994	12	1,136	13	1,356	+1	+220
Testing and Evaluation Support.....	2	352	3	322	3	552	--	+230
Program Support.....	15	1,434	16	1,536	16	1,746	--	+210
Subtotal.....	85	7,585	82	8,028	83	9,775	+1	+1,747
Compliance:								
Section 15 Activities.....	107	8,645	106	9,551	107	11,677	+1	+2,126
Regulated Products.....	75	5,867	75	6,208	75	6,876	--	+668
Voluntary Standards Conformance.....	2	164	2	228	2	242	--	+14
Program Support.....	7	605	7	618	7	698	--	+80
Subtotal.....	191	15,281	190	16,605	191	19,493	+1	+2,888
Consumer Information:								
Continuing Publications and Outreach..	17	1,486	17	1,541	16	1,671	-1	+130
Clearinghouse.....	7	566	7	607	7	730	--	+123
Public Information Services.....	26	2,527	26	2,627	27	3,184	+1	+557
Program Support.....	5	427	4	427	4	463	--	+36
Subtotal.....	55	5,006	54	5,202	54	6,048	--	+846
Agency Management:								
Commissioners and Staff.....	13	1,451	13	1,502	13	1,625	--	+123
Commission Advice/Legal Guidance.....	14	1,483	13	1,561	13	1,721	--	+160
Executive Direction.....	8	790	8	869	8	1,100	--	+231
General Administrative Services.....	57	4,440	54	4,415	54	5,115	--	+700
Subtotal.....	92	8,164	88	8,347	88	9,561	--	+1,214
Total Commission without Relocation.....								
Relocation.....	487	\$42,500	480	\$45,000	480	\$52,352	--	+7,352
Relocation*.....	--	43	--	--	--	--	--	--
Total Commission with Relocation.....	487 **	\$42,543	480	\$45,000	480	\$52,352	--	+\$7,352

*Relocation funds are not discussed in the budget narrative because the funds are special purpose funds and are expected to expire in 1997.

**The 1997 FTE ceiling has been reduced to 480; because the reduction will be achieved through attrition it is not shown in the detail.

Table 2
Summary of Changes, 1998 to 1999
(dollars in thousands)

	<u>Amount</u>	<u>FTEs</u>
1998 APPROPRIATION	\$45,000	480
ADJUSTMENTS TO 1998 APPROPRIATION BASE:		
Cost Increases - To maintain current services in 1999:		
Statutory pay and benefit increases	1,565	
Non-compensation related inflation increases	207	
GSA space rent increases for office space (\$75)/laboratory (unknown) .	75+?	
Other Adjustments:		
Restoration of employee quality step increases deleted in 1996	100	
Restoration of employee training program deleted in 1996	<u>125</u>	
1999 CURRENT SERVICES LEVEL	\$47,072	480
CRITICAL INVESTMENTS:		
Hazard Identification and Analysis:		
Surveillance Data - purchase of annual poisoning data	70	
Economic Studies - long-term cost of head injuries (\$40); full cost of child injuries (\$40); update Product Population Model (\$165)	245	
Hazard Assessment and Reduction:		
Fire Initiative - smoke detector research (\$500); matches research (\$60)	560	
Testing and Evaluation - laboratory equipment	100	
Voluntary Standards travel support	10	
Compliance:		
Section 15 Initiative - investigation support for substantial-risk, technologically-complex cases	1,500	
Regulated Products - State and local funding	15	
Compliance investigation support - travel (\$39); equipment (\$24)	63	
GPRAs surveys	20	
Consumer Information:		
Smoke detectors campaign	50	
Pediatricians outreach	35	
Radio news outreach	25	
Hotline - expanded hours/improved public access to publications	120	
Information Center/Internet Website support	25	
GPRAs surveys	11	

Information Technology:		
Establish maintenance program	1,351	
Integrated database	700	
New applications	315	
National Injury Information Clearinghouse support	<u>65</u>	
Subtotal, Critical Investments	<u>\$5,280</u>	<u>-0-</u>
1999 REQUEST	<u>\$52,352</u>	<u>480</u>

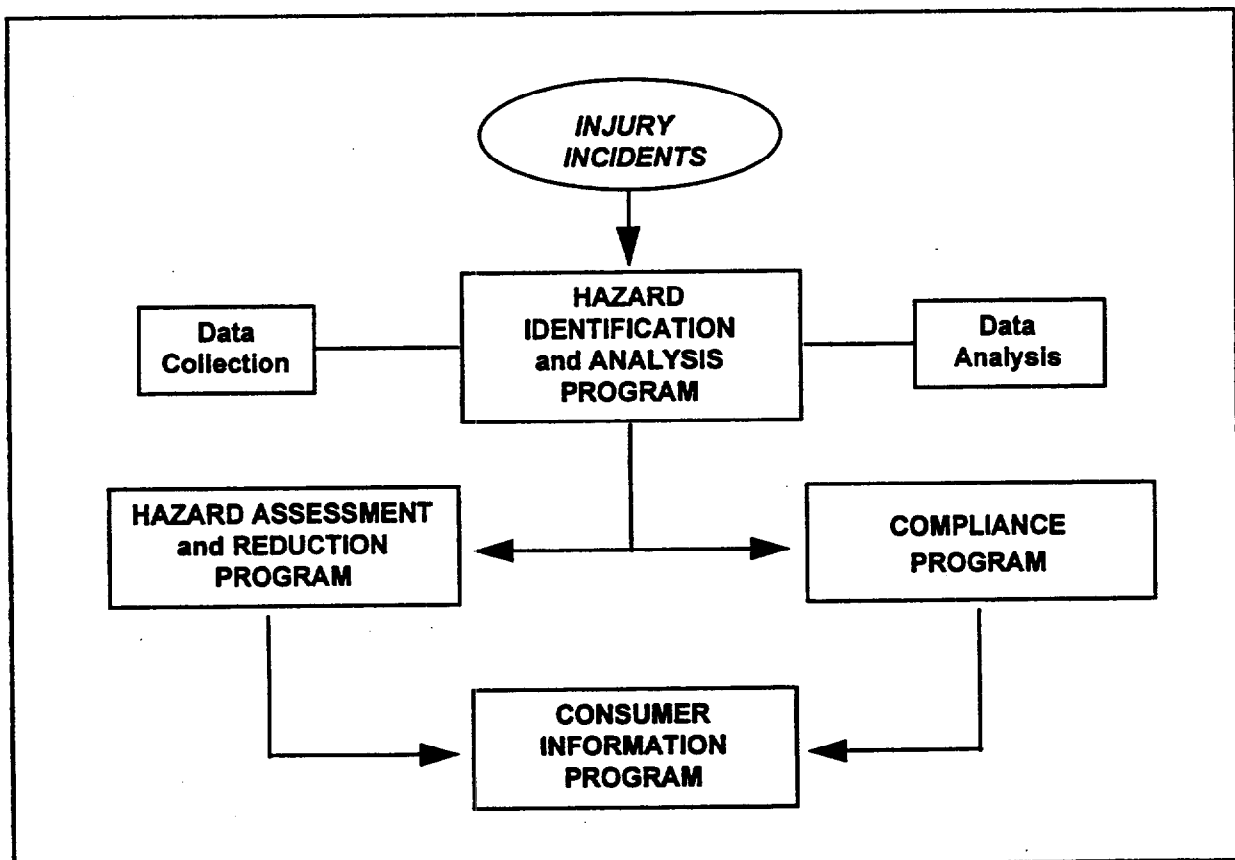
III. HAZARD IDENTIFICATION AND ANALYSIS

	1997 Appropriation		1998 Request		1999 Recommendation	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Total Program	64	\$6,464	66	\$6,818	64	\$7,475

Goals and Strategies:

The Hazard Identification and Analysis (HIA) Program provides the information needed to assess product hazards and develop injury reduction strategies.

The Commission collects data on consumer product-related injuries and deaths, as well as potential injury incidents. It also collects economic and hazard exposure information on products under the agency's jurisdiction. Investigation of specific injury cases provides additional knowledge about injuries or hazards and how the reported product was involved. Commission staff screen the hazard data and conduct analyses to determine if hazard reduction action should be taken under the Commission's Hazard Assessment and Reduction, Compliance, or Consumer Information programs.



RELATIONSHIP OF HIA PROGRAM TO OTHER PROGRAMS

1998 Base Program:

The HIA program in 1998 provides data collection and data analysis services with 66 FTEs and \$6.8 million.

Data collection (under the Surveillance Data effort) consists of gathering and processing basic injury data from many sources including hospitals, medical examiners, poison control centers, and news media. CPSC's data collection system is unique because it is timely (in some cases data are available within 24 hours after an incident) and produces statistically valid data on which injury reduction strategies are based. Federal agencies involved in health and safety issues, including the Centers for Disease Control and Prevention, and the National Institute for Occupational Safety and Health rely on Commission injury data. Several foreign governments have modeled their national injury data collection system after the Commission's system. In 1997, the hospital sample was updated to maintain the statistical validity of the system.

The HIA program analyzes causal information under the Investigations, Emerging Hazards, and Economic Studies efforts. These efforts reflect the Commission's commitment to making regulatory and enforcement decisions based on appropriate data analysis.

1999 Changes:

The strengthening of the agency's data collection and analysis process continues with the funding proposed in 1999. The HIA 1999 request consists of 64 FTEs and \$7.5 million, an increase of \$657,000 over 1998. This change reflects increases to maintain current services and the program's share of agency information technology initiatives, as well as various program changes (\$315,000).

Program initiatives include:

- Purchase of data on children's poisonings from the American Association of Poison Control Centers (\$70,000);
- Funding for two economic studies to update the agency's Injury Cost Model: long term cost of head injuries (\$40,000) and, cost of child injuries (\$40,000); and,
- Funding for an update of the agency's Product Population Model which provides estimates of the number of products in use (\$165,000).

FTEs decrease by two to reflect workload adjustments. Two technical staff FTEs are transferred from the Emerging Hazards subprogram to provide direct technical support of one FTE each in the Hazard Assessment and Reduction and the Compliance programs. In addition, one FTE is transferred within the HIA program from Program Management to Surveillance Data, again to reflect workload adjustments.

Program Detail	1997 Appropriation		1998 Request		1999 Recommendation	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Surveillance Data	24	\$3,174	24	\$3,190	25	\$3,550
Investigations	22	1,628	22	1,745	22	1,835
Emerging Hazards	10	884	13	1,158	11	1,100
Economic Studies	2	211	2	191	2	463
Program Support	6	567	5	534	4	527
Total Program	64	\$6,464	66	\$6,818	64	\$7,475

Surveillance Data

The Surveillance Data project gathers preliminary data on deaths, injuries and hazards. This information provides vital input for Commission decisions on remedial strategies for addressing the risks of injury associated with a wide variety of consumer products. For 1999, the Surveillance Data project continues with the following ongoing activities:

- The National Electronic Injury Surveillance System (NEISS) continues as the foundation for Commission efforts to collect information on product-related injuries. NEISS provides estimates of the frequency and severity of product-related injuries treated in hospital emergency rooms. NEISS will supply about 330,000 cases from a sample of 101 hospitals. The hospital sample was updated in 1997 to maintain statistical validity of the system. About one-fourth of the hospital sample was changed as a result of the update.
- The collection of mortality data involves the purchase, review and processing of about 8,700 certificates covering product-related accidental deaths from all 50 states. In addition, the Medical Examiner and Coroner Alert Project (MECAP) effort involves collection, review and processing of approximately 2,400 reports from participating medical examiners and coroners throughout the country.
- The collection, review and processing of approximately 10,000 news clips and 10,000 other incident reports from consumers, lawyers, physicians, fire departments and many other sources.
- The provision of statistical support for all the data systems, including resources to design, conduct and evaluate the many special injury studies required each year.

A new initiative is the purchase of data from the American Association of Poison Control Centers (AAPCC) on poisonings to children under age five (\$70,000). This data is critical for identifying and supporting the need for child resistant packaging. This is the most comprehensive national source of information on childhood poisonings.

Investigations

The Investigations project, an ongoing activity, gathers detailed causal information on selected incidents identified under the Surveillance Data project. The Investigations project begins with careful review of all incoming reports to identify those most important for follow-up. Follow-up activity continues with a telephone investigation and an on-site investigation on those cases where detailed information investigations will provide documentation on how specific types of injuries occur. These data show the interaction between the victim, the product, and the environment and form the basis for development of appropriate remedial strategies.

Emerging Hazards

Emerging Hazards provides for the proactive, systematic identification and evaluation of a variety of product-related hazard areas. Information developed from this project will be used to establish the need for Hazard Assessment and Reduction (HAR) projects or other remedial activities, such as compliance efforts or consumer information campaigns.

Screening of data is ongoing and uses the extensive information available through the Commission's data systems to identify new hazards, previously undetected hazards, or re-emerging hazards. The Commission expects to receive 330,000 NEISS injury reports, 20,000 newspaper clippings and other incident reports, 2,400 medical examiners reports, 8,700 death certificates, and 2,200 agency investigation reports. Incoming data are reviewed daily to ensure timely identification of product issues and problems. This screening ensures that product hazards are continuously reviewed and evaluated so that new project initiatives may be formulated as necessary.

Analysis defines and provides preliminary assessment of specific products, populations, or hazard areas identified through the hazard screening effort and other identification activities. The analysis capability will ensure that the most appropriate injury reduction strategies are implemented under the HAR program. Recommendations for future Commission projects or other remedial activities are often based on reports and memoranda prepared under this effort.

Agency responses to petitions are developed under the Emerging Hazards effort. Petitions are requests from private parties seeking agency action on a perceived hazard. Work on petitions serves as an information source for the hazard screening and analysis work.

Economic Studies

This effort continues to provide specialized economic information to the staff, Commissioners, Congress, other agencies, and the public. Injury cost projections will be developed to estimate potential benefits associated with Commission or other actions. Products-in-use estimates will be generated to determine potential recall effectiveness, consumer exposure to product hazards, and to support the hazard screening activity.

In 1999, there are three initiatives designed to strengthen the Commission's economic analysis effort. The first two are studies of the costs of head injuries (\$40,000) and the costs of child injuries (\$40,000). The agency's Injury Cost Model (ICM) may underestimate the long-term consequences of head injuries. The Head Injury study will rely on information from longitudinal case studies to provide more realistic estimates of the long-term costs of head injuries. The ICM may also underestimate the cost of injuries to children, particularly when both parents work, or for single parent households. The third initiative is to update the agency's Product Population Model (PPM) (\$165,000), which estimates how many products of a specified type (e.g., gas furnaces) are available for use each year. Information from the model is important for use in risk assessments. The model has not been thoroughly examined in more than 15 years. A national, multi-product probability survey will collect product survival information to support the development of the revised PPM.

Program Support

This effort continues to provide program direction for the Hazard Identification and Analysis program. This includes program management from the Office of Hazard Identification and Reduction, and the Directorates for Field Operations, Economic Analysis and Epidemiology and Health Sciences. Also included is computer support to process large databases such as the program's NEISS system.

V. HAZARD ASSESSMENT AND REDUCTION

	1997 Appropriation		1998 Request		1999 Recommendation	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Total Program	85	\$7,585	82	\$8,028	83	\$9,775

Goals and Strategies:

In 1999, the Hazard Assessment and Reduction (HAR) program, through a balanced set of strategies, addresses hazards which involve a projected annual 4,900 deaths, 1.2 million injuries, and \$47 billion in societal costs associated with consumer products.

The HAR program analyzes accident and injury patterns and applies appropriate strategies for reducing hazards. The Commission has a wide range of voluntary and regulatory options available to reduce the hazards associated with consumer products. These include both voluntary and mandatory standards for product performance and product labeling, product bans, and development of consumer information and education materials. Whenever possible, reduction activities are carried out cooperatively with affected industries and state and local organizations.

1998 Base Program:

The HAR program in 1998 consists of many different hazard projects supported by 82 FTEs and \$8 million. Past hazard reduction work in just five areas (electrocutions, children's poisonings, children's cribs, power mowers, and fire safety) saves the nation almost \$7 billion each year. The recently issued rule requiring child-resistant cigarette lighters is projected to have net benefits of over \$500 million in societal costs each year.

1999 Changes:

The 1999 program continues to apply a balanced set of product safety hazard reduction strategies (voluntary and mandatory standards, code changes, and development of technical and consumer information). The 1999 HAR request consists of 83 FTEs and \$9.8 million. This is a one FTE increase from the 1998 level of 82 FTEs. The FTE change reflects a transfer of a technical FTE from the HIA program in response to changing workload requirements. The dollars increase by \$1,747,000. This dollar change reflects increases to maintain current service levels and the program's share of agency information technology initiatives, as well as various program initiatives (\$670,000).

New initiatives proposed which require additional funding include:

- A substantial investment on smoke detectors to assess existing and new technology (\$500,000);
- A study to develop concepts for making matches child resistant for children under the age of five years (\$60,000);
- Restoration of laboratory equipment funding (\$100,000), temporarily cut in 1998, to provide a modest equipment replacement program; and,
- Increased travel (\$10,000) to provide more support of the Commission's greater reliance on voluntary standards to reduce hazards.

In addition, in 1999 new initiatives funded within the base include:

- Fire Hazards: development of a mechanical method for testing the child resistance of cigarette lighters, a greater emphasis on carbon monoxide poisonings, an assessment of the role wallcoverings play in residential fires, and development of recommendations to the voluntary standard on residential sprinklers;
- Electrical/Mechanical Codes and Standards: development of an electrical fire investigation guide, evaluation of arc fault protection devices, an assessment of the voluntary standards requirements for portable heaters and ceiling fans, development of a new voluntary standard for swimming pool alarms, and the allocation of \$50,000 for limited ATV standards work, if necessary;
- Children's Products: study of youth basketball injuries, development of a bicycle helmet testing manual, and research focusing on how children use a variety of products;
- Chemical Hazards: evaluation of respiratory masks intended for consumer use; and,
- Testing and Evaluation Support: establishment of a fund (\$55,000) to provide for peer review or testing to address unanticipated and unplanned evaluation needs.

The 1999 program addresses about \$47 billion in annual societal costs, a 22 percent increase over 1998.

Program Detail	1997 Appropriation		1998 Request		1999 Recommendation	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Fire/Household	27	\$2,325	24	\$2,442	23	\$2,946
Electrical/Mechanical /Children's	29	2,480	27	2,592	28	3,175
Chemical	12	994	12	1,136	13	1,356
Testing Support	2	352	3	322	3	552
Program Support	15	1,434	16	1,536	16	1,746
Total Program	85	\$7,585	82	\$8,028	83	\$9,775

The injuries, deaths, property damage and societal costs (dollars in billions) addressed by efforts under the HAR program are summarized below.

PROJECTS BY HAZARD GROUP	INJURIES	DEATHS	PROPERTY DAMAGE	SOCIETAL COST
FIRE/HOUSEHOLD PROJECTS	25,925	3,679	\$ 4.3	\$24.0
ELECTRICAL/MECHANICAL/ CHILDREN'S/ RECREATIONAL PROJECTS:				
Elect./Mechanical Codes & Standards*	56,700	539	N.A.	\$4.2
Children's Products	504,200	80	N.A.	\$7.6
Sports/Recreation	478,600	547	N.A.	\$9.6
CHEMICAL PROJECTS**				
Poison Prevention (PPPA)	152,450	34	N.A.	\$1.2
TOTAL	1,217,875	4,879	\$ 4.3	\$ 46.6

N.A. = not applicable

* Data is net of injuries, deaths, property cost, and societal cost that is also addressed under Fire/Household Project.

** Data do not include injuries and deaths associated with hazards in the toxicity assessment and hazardous substance safety areas; however for these categories, based on only one type of injury, chronic respiratory disease, societal costs are estimated to be several billion dollars.

Data Sources: Injury, death and property damage data sources are National Electronic Injury Surveillance System, National Fire Incident Reporting System, National Fire Protection Association, news clippings, consumer complaints, death certificates, medical examiner reports, and National Center for Health Statistics. Societal costs include costs of all medically-treated injuries, costs of fatalities, and property damage estimates. Injury costs are estimated from CPSC's injury cost model. Fatalities assume \$5 million per statistical life, consistent with economic literature.

Fire/Household

Nationally, there were 451,000 residential structure fires in 1994. Fire is a leading cause of accidental home deaths among children younger than five years old. The total cost to society of the fire hazards addressed in 1999 is estimated at \$23 billion, involving about 3,500 deaths. This subprogram also addresses carbon monoxide (CO) hazards which result in over 200 deaths and about \$1 billion in societal costs.

The Commission, in its Government Performance and Results Act (GPRA) draft strategic plan, has set a goal of reducing the rate of deaths from fire-related causes by 10 to 15 percent from 1994 to 2004. The Commission has also established a goal of reducing the rate of deaths from carbon monoxide poisonings by 25 to 30 percent from 1993 to 2003.

Even though efforts by the agency and the nation's fire prevention community have resulted in a steady decline in residential fires, this nation's fire death rate remains one of the highest among industrialized nations. Past CPSC actions involving, for example, cigarette-resistant mattresses and upholstered furniture, heating equipment, child resistant cigarette lighters, children's sleepwear, and smoke detectors have certainly contributed to the general decline in fires and fire deaths, and show that the agency can be effective in reducing fire hazards.

The Fire-Related Hazards project continues 1998 work on Upholstered Furniture, Fire/Gas Codes and Standards, evaluation of the effectiveness of the Commission's standard on Cigarette Lighters, and Multi-Purpose Lighters. New activities will be undertaken on the development of a mechanical method for testing cigarette lighters, a study of the factors contributing to the large number of wallcovering fires and fire deaths, development of recommendations to strengthen the voluntary standard for residential sprinklers, objective evaluation of the relative detection capabilities of different types of smoke detectors, and a study of the feasibility of designing child resistant matches.

●The Upholstered Furniture effort continues work begun in 1994. Annually, there are an estimated 680 deaths, 1,780 injuries, and about \$245 million in property damage resulted from 14,300 fires due to ignition of upholstered furniture. Total societal costs are estimated at about \$3.7 billion. In 1994, the Commission granted, in part, a petition from the National Association of State Fire Marshals to initiate a proceeding to regulate open flame ignition risks. The Commission deferred action on the portion of the petition dealing with cigarette ignition risks. From 1990-1994, small open flame ignited furniture fires caused an annual average of 100 deaths, 460 injuries, and \$46 million in property damage--about 80% of all open flame losses; estimated average societal costs are about \$625 million.

In 1996 and 1997, the Commission developed the technical bases to support an open-flame performance standard. The Commission is expected, in 1997, to decide whether to publish a Notice of Proposed Rulemaking (NPR) addressing small open flame ignition. The Commission is also expected to decide in 1997 whether to take further action addressing cigarette ignition, based on the evaluation of cigarette-ignition resistance of furniture completed in 1996.

In the event the Commission decides to issue a NPR on small open flame, resources are available to analyze public comments on the NPR, continue standards development work toward a possible final small open flame rule, and work with interested consensus voluntary standards organizations and the furniture industry to develop a voluntary standard alternative. CPSC will also take appropriate actions pursuant to the Commission's decision on the cigarette ignition hazard. In 1999, the Commission could consider a final small open flame rule or other potential voluntary alternatives.

● Work in the area of Fire/Gas Codes and Standards continues. Gas-fired appliances continue to be a significant source of residential fire deaths. In 1994, the latest year for which data are available, there were 320 fire deaths attributed to all gas-fired appliances. Range/oven ignition of cooking materials caused about 120 fire deaths. In 1999, staff will continue to encourage development of technologies to reduce rangetop cooking fires and work to implement changes to address these fires. Staff will review data and develop and make recommendations to the voluntary standards and codes to address furnace fires and will work to identify causes of and ways to reduce fires caused by clothes dryers. Work will continue on the development of voluntary performance requirements to prevent gas-fired water heater ignition of flammable vapors.

Recent reports of possible malfunction of automatic fire sprinklers have raised concern over the reliability of residential sprinklers. In 1999, this new activity will build on compliance program work and identify potential causes of sprinkler failures and develop appropriate recommendations to the current Underwriters Laboratories standard to reduce the likelihood of non-activation of sprinklers under fire conditions.

● In 1997, the Commission initiated a new rulemaking activity by issuing an Advanced Notice of Proposed Rulemaking (ANPR) to require multi-purpose butane lighters to be child-resistant. A standard may be needed to reduce the fire hazard resulting from children under 5 years of age starting fires while playing with this product. At the time of the ANPR, the Commission was aware of 53 incidents since 1988 involving fires started by children under age 5 using multi-purpose lighters. These fires resulted in 10 deaths and 24 injuries. Deaths and injuries may increase as sales of such lighters increase.

In 1998, it is anticipated that the Commission will test multi-purpose lighters to determine how child-resistant they are for children under 5 years of age. These results will be used to prepare a cost/benefit analysis for the proposed regulation. The staff will prepare a briefing package with a draft proposed safety standard for Commission consideration.

In 1999, the Commission will, depending on the decision made in 1998, either a) continue the rulemaking process requiring multi-purpose lighters to be child-resistant by issuing a Final Rule, or b) suspend activity.

●The Commission's mandatory standard on cigarette lighters, which became effective in 1994, requires that all disposable and novelty cigarette lighters be resistant to operation by young children. This rule is expected to have net benefits of over \$500 million in societal costs and prevent up to 100 deaths annually. In 1998, it is anticipated that the Commission will initiate collection of appropriate fire data to evaluate the effectiveness of the 1994 rule in reducing fires caused by young children. In 1999, staff will complete data collection on child play fires involving lighters and complete an analysis of hazard and cost data.

●Compliance with CPSC's Cigarette Lighter Standard requires testing of lighter designs using panels of young children. In 1999, the staff will develop and construct a mechanical system for testing child-resistant lighters based on the science of robotics. This system will screen lighters to help predict whether children would be likely to activate the lighter. If successful, the effort will make the testing process more efficient and less costly to industry and CPSC.

●Wallcoverings have been a significant contributor to the residential fire problem for many years. In 1994, about 160 people died in fires in which interior wallcovering was cited as the first item ignited. In order to effectively address these fires, CPSC will conduct a comprehensive field study on the specific circumstances surrounding those fires. The results will be used to develop appropriate fire prevention strategies.

●In 1999, the agency proposes two new initiatives that require funding above the base budget level in the fire area. On smoke detectors, CPSC proposes to evaluate the relative capabilities of different types of detectors (\$500,000 in contract support is required). Earlier tests to collect such data are out of date and have been subjected to considerable criticism. In addition, major technical advances have occurred since those earlier tests. CPSC plans to sponsor full-scale-room burns involving both state-of-the-art ionization and photoelectric detectors and advanced technology units to the extent possible. Results would help ensure that smoke detectors work as effectively as possible to minimize fire losses by consumers.

The second initiative involves matches. Children under 5 years of age playing with matches were responsible for an estimated 50 deaths in 1994. The existing CPSC standard does not contain child-resistant provisions. In 1999, the agency will determine the feasibility of designing common household matches that would be difficult for children under the age of 5 years to light but remain convenient for adults. This feasibility would be determined based on human factors analyses of possible design concepts (contract support of \$60,000 is required).

Carbon Monoxide Poisoning is a new project in 1999 reflecting a greater emphasis on the hazard. The project addresses the 214 deaths and 5,900 injuries that occur each year as a result of unintentional, non-fire-related carbon monoxide poisoning associated with the use of household fuel-burning appliances. In 1999, the project includes activities that focus on data collection, voluntary standards, building codes, state and local legislation, and hazard awareness programs.

● Work on Carbon Monoxide (CO) Detectors continues. A revised voluntary standard for CO detectors is anticipated to become effective in October 1998. In 1999, staff will continue to monitor the progress of that standard and its implementation. Staff also will continue to monitor the extent to which "nuisance alarms" occur, and the extent to which those types of alarms are associated with detectors manufactured to the 1992 and 1995 editions of the standard or to the 1998 edition. In addition, in 1999, staff will develop and submit proposals to the national model building code organizations to require the installation of CO detectors in new residential construction. Staff will also develop model legislation for state and local governments to use in the development of their legislation. Interest by state and local governments in developing such legislation continues to increase; model legislation will provide consistency in the development and passage of that legislation.

● On unvented gas appliances and furnaces, staff will consider, develop, and recommend as necessary changes to the appropriate voluntary standards to reduce deaths and injuries from CO poisoning. The unvented appliances will include decorative appliances, unvented space heaters, and camping heaters.

● Hazard Awareness programs are important in addressing CO hazards and providing information about CO poisoning and its prevention and detection. Staff will work to coordinate those efforts so as to ensure a consistent and uniform message for consumers, medical professionals, and responders.

Electrical and Mechanical/Children's and Recreational Products

This subprogram is divided into two product hazard areas: Electrical and Mechanical product hazards, and Children's and Recreational product hazards.

Electrical and Mechanical Product Hazards:

The Commission estimates that the electrical and mechanical product hazards addressed by the 1999 project were involved in an estimated 539 deaths and 56,700 injuries in the most recent year where data were available. The estimated annual societal cost of deaths, injuries, and property loss is about \$4.2 billion.

The Electrical/Mechanical Codes and Standards project is aimed at reducing the deaths and injuries associated with various electrical/mechanical consumer products. The primary purpose is to develop and recommend revisions to voluntary product safety standards and nationally recognized codes. In 1999, to address electrocutions, staff will work to improve shock protective devices like the ground-fault circuit-interrupter resulting in easier installation and fail-safe features. To prevent electrical fires, in 1999, staff will pursue a combination of three distinct activities. One will examine the new generation of electrical protective devices, such as arc fault protection devices, with a view toward supporting the introduction of code requirements that apply these products in home wiring systems. A second activity will evaluate field experiences with specific appliances in the home, such as automatic dishwashers, to assess the adequacy of industry safety standards, and develop proposed changes based on the voluntary requirements for portable electric heaters. The third activity will develop and implement improved methods for investigating electrical fires to obtain better causal clues so that future resources to reduce electrical fire incidents can be more effectively utilized.

Mechanical equipment safety standards will be assessed and staff will work to improve the safety standards for those products where the risk of injury is high. For 1999, ATVs, exercise equipment, swimming pools, and ceiling paddle fans will receive attention. Previous work on escalators, garage door operators, and chain saws will be monitored.

Children's and Recreational Products Hazards

Children's Products addresses injuries and deaths associated with specific products, most of which are intended for use by children. In 1999, the products being addressed are estimated to have been involved in 504,200 injuries and 80 deaths in the most recent year where data were available. The estimated annual societal cost of these injuries and deaths is about \$7.6 billion. Specifically, staff will work on a number of voluntary standards activities, including harmonization of the U.S. and Canadian toy safety regulations and updating the Commission's anthropometry data on children.

- Staff will continue to assist industry in the development or revision of voluntary standards for Public and Home Playground Equipment, Soft Contained Play Equipment, Playground Equipment for Children Under Two Years of Age, Playground Surfacing, Baby Swings, High Chairs, Infant Bedding and Related Accessories, Infant Carriers, Stability of Children's Furniture, Stationary Activity Centers, Toy Safety, Trampolines, and Window Guards. This is an ongoing project and, as often is the

case, standards are added when there is a need for new requirements to address recently identified hazards.

- Harmonization of the toy regulations in the U.S. and Canada will continue in 1999. Staff will work with the Product Safety Branch of Health Canada to harmonize the toy regulations in the two countries. This activity may result in changes to the current CPSC toy regulations.

- An activity to update the Commission's child anthropometry data will continue in 1999. These CPSC data are essential for effectively addressing consumer product hazards to children and are widely used in the development of safety standards by the Commission and manufacturers. The Commission's current anthropometry database was developed in 1977 and may be out of date. During 1997, a pilot study was initiated with the objective of verifying the 20 year old data. This study will be completed early in 1998. If the data are found to be out of date, the full project for the development of a new and revised children's anthropometry database is planned to be initiated in 1998. Because of the expense of updating the database, the Commission will distribute the cost of collecting the data over several years. The 1998 President's request included \$300,000 for the first phase. The 1999 request would fund the second of three phases to fully update the data.

- A child observation study will be conducted to determine how children of different ages interact with a variety of consumer products.

Sports and Recreation addresses a portion of the more than 3,500,000 injuries and 1,000 deaths that are associated with sports and recreation activities each year. In 1999, the project includes activities to address five major areas.

- Efforts will continue to implement recommendations resulting from the 1997 study of youth soccer injuries. These may include recommendations to voluntary standards organizations on sports padding requirements, particularly protective padding for the legs (45% of soccer-related emergency room visits by 5 to 14 year olds are injuries to the lower leg and foot).

- Work with youth baseball leagues to reduce injuries (over 160,000 emergency-room treated injuries to 5 to 14 year olds in 1995) by incorporating safety measures such as the use of batting helmet face guards will continue.

- Youth basketball-related injuries will be studied to determine what types of injuries might be addressable (220,000 basketball injuries to 5 to 14 year olds, second only to bicycle injuries).

● Voluntary standards for sports-related head gear such as mountain bike helmets (5,000 head injuries) and roller hockey headgear (1,000 head injuries) will be monitored to ensure adequacy in protecting against head injury.

● A bicycle helmet testing manual will be developed to help with the implementation of the anticipated new mandatory standard for bicycle helmets (67,000 head injuries).

Chemical

The Chemical Hazards project seeks to reduce or prevent hazards occurring by ingestion, inhalation, or dermal exposure from use of consumer products. The hazards are reduced by the development of mandatory or voluntary standards, improved product technology, improved product labeling, the development of guidance for consumers and manufacturers, and partnerships with other agencies, industry, and consumer groups. The Commission estimates societal costs of over \$1 billion resulting from injuries and deaths associated with products in the poison prevention hazard area; costs of injuries and deaths associated with products in the other chemical hazard areas are expected to be in the billions of dollars, based on respiratory diseases alone. Activities in 1999 include:

● Continuing the Poison Prevention activity to seek reductions in injuries and deaths associated with children's ingestion of medicines and household chemicals. In 1994, 34 children under the age of five died from accidental ingestion of medicines and toxic household chemicals. In 1995, an estimated 120,000 children under the age of five were treated in hospital emergency rooms following ingestion of medicines or toxic hazardous household chemicals. Societal costs of over \$1 billion are estimated for poisoning incidents. Commission efforts through promulgation and enforcement of the regulations of the Poison Prevention Packaging Act (PPPA) have played a key role in reducing medicine and household chemical poisoning deaths of children from 216 in 1972 to 34 in 1994. In 1999 staff will:

1. Complete PPPA rulemaking activities requiring child-resistant packaging on substances proposed in 1998; and,
2. Review chemicals identified as potentially hazardous and propose PPPA rulemaking as appropriate.

● Continuing the Toxicity Assessment activity to address a broad spectrum of consumer products and health effects (eye and skin irritation, burns, neurotoxic and reproductive effects, respiratory diseases, cardiovascular diseases, cancer). Each year, the project addresses specific issues that have been identified as emerging hazards. Topics which are addressed are those which are amenable to direct and clear Commission action. Participation in interagency committees and partnerships ensures coordination of scientific activities of mutual interest. In 1999 staff will:

1. Continue assessing product-related lead poisoning hazards and initiate reduction activities as needed;
2. Develop remedial options for adhesives and removers, identified in 1998, that may include product reformulations or labeling changes; and,
3. Assess use patterns, effectiveness, and health effects from improper use of respiratory masks and develop standards and education activities as needed.

Testing and Evaluation Support

The ongoing Laboratory Support project provides material and staff resources to support a wide range of activities at the Commission's Engineering and Health Sciences Laboratories. In 1998, funding was temporarily cut and only basic funding was included for minimally essential supplies and services to maintain, calibrate, and sustain the instrumentation and other physical resources required for analytical work. In 1999, funds of \$100,000 are requested to restore a modest program to replace, upgrade, or purchase new equipment.

The Contract Support project provides resources for unplanned, critical new activities which arise during each year in response to referrals from Compliance, the Emerging Hazards Project under the HIA program, or from outside sources. In addition, Hazard Assessment and Reduction projects often involve research and complex testing and, while these projects are carefully planned, unanticipated research testing needs develop during the year. This project provides modest contract funds (\$55,000) for outside expertise, such as peer review and/or specialized testing, to meet these unanticipated needs and to support unplanned activities.

Program Support

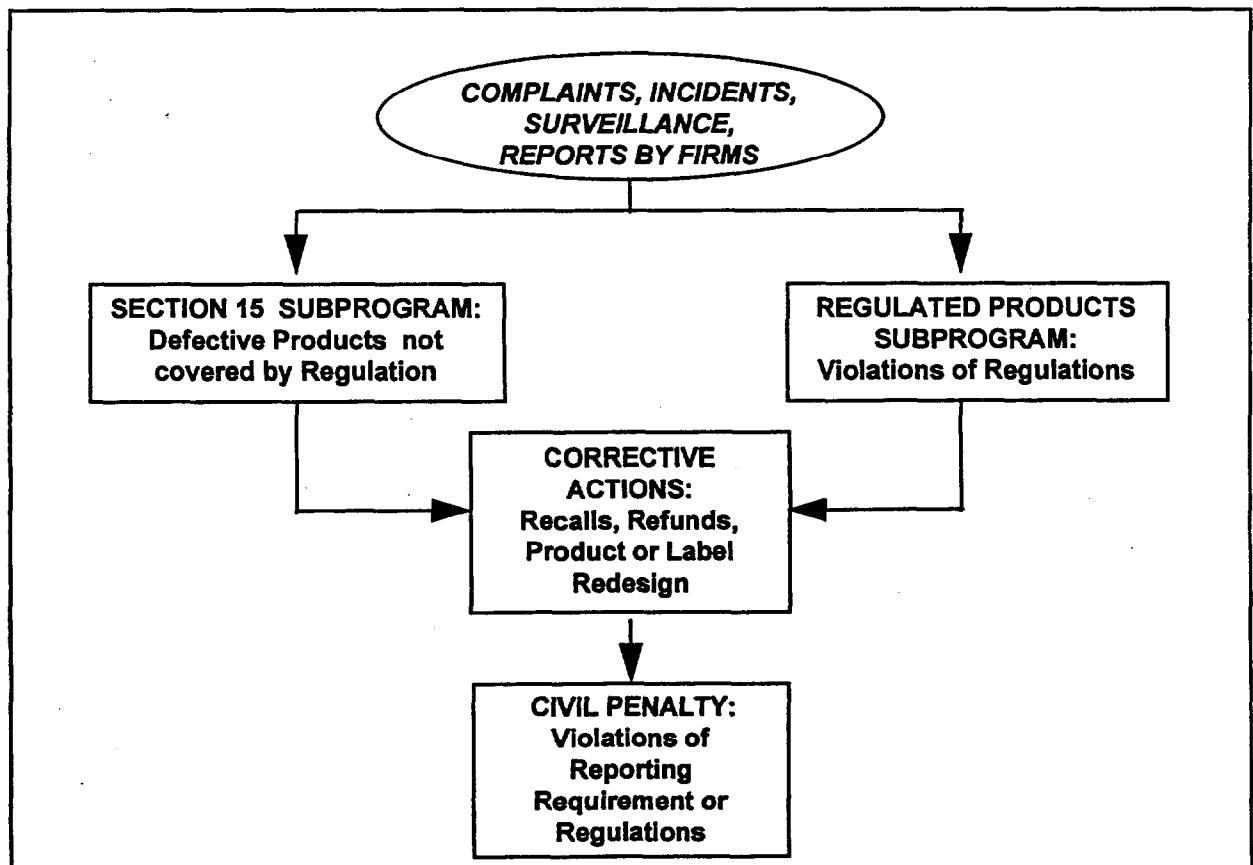
This subprogram continues to provide program direction for all hazard projects. In addition, this subprogram includes resources for voluntary standards coordination, international standards coordination, legal support, professional development, and computer costs associated with this program.

V. COMPLIANCE

	1997 Appropriation		1998 Request		1999 Recommendation	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Total Program	191	\$15,281	190	\$16,605	191	\$19,493

Goals and Strategies:

The Commission's Compliance Program has two primary goals: first, to obtain compliance with product safety regulations issued by the Commission; and second, to identify and remedy unregulated products that present substantial safety hazards. The Commission maintains an active program to identify violative or defective products, to analyze the risk associated with those products, and, where appropriate, to obtain corrective action. In carrying out its compliance activities, the staff applies principles of risk-based decision-making to assure that its actions are appropriate for the level of hazard presented by the product. Corrective action is achieved by working cooperatively with industry and, as a last resort, through litigation. Cooperative efforts also extend to working with industry to convey regulation requirements through joint CPSC/trade seminars, workshops at trade shows, and other means.



RELATIONSHIP OF MAJOR COMPLIANCE ACTIVITIES

1998 Base Program:

The Compliance Program for 1998 consists of 190 FTEs and \$16.6 million. In 1996, as a result of Commission efforts, over 85 million noncomplying or hazardously defective products were subject to recalls or corrective action plans. To date in 1997, the Commission negotiated civil penalties totalling \$639,000 from firms that failed to report hazardous products (\$345,000) or sold products which violate specific regulations (\$294,000).

1999 Changes:

In 1999, the Compliance Program continues to emphasize the removal of hazardous products from the marketplace. FTEs increase by one and dollars increase by \$2.9 million. The one FTE increase in Section 15 work results from a need for more technical support and is transferred from the HIA program. The increase in dollars reflect the program's share of 1999 increases necessary to maintain current services and to fund agency information technology initiatives, as well as various program initiatives (\$1,598,000).

The 1999 program initiatives include:

1. A funding increase of \$1.5 million in the Section 15 subprogram to provide increased contract support to a growing number of technically complex hazard investigations.
2. Under Regulated Products, an increase of \$15,000 to provide cost-effective State and local assistance in support of verifying compliance with agency regulations.
3. Under both Section 15 and Regulated Products, increased operating expense support for investigations (travel-\$39,000; equipment-\$24,000).
4. Survey funding (\$20,000) to verify Compliance Achievements in meeting the agency's Government Performance and Results Act goals.

Program Detail	1997 Appropriation		1998 Request		1999 Recommendation	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Section 15 Activities	107	\$8,645	106	\$9,551	107	\$11,677
Regulated Products	75	5,867	75	6,208	75	6,876
Voluntary Stds. Conformance	2	164	2	228	2	242
Program Support	7	605	7	618	7	698
Total Program	191	\$15,281	190	\$16,605	191	\$19,493

Section 15 Activities

Under Section 15, 37 and Section 102 Activities the Commission identifies and remedies unregulated products that present substantial safety hazards. The Commission obtains information on potentially defective and hazardous products from many sources, including firm reports, staff investigations, consumer complaints, trade complaints, state and local referrals, leads from coroners, insurance companies, fire investigators, private sector product liability suits and Freedom of Information Act requests. Once the staff determines that a product represents a substantial safety hazard, the staff seeks corrective action.

The Section 15 program is based on deaths and injuries and technical assessments of risk. It seeks recalls when the information available to it demonstrates a product is defective and corrective action is warranted. Many of its major recalls involve products for which there are significant injuries or deaths. In other cases, recalls are initiated because of the great potential for injury even though no or only a few incidents have occurred. Some of the more significant Section 15 corrective actions include the following:

1. Five manufacturers of wooden and metal bunk beds announced the recall of their beds because the top bunk presents a potential entrapment hazard to young children. Since 1994, 31 manufacturers have joined with the Commission to announce the recall of over 500,000 wooden and metal bunk beds with similar entrapment hazards.
2. Unexpected top rail collapse and a resulting child's death involving a travel playpen resulted in the recall of 212,000 units. The top rail collapse results in a "V" being formed by the rail, trapping the victim.
3. Six go-kart manufacturers recalled for repair of over 122,000 go-karts with exposed rear axles. One death and two serious injuries resulted from long hair or clothing becoming entangled in the rotating rear axle.

Other significant outcomes of section 15 investigations sometimes include the revision, updating or development of a voluntary industry standard. Such was the case with the suffocation hazard posed by bean bag chairs, the strangulation hazard associated with window blind cords and cords on children's outer garments, and the fire hazard associated with halogen floor lamps.

Industry under-reporting of significant safety hazards continues to be a matter of concern to the Commission. To enable the Commission to identify and evaluate potential hazards, Congress in the Consumer Product Safety Act (CPSA) requires manufacturers to report information about hazardous products to the Commission. The addition in 1992 of a lawsuit reporting provision (Section 37 of the CPSA) and in 1994 of a choking incident reporting provision (Section 102 of the Child Safety Protection Act) strengthened the Commission's ability to identify potentially hazardous products. To assure that industry is aware of the Commission's concern of under reporting of hazardous products, civil penalty actions have been pursued in appropriate cases. To date in 1997, \$345,000 have been collected in civil penalties for failure to report.

In 1997, the Commission continued to strengthened the Section 15 program. This included allocating resources from other organizations to the Office of Compliance. In addition, the Commission streamlined internal operating procedures to provide quicker delivery of vital technical evaluations. Some of these changes include providing direct lines of communication between headquarters staff and field investigators, expedited technical assessments of product hazards, and improvements in computerized support systems.

In 1997, the Commission made permanent its "no preliminary determination" program. Under this program, if a firm reports as required by section 15 of the CPSA, and is prepared to initiate a corrective action plan within 20 working days of the report, the staff will not make a "preliminary determination" that the product presents a "substantial hazard. This program encourages firms to report on hazardous products as required and results in recalls being initiated in a more timely manner saving both industry and agency effort. As of June 1997, 162 corrective action plans have been accepted involving 14.5 million products.

In 1996, the Commission, established within the Office of Compliance the Special Investigations Unit (SIU), a team responsible for identifying cases involving consumer products that pose a significant risk of injury. Limited 1996 and 1997 resources were concentrated on development of new data sources and expanding existing ones to obtain information on high-risk defective products not identified through routine investigations or current data review.

The Commission generally obtains voluntary cooperation from firms to remove potentially hazardous consumer products from the marketplace. Where voluntary action is not forthcoming, the Commission can use its litigation authority. The agency will continue to attend industry seminars and provide CPSC materials, including a recall handbook, to help firms be aware of their reporting obligations and recall options.

Substantial Risk/Technically Complex Investigations

In 1999, \$1.5 million is requested to investigate hazards with substantial risk of injury or death involving technically complex scientific and engineering issues. These hazards are complex because they involve new applications of existing technologies, new methods of manufacture, new combinations of product materials, and multiple parties to the design, manufacture, distribution, and installation of the product.

With the establishment of the Special Investigations Unit and its focus on developing new sources to identify product hazards, the Commission is finding hazards which, because of their complexity, had previously remained hidden from view. Often, these hazards are the result of the combination of old and new technologies, and involve a chain of opportunities for a hazard or hazards to develop. Currently, the Commission has six such cases under development. The Commission expects this pattern to continue.

A new level of investigation and analysis is necessary to evaluate the risk of injury associated with many of these complex types of hazards. Based on prior experience, it is highly probable that CPSC must retain independent experts and/or forensic laboratories to conduct many of these analyses. This is because the expertise required, often knowledge of cutting edge technology and manufacturing techniques, exceeds present Commission capabilities or is

uneconomical to acquire on a permanent basis. Experts such as human factors psychologists, molecular chemists, electric fire experts and others fall into this expert category.

In almost all cases, CPSC obtains voluntary corrective actions without the need for litigation. However, it is possible CPSC cases involving these types of complex hazards may require litigation to obtain a corrective action that protects the public. Therefore, some of these funds may be used for litigation expenses.

The request of \$1.5 million provides for funding to address one major product hazard and one smaller hazard based on current caseloads. Funding requested would provide full investigation and testing requirements necessary to reduce the hazard.

The balance of the increased dollars reflect funding necessary to maintain current program effort, increase field support, and the program's share of agency information increases.

Section 15 Workload Measures	1997 Estimate	1998 Estimate	1999 Estimate
Section 15 (b) reports received	250	250	250
Section 37 reports	30	30	40
Investigations conducted	250	250	300
In-depth injury investigations	1,200	1,200	1,400
Inspections conducted	400	400	450
Corrective actions initiated	275	275	275
Recall Effectiveness checks	700	700	700
Negotiated civil penalties	6	6	6

Regulated Products

The Commission continues to monitor industry compliance with CPSC rules and regulations and obtains corrective action if violative products are identified. The activities include industry directed information/education, import surveillance, retail surveillance, firm inspections, sample collections and analysis, product testing, and litigation when appropriate.

An estimated 750 violative products will be identified and cooperative corrective action plans will be instituted. These actions will include the prospective correction, stop sale and recall to the retail or consumer level. An estimated 75 product recalls will be initiated involving those products that exhibit violations serious enough to warrant recall. Civil penalties will be assessed against firms that have knowingly violated the law, and seizures, injunctions, and criminal prosecution will be pursued as appropriate to stop the sale of violative products. To date in 1997, \$294,000 has been collected in civil penalties for sale of products violating specific regulations.

In 1999, the Regulated Products effort will essentially remain constant. The increased dollars reflect funding necessary to maintain current program effort and the program share of agency information technology increases. There is a modest increase of \$15,000 for greater State and local funding to better respond to emerging hazards.

Regulated Products compliance activities can be one of two types. The first covers activities initiated immediately following the effective date of a new regulation developed under the Hazard Assessment and Reduction program. The second type of regulated product compliance activities are those initiated based on continued unacceptable levels of noncompliance, incident data or consumer/industry complaints. For example, over 26,000 dangerously flammable velvety-textured chenille sweaters and 138,000 dangerously flammable fleece fabric adult garments were recalled for failure to comply with flammability regulations. The most significant 1999 Regulated Product projects are discussed below.

Cigarette lighters is a continuing effort under the CPSA Compliance project in 1999. The agency issued a child-resistance requirement for disposable cigarette lighters in late 1993 with an effective date in late 1994. Efforts will concentrate on identifying imported lighters which fail to comply and domestic firms that attempt to defeat the child-resistant features.

The New Regulations project includes resources for compliance activities related to the new poison prevention packaging requirements for petroleum distillates, ammonia containing products and ketoprofen. Activity will center on surveillance at selected retail establishments with follow-up at manufacturers or repackers, as appropriate. Also included under the New Regulations project is an effort to enforce the expected bicycle helmet performance standard, the open flame upholstered furniture standard, the crib slat standard and the multipurpose lighter standard. The newly mandated requirements will be assessed through sample collections and analysis. Some activities in these product areas will also be coordinated with U.S. Customs.

The FHSA Adult and Child Compliance projects continue the enforcement of art materials-labeling requirements based on the guidelines for defining chronic hazards and FHSA compliance activities involving serious labeling violations. In 1999 surveillance will concentrate on selected imported products and targeted domestic product investigations, including toys for small part violations (choking hazards).

PPPA Compliance continues the surveillance of child-resistant packaging requirements. This includes packaging of prescription drugs by pharmacies, over-the-counter drugs and all household chemicals requiring child-resistant closures. The project continues to encourage State Boards of Pharmacy to handle the compliance of the agency's requirements for packaging prescription drugs along with their own enforcement responsibilities.

The FHSA/Fireworks Compliance project will monitor compliance with existing firework regulations and the requirement that large multi tube mine and shell devices not tip over during use. Import surveillance in conjunction with U.S. Customs continues to be the most effective approach in this enforcement activity.

Flammability compliance activities will continue under Flammable Fabrics Act Compliance because of observed non-compliance of garments such as chenille sweaters, fleece garments, and imported light weight fabric rayon skirts and scarves. Enforcement actions will also continue to include children's sleepwear and other Flammable Fabrics Act flammability standards.

The Emerging Problems project will address complaints and problems identified during 1999 involving regulated product categories that emerge after development of the 1999 operating plan. Where requested, the Commission will continue to provide advice and guidance to industry prior to introduction into commerce of products under development. Experience has shown that working with the regulated industries to prevent problems is more cost effective, both to the firms and to the consuming public, than correcting problems after they occur. This project will also include, as necessary, a systematic review of industry compliance with existing regulations.

State and Local Contracts extend the reach of the Commission to locations where the Commission has no physical presence. In 1999, an expansion is proposed of \$15,000 which will permit the Commission's regional staff greater flexibility in obtaining various investigative tasks, such as in-depth incident investigations, evidence sample collections, inspections, and work in monitoring the effectiveness of recalls.

The ATV Monitoring effort, previously designed to monitor distributor and dealer compliance with the requirements specified in the final 1988 consent decrees between the ATV manufacturers and CPSC, will remain in place for 1999. The consent decree expires in 1998 and the Commission is now working with consumer groups and industry to develop a new program.

Regulated Products Workload Measures	1997 Estimate	1998 Estimate	1999 Estimate
Samples collected	2,100	2,100	2,100
In-depth injury investigations	100	100	100
Inspections conducted	750	750	750
Violative products	750	750	750
Recalls	75	75	75
Recall effectiveness checks	850	850	850
Litigation cases initiated	3	3	3
Negotiated civil penalties	10	10	10

Voluntary Standards Conformance

The monitoring of conformance with voluntary standards was expanded with State and local contract funds in 1997 and will continue at that level in 1998 and 1999. In recent years, the Commission has placed additional emphasis on working more cooperatively with industry and

standards-setting organizations to develop voluntary standards and reduce reliance on government-imposed mandatory standards. The Commission has invested considerable financial and human resources to participate in the development of over a hundred voluntary standards and relies heavily on industry's conformance to those standards. Only by continually monitoring conformance with these standards can the Commission ensure that the products which are governed by those standards are, in fact, in conformance with them.

When the Commission has monitored products in the past, it has found non-conforming products. By bringing such products into conformance, or eliminating them from the marketplace, the Commission reduces the potential for serious injury and deaths and promotes stronger industry conformance. Products which the Commission has monitored include hair dryers, pool and spa covers, Christmas lights, and, more recently, bunk beds, halogen torchere lamps and children's outer garments with strings. Bunk bed monitoring led to a nationwide recall of over 320,000 non-conforming bunk beds. Commission monitoring also helps industry by making sure that some competitors do not evade a standard to cut costs and thereby undersell those manufacturers who are taking the steps necessary to meet an industry safety standard.

The products selected for monitoring will be chosen based on an analysis of injury and death data, consumer and industry reports, the length of time a standard has been in existence and factors characteristic of that industry. Monitoring will be performed through a combination of on-site inspections, sample collections, retail surveillance and/or testing depending on the products selected. Information gathered through the monitoring process will be shared with standards organizations, as appropriate. The Commission will obtain corrective actions, if needed. The voluntary standard monitoring activities will be selected by the Commission during the development of the agency's 1999 operating plan.

Voluntary Standards Conformance Workload Measures	1997 Estimate	1998 Estimate	1999 Estimate
Standards monitored	5	5	5
Inspections conducted	40	40	40
Retail Checks	150	150	150
Samples collected	68	100	100

Program Support

This activity continues to provide coordination of the Compliance program, provides overall direction, and presents major issues for Commission consideration. In 1999, funds of \$20,000 are requested to conduct independent surveys to measure agency success in meeting GPRA industry satisfaction goals.

VI. CONSUMER INFORMATION

	1997 Appropriation		1998 Request		1999 Recommendation	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Total Program	55	\$5,006	54	\$5,202	54	\$6,048

Goals and Strategies:

The two goals of the Consumer Information (CI) program are to:

- Alert the public to recalled hazardous products and other safety information designed to reduce product injuries, and
- Collect hazardous product complaints from the public.

Consumer Information is a critical activity in the Commission's hazard reduction strategies. While always providing an important adjunct to hazard reduction and compliance work, sometimes it represents the only viable mechanism available to reduce consumer product hazards.

1998 Base Program:

The CI program is divided among three functional efforts.

The Continuing Publications and Outreach function provides consumers with a broad range of consumer information materials. Included in this effort are the annual information programs such as National Poison Prevention Week, and other campaigns on electrical safety, fireworks safety, toy safety, etc., conducted to maintain consumers' awareness of recurring safety problems.

The Clearinghouse function provides injury data to CPSC staff and the public as required by Section 5 of the Consumer Product Safety Act. Section 6 of the Act requires the Commission to provide to manufacturers consumer complaints, reported incidents and accident investigations to alert them to reports of significant hazards associated with their products.

The Public Information Services function responds to the public's request for information, other than publications provided under the Continuing Publications program, and provides proactive efforts to reach consumers with important hazard reduction information. Included under this effort is the award-winning, toll-free telephone Hotline service to receive consumer complaints and to provide information on product hazards and recalls.

1999 Changes:

The 1999 program continues to provide the current level of consumer information in support of the agency's hazard reduction and compliance programs. FTEs remain the same and dollars increase by \$846,000. The increase reflects the program's share of 1999 agency cost increases to maintain current services and agency information technology initiatives. The increase also includes \$266,000 for several program initiatives designed to improve and target the delivery of product safety information to the most at-risk consumers.

While FTEs in total remain the same, the Public Information Services program increases by one while the Continuing Publications and Outreach program decreases by one to reflect workload adjustments.

In response to the Government Performance and Results Act, we have incorporated two goals in our Consumer Information projects:

Service Quality: to increase public awareness of safety information through the use of TV, other media, and publication distribution.

Customer Satisfaction: to raise consumer satisfaction with information they receive on product safety by responding promptly and accurately with requested information.

Program Detail	1997 Appropriation		1998 Request		1999 Recommendation	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Continuing Publications and Outreach	17	\$1,486	17	\$1,541	16	\$1,671
Clearinghouse	7	566	7	607	7	730
Public Info. Services	26	2,527	26	2,627	27	3,184
Program Support	5	427	4	427	4	463
Total Program	55	\$5,006	54	\$5,202	54	\$6,048

Continuing Publications and Outreach

This subprogram includes resources to distribute publications, initiate media contacts, work with State and local organizations, promote child safety as well as continue efforts to reach older consumers, lower income consumers, non-English speaking consumers, and other vulnerable populations. Staff will develop and produce print and audiovisual materials about product safety issues tailored to the targeted groups. The information will be distributed through existing networks that serve vulnerable populations, like Head Start, Indian Health Service, and others.

The Distribution Services project continues to help CPSC fulfill approximately two million publication requests per year. In addition, CPSC conducts special mailings to advise the public about unique and emerging hazards and to elicit reports and information about possible emerging product safety hazards. The Commission's publications are handled by a cost effective automated warehouse where orders can be placed electronically.

In recent years, CPSC conducted special mailings as part of an overall effort to encourage outside groups to reprint and/or distribute CPSC safety information to the public through their national networks. CPSC worked with the National 4-H Council, the National Coalition for Consumer Education and others to distribute hundreds of thousands of CPSC's safety publications to the public.

The Ongoing/Seasonal effort continues to inform the public of many ongoing and seasonal product safety topics. Topics include electrical safety, inline skating, indoor air quality, poison prevention, safety for older consumers, lawn mowers, home heating equipment, Halloween, fireworks, cigarette lighters, and carbon monoxide detectors, among others. The tasks entail reviewing and updating materials, and encouraging national, regional and local organizations to use CPSC information programs. Additionally, CPSC works with national and regional organizations, such as the Poison Prevention Week Council and the National 4-H Council, to coordinate annual information programs on safety topics. In 1999, \$50,000 will fund a new project to increase the number of working smoke detectors in high-risk communities. Working with local fire services and other community groups, CPSC will encourage the installation of smoke detectors using long-life batteries in cities with high rates of residential fires and deaths.

Each year, CPSC provides Child Safety information to the public through trade shows, safety seminars, toy fairs, and news conferences. This project also updates agency publications and develops new information materials on emerging children's hazards. Additionally, information will be developed for new, inexperienced parents with an emphasis on networking with organizations serving low-income communities. Staff will develop new contacts and support existing contacts in the child safety field, resulting in improved emerging hazard identification, better accident reporting, expanded outlets for CPSC safety information, and greater national awareness of CPSC safety messages. In 1999, \$35,000 will be used to distribute, on a quarterly basis, child safety information to all pediatricians in the U.S. CPSC will collaborate with the American Academy of Pediatrics to provide pediatricians with this information for their patients.

Clearinghouse

CPSC's National Injury Information Clearinghouse is required by Section 5(a) of the Consumer Product Safety Act (CPSA) to maintain and disseminate injury information to CPSC staff and the general public.

Clearinghouse responsibilities include maintaining CPSC injury data including accident reports, death certificates, consumer complaints and newspaper clippings. The Clearinghouse also implements Section 6(b) of the CPSA by annually mailing approximately 8,000 reports of product-related deaths, injuries, or other problems to complainants to confirm the accuracy of unsolicited information. The Clearinghouse also implements Section 6(c) by forwarding about

2,000 accident investigation reports and 4,500 incident reports to manufacturers to alert them to reports of significant hazards associated with products. Additionally, the Clearinghouse responds each year to about 5,900 Freedom of Information requests for injury data and handles about 1,000 requests each year from CPSC's HAR and Compliance staff who use the data in completing program work. In 1995, CPSC re-engineered the Clearinghouse to improve service. For example, CPSC instituted a system that electronically transmits Hotline complaints to the Clearinghouse and reinforced the commitment to customer service by mailing verification requests to consumers who file product incident reports within 48 hours or less, reducing the time from as much as 49 days in the past.

In addition, manufacturers are notified about verified reports and investigations of incidents with their products in 60 days or less, reducing the times from as much as 18 months in the past. Because of this more timely notification, the number of responses from manufacturers about incidents have more than tripled. (In order to sustain improved performance in the Clearinghouse, an increase of \$65,000 for contract support to assist existing Clearinghouse staff is requested for 1999 under the agency's information technology program.)

Public Information Services

The Public Information Services effort includes resources to respond to the public's request for information, other than publications described in the Continuing Publications and Outreach effort.

Media Relations continues to work with the media to place news and feature stories on injury reduction activities and product safety topics. This project also encompasses the development, coordination, and distribution of news releases. The project manages 15 safety news conferences, 2,800 media inquiries, and almost 200 news releases or public safety announcements annually.

Under Special Projects, CPSC staff plans events, meetings and public hearings designed to publicize product safety news. Such events may include product-related conferences, or participation in outside organizations' news conferences, workshops, or programs. This project also includes staffing Commission exhibits at meetings of consumer groups and voluntary organizations, and producing and updating publications explaining what CPSC does, such as the publication catalog and "Who We Are and What We Do For You".

The Hotline continues to provide CPSC with quick, two-way communication between the agency and the public. It is one of CPSC's most visible efforts to provide the best possible customer service and has received national recognition for its excellent service. The Hotline will handle approximately 300,000 calls in 1999 from consumers and industry. About 4,200 of these calls will be firsthand reports of product-related deaths, injuries, or other safety problems. The toll-free service not only receives consumer complaints and reports about potentially hazardous products, but offers information, in English, Spanish and other languages on recalls, Commission priorities, and product safety topics.

To date, improved Hotline services include more incoming lines, Spanish-speaking representatives, voice-mail capability for Hotline representatives to receive after-hours complaints, and integrated "fax-on-demand" capabilities for callers to request copies of safety information by fax. In 1999, an increase of \$120,000 is requested to extend operating hours to 7:00 PM eastern time Monday through Thursday to better accommodate west coast callers and to initiate an ordering process by which consumers can request printed safety information. Also in 1999, an increase of \$25,000 is requested to provide contract support to the agency's information center and its Internet website; these funds will permit better service to consumers requesting information.

The Freedom of Information Act (FOIA) project continues to provide agency response to about 10,000 annual FOIA requests from the public. The processing of requested information requires strict control, review, and notification procedures and, in many cases, legal advice of the General Counsel.

Under the Correspondence/Response project, staff continues to respond to about 4,000 requests for information from consumers, industry, and others. The letters often are about complex legal or technical issues and require research and a formal response.

The Video Communications project is an ongoing effort in which CPSC contracts for the production of television video news releases -- news features with footage and sound bites -- on various CPSC product safety topics and actions. These items are then satellite broadcast to all television stations. In 1999, this effort will produce 12 to 14 television news features and additional footage on other product hazards. CPSC experience with video news releases shows that as many as 25 percent of all television stations tape and use all or parts of the packages on their news programs, reaching tens of millions of TV viewers. Television is an important medium to reach vulnerable populations.

In 1999, \$25,000 is requested for Radio Actualities, a new initiative, to provide recorded soundbites and narration about CPSC recalls and safety messages. Radio stations can use these recorded messages in their morning and evening news programs, reaching millions of radio listeners. One recent pilot effort focusing on the African-American community reached an estimated four million listeners.

The Recalls/Alerts project continues to provide for the production of approximately 12 safety alerts on product recalls and emerging product hazards. Safety alerts are often reprinted in weekly newspapers and newsletters, and are an inexpensive and effective means to disseminate information about hazardous products.

Program Support

This effort provides staff resources to work directly with other units of the Commission to integrate public information into the overall work of the agency. This effort does not change in 1999. Funds of \$11,000 are requested to support customer service surveys to measure agency success in meeting GPRA customer service goals.

VII. AGENCY MANAGEMENT

	1997 Appropriation		1998 Request		1999 Recommendation	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Total Program	92	\$8,164	88	\$8,347	88	\$9,561

Goals and Strategies:

The Agency Management (AM) program provides policy, executive direction, legal guidance and administrative services necessary to function as a Federal regulatory agency. Most of the functions provided are required by law or regulation.

1998 Base Program:

The 1998 resources include 88 FTEs and \$8.3 million. The agency has successfully worked to reduce the size of this program. As a percentage of total Commission resources, dollars have declined from 23 percent in 1989 to 18 percent in 1998 and FTEs have declined from 24 percent to 18 percent. In 1998, there was a four FTE decrease. As in all CPSC programs, but particularly in this program, managers are working supervisors sharing workload with staff.

1999 Changes:

There are no program changes. The dollar increase reflects the program's share of 1999 increases necessary to maintain current services and to fund agency information technology initiatives.

Program Detail	1997 Appropriation		1998 Request		1999 Recommendation	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Commissioners and Staff	13	\$1,451	13	\$1,502	13	\$1,625
Commission Advice/ Legal Guidance	14	1,483	13	1,561	13	1,721
Executive Direction	8	790	8	869	8	1,100
General Administrative Service	57	4,440	54	4,415	54	5,115
Total Program	92	\$8,164	88	\$8,347	88	\$9,561

Commissioners and Staff

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

Commission Advice/Legal Guidance

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

The Office of the General Counsel (OGC) is responsible for enforcement and defense litigation, document preparation and review, legal advice, and ethics coordination. Where possible, OGC time is budgeted in other programs for projects which OGC directly supports. The time included in this program (three FTEs) covers legal review for personnel matters, contracts, ethics coordination, and other general law matters.

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

A portion of the Office of the Secretary (OS) is supported in this program. Where possible, OS time is budgeted in other programs for projects it directly supports. Efforts in this program ensure that Commission decisions are properly recorded, maintained, available to the public. The office issues Commission decisions, orders, rules, Federal Register notices, and other official documents for the Commission. The office is also responsible for preparing Commission agendas under the Government in the Sunshine Act, for supervising and administering the dockets of adjudicative proceedings, and for processing Continuing Guaranties (certificates of compliance) as required by the Flammable Fabrics Act.

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

The Office of Congressional Relations responds to congressional inquiries on legislation affecting product safety.

Executive Direction

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

General Administrative Services

The General Administrative Services subprogram provides direct administrative support required by Commission programs. These include human resource support, information technology services, procurement services, accounting, printing, security, etc. Each of these services is essential to ensuring efficient operation of the Commission's programs and conformance to various Federal government management regulations.

**RESOURCES BY PROJECT
1999 RECOMMENDATION
(dollars in thousands)**

<u>PROGRAM/PROJECT</u>	<u>FTEs</u>	<u>CONTRACTS</u>	<u>AMOUNT</u>
HAZARD IDENTIFICATION AND ANALYSIS	64.0	1,676.0	7,475.0
SURVEILLANCE DATA	25.0	1,302.0	3,550.0
SURVEILLANCE DATA	25.0	1,232.0	3,480.0
AAPCC DATA	0.0	70.0	70.0
INVESTIGATION DATA	22.0	60.0	1,835.0
INVESTIGATIONS	22.0	60.0	1,835.0
EMERGING HAZARDS	11.0	7.0	1,100.0
EMERGING HAZARDS	11.0	7.0	1,100.0
ECONOMICS STUDIES	2.0	252.0	463.0
SPECIAL STUDIES/SUPPORT	2.0	252.0	463.0
PROGRAM SUPPORT	4.0	55.0	527.0
HIA MANAGEMENT	4.0	0.0	472.0
COMPUTER UTILIZATION EP/EC	0.0	55.0	55.0
HAZARD ASSESSMENT AND REDUCTION	83.0	1,352.0	9,775.0
FIRE/HOUSEHOLD	23.0	612.0	2,946.0
FIRE-RELATED HAZARDS	8.4	52.0	900.6
LIGHTER EVALUATION	3.0	0.0	298.4
UPHOLSTERED FURNITURE	3.0	0.0	313.1
MULTIPURPOSE LIGHTER	1.4	0.0	149.5
CARBON MONOXIDE	7.2	0.0	724.4
MATCHES	0.0	60.0	60.0
SMOKE DETECTORS	0.0	500.0	500.0
ELECTRICAL/MECH/CHILD	28.0	399.0	3,175.0
SPORTS/RECREATION	3.8	0.0	386.0
ELECTRICAL/POWER CODE & STANDARDS	15.7	41.0	1,592.6
CHILDREN'S PRODUCTS	7.6	8.0	761.4
ANTHROPOMETRY STUDY	0.9	300.0	385.0
ATV'S	0.0	50.0	50.0
CHEMICAL	13.0	20.0	1,356.0
CHEMICAL HAZARDS	8.0	5.0	836.4
POISON PREVENTION	5.0	15.0	519.6
TESTING AND EVALUATION SUPPORT	3.0	308.0	552.0
LABORATORY SUPPORT	3.0	53.0	297.0
LABORATORY EQUIPMENT	0.0	200.0	200.0
CONTRACT SUPPORT	0.0	55.0	55.0
PROGRAM SUPPORT	16.0	13.0	1,746.0
HAR MANAGEMENT	10.5	13.0	1,132.3
HAR LEGAL SUPPORT	3.0	0.0	380.0
HAR CI SUPPORT	0.5	0.0	52.8
PROFESSIONAL DEVELOPMENT	2.0	0.0	180.9

**RESOURCES BY PROJECT
1999 RECOMMENDATION
(dollars in thousands)**

<u>PROGRAM/PROJECT</u>	<u>FTEs</u>	<u>CONTRACTS</u>	<u>AMOUNT</u>
COMPLIANCE	191.0	2,198.0	19,493.0
SECTION 15 ACTIVITIES	107.0	1,949.0	11,677.0
FEDERAL/STATE COOP - SECTION 15	2.0	35.0	197.3
PRODUCT SAFETY ASSESSMENT	27.0	114.0	2,788.6
S/L CONT SECTION 15/37 INVEST	70.0	1,650.0	7,679.9
SECTION 15/37 LITIGATION	2.4	50.0	343.9
SIU/SECTION 15	5.6	100.0	667.3
REGULATED PRODUCTS	75.0	195.0	6,876.0
LAB SUPPORT-COMPLIANCE	2.1	35.0	228.5
EMERGING PROBLEMS	10.2	15.0	905.0
F/S COOP-REGULATED PRODUCTS	1.2	15.0	110.4
ENF LIT-REG PROD	5.8	0.0	644.1
FHSA/ADULT COMPLIANCE	4.8	27.0	435.2
FFA COMPLIANCE	7.8	0.0	652.0
SAMPLE CUSTODIAN	2.1	0.0	191.2
PPPA DRUG COMPLIANCE	4.4	35.0	409.9
ATV MONITORING	4.1	0.0	438.0
FHSA/FIREWORKS	6.0	23.0	541.5
FHSA/CHILD COMPLIANCE	19.6	0.0	1,654.6
NEW REGULATIONS	3.8	0.0	348.0
CPSA COMPLIANCE	3.1	45.0	317.6
VOLUNTARY STANDARDS CONFORMANCE	2.0	50.0	242.0
V/S MONITORING	2.0	50.0	242.0
PROGRAM SUPPORT	7.0	4.0	698.0
COMPLIANCE MANAGEMENT	7.0	0.0	694.0
COMPUTER UTILIZATION COMPLIANCE	0.0	4.0	4.0
CONSUMER INFORMATION	54.0	1,070.0	6,048.0
CONTINUING PUBL AND OUTREACH	16.0	209.0	1,671.0
DISTRIBUTION SERVICE	0.2	124.0	150.4
CHILD SAFETY	5.9	0.0	540.5
ONGOING/SEASONAL	9.9	0.0	895.1
SMOKE DETECTOR/LOW INCOME	0.0	50.0	50.0
PEDIATRICIANS OUTREACH	0.0	35.0	35.0
CLEARINGHOUSE	7.0	65.0	730.0
CLEARINGHOUSE	7.0	65.0	730.0
PUBLIC INFORMATION SERVICES	27.0	787.0	3,184.0
HOTLINE	2.0	537.0	730.0
CORESPONDENCE/RES	6.2	0.0	490.7
SPECIAL PROJECTS	2.2	0.0	182.8
RECALLS/ALERTS	0.2	15.0	41.4
MEDIA RELATIONS	4.0	0.0	435.7
FOIA/CPSA PUBL INF	11.0	0.0	909.7

**RESOURCES BY PROJECT
1999 RECOMMENDATION
(dollars in thousands)**

<u>PROGRAM/PROJECT</u>	<u>FTEs</u>	<u>CONTRACTS</u>	<u>AMOUNT</u>
DAILY NEWS LOG	0.5	0.0	52.8
VIDEO COMMUNICATION	0.9	115.0	220.9
RADIO ACTUALITIES	0.0	25.0	25.0
INFORMATION CENTER/WEB SITE	0.0	95.0	95.0
PROGRAM SUPPORT	4.0	9.0	463.0
CONSUMER INFORMATION MANAGEMENT	4.0	0.0	454.0
COMPUTER UTILIZATION OS/OIPA	0.0	9.0	9.0
AGENCY MANAGEMENT	88.0	91.0	9,561.0
COMMISSIONERS AND STAFF	13.0	0.0	1,625.0
COMMISSION/STAFF	13.0	0.0	1,625.0
COMMISSION ADVICE/LEGAL GUIDANCE	13.0	22.0	1,721.0
CONGRESSIONAL RELATIONS	3.0	0.0	325.0
INSPECTOR GENERAL	3.0	0.0	487.3
OEEO	2.0	0.0	325.0
OGC REVIEW & DEFENSE LITIGATION	1.9	0.0	233.9
O/S GENERAL	2.0	22.0	203.6
OGC ETHICS COORDINATION	1.1	0.0	146.2
EXECUTIVE DIRECTION	8.0	0.0	1,100.0
EXECUTIVE DIRECTOR	4.0	0.0	611.0
BUDGET OPERATIONS	4.0	0.0	489.0
GENERAL ADMINISTRATIVE SERVICES	54.0	69.0	5,115.0
ADMINISTRATIVE SERVICES	6.0	0.0	573.6
PERSONNEL SERVICES	9.0	0.0	812.9
CONTRACTS/PURCHASE	7.3	0.0	669.2
OFFICE OF ADMINISTRATION	3.1	0.0	286.8
FINANCE/ACCOUNTING	10.4	0.0	956.0
ADP/DATA SERVICES	15.4	0.0	1,479.5
RECORD/LIBRARY/DIRECTIVES	1.1	0.0	107.2
TELECOMMUNICATION/AV SERVICES	1.7	0.0	160.8
COMPUTER UTILIZATION ADM	0.0	69.0	69.0
TOTAL COMMISSION	480.0	6,387.0	52,352.0

FTEs BY ORGANIZATION

<u>Organization</u>	<u>1997 On Board 1/</u>	<u>1997 Approp.</u>	<u>1998 Request</u>	<u>1999 Recommendation</u>	<u>99 vs 98 Change</u>
Commissioners.....	13.0	13.0	13.0	13.0	--
Office of the Secretary.....	14.5	14.5	14.5	14.5	--
Office of Congressional Relations.	2.0	3.0	3.0	3.0	--
Office of the General Counsel.....	15.0	14.0	14.0	14.0	--
Office of EEOME.....	2.0	2.0	2.0	2.0	--
Office of the Inspector General.....	3.0	3.0	3.0	3.0	--
Office of the Executive Director.....	4.0	4.0	4.0	4.0	--
Office of Human Resource Mgmt..	9.0	9.0	9.0	9.0	--
Office of Information Services.....	31.9	29.5	29.5	29.5	--
Office of the Budget.....	4.0	4.0	4.0	4.0	--
Office of Planning and Evaluation.	5.0	5.0	5.0	5.0	--
Office of Information and Public Affairs.....	13.0	13.0	13.0	13.0	--
Office of Compliance.....	47.0	46.0	46.0	46.0	--
Office of Hazard Identification and Reduction.....	151.0	154.5	154.5	154.5	--
Assistant Executive Director.....	(8.0)	(7.0)	(8.0)	(7.0)	-1.0
Directorate for Econ. Analysis.....	(12.0)	(13.0)	(13.0)	(13.0)	--
Directorate for Epidemiology and Health Sciences.....	(61.2)	(64.0)	(63.0)	(64.0)	+1.0
Directorate for Eng. Sciences.....	(37.8)	(37.5)	(38.5)	(37.5)	-1.0
Directorate for Lab. Sciences.....	(32.0)	(33.0)	(32.0)	(33.0)	+1.0
Directorate for Administration.....	29.4	29.0	29.0	29.0	--
Directorate for Field Operations....	135.5	136.5	136.5	136.5	--
Total.....	479.3	480.0	480.0	480.0	--

1/ As of June 21, 1997. (Includes pending hires and separations.)

Summary of Field Resources
(dollars in thousands)

	<u>1997</u> <u>Appropriation</u>	<u>1998</u> <u>Request</u>	<u>1999</u> <u>Recommendation</u>
<u>Staff (FTEs)</u>			
Hazard Identification and Analysis....	26.0	26.0	25.0
Hazard Assessment and Reduction...	2.0	2.0	2.0
Compliance.....	91.5	91.5	92.5
Consumer Information.....	17.0	17.0	17.0
Total.....	136.5	136.5	136.5
<u>State and Local Contracts</u>			
Hazard Identification and Analysis:			
Investigations.....	\$10	\$10	\$10
Compliance:			
Section 15 Support.....	35	35	35
Regulated Products.....	15	15	15
Emerging Problems.....	—	—	15
Voluntary Standards Monitoring.....	50	50	50
Subtotal Compliance.....	100	100	115
Consumer Information:			
Video Communications.....	20	20	20
Smoke Detectors for Low Income....	—	—	50
Subtotal Consumer Information.....	20	20	70
Total.....	\$130	\$130	\$195

VOLUNTARY AND MANDATORY STANDARDS SUMMARY

	<u>1997 Estimate</u>	<u>1998 Request</u>	<u>1999 Recommendation</u>
VOLUNTARY STANDARDS UNDER DEVELOPMENT			
<u>Participating:</u>			
Fire/Household	6	5	7
Electrical/Mechanical/Child ..	10	6	7
Subtotal, Participating	16	11	14
<u>Monitoring:</u>			
Fire/Household	8	9	8
Electrical/Mechanical/Child ..	19	18	20
Chemical	3	2	1
Subtotal, Monitoring	30	29	29
Total, Voluntary Standards ...	46	40*	43*

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

MANDATORY STANDARDS UNDER DEVELOPMENT

Fire/Household	5	4	2
Electrical/Mechanical/Child ..	5	4	1
Chemical	4	4	2
Subtotal, Monitoring	14	12	5

PARTICIPATING VOLUNTARY STANDARDS 1997-1999

1997 Estimate	1998 Request	1999 Recommendation
Fire/Gas Codes & Stds.	Fire/Gas Codes & Stds.	Fire/Gas Codes & Stds.
1. Camping Equipment	1. Camping Equipment	1. Camping Equipment
2. CO Detectors	2. Gas Water Heaters	2. CO Detectors
3. Gas Water Heaters	3. Unvented Gas Room Heaters	3. Furnaces, Central
4. Unvented Gas Room Heaters	4. Ranges and Ovens	4. Gas Water Heaters
5. Ranges and Ovens	5. Upholstered Furniture	5. Ranges and Ovens
6. Upholstered Furniture		6. Sprinklers, Residential
		7. Upholstered Furniture
Sports and Recreation	Sports and Recreation	
7. Bike/Recreation Helmets	6. Protective Padding	
8. Soccer Goals		
Children's Products	Children's Products	Children's Products
9. Chairs, Bean Bag	7. High Chairs	8. High Chairs
10. Furniture Tipover	8. Playground Equip., Home	9. Infant Carriers
11. Playground Equip., Home	9. Playground Equip., Public	10. Playground Equip., Children less than 2
12. Playground Equip., Public	10. Playground Equip., Soft	11. Playground Equip., Home
13. Playground Equip., Soft	11. Window Guards	12. Playground Equip., Public
14. Playground Surfacing		13. Playground Equip., Soft
15. Window Guards		14. Swings, Baby
Mechanical Codes & Standards		
16. Pools and Spas		

MONITORING VOLUNTARY STANDARDS 1997-1999

1997 Estimate	1998 Request	1999 Recommendation
1. Firework Devices	1. Fireworks Devices	1. Fireworks Devices
Elec./Mech. Codes & Stds.	Elec./Mech. Codes & Stds.	Elec./Mech. Codes & Stds.
2. Xmas Tree/Decor. Lighting	2. Chain Saws	2. Arc Fault/Ground Fault Protection Devices
3. Countertop Cooking Appliances	3. Countertop Cooking Appliances	3. Chain Saws
4. Elec. Reinspection	4. Elec. Reinspection	4. Dishwashers
5. Escalators	5. Garage Door Operators	5. Elec. Reinspection
6. Go-Carts (Fun Carts)	6. Go-Carts (Fun-Karts)	6. Exercise Equipment
7. National Elec. Code	7. National Elec. Code	7. Fans, Ceiling
8. Shock Protection Devices	8. Plastic Appliances	8. Garage Door Operators
9. Lamps, Portable	9. Recharge. Batteries	9. Heaters, Portable Electric
10. Plastic Applications	10. Saws	10. National Elec. Code
11. Recharge. Batteries	11. Shock Protection Devices	11. Plastic Applications
	12. Snowblowers	12. Saws
Children's Products	Children's Products	Children's Products
12. Activity Centers, Stationary	14. Children's Furniture	13. Activity Centers, Stationary
13. Blind Cords	15. Cribs	14. Children's Furniture (Tipover)
14. Beds, Toddler	16. Infant Bedding	15. Infant Bedding
15. Bedding, Infant	17. Strollers	16. Playground Surfacing
16. High Chairs	18. Toy Safety	17. Window Guards (Emergency Egress)
17. Clothing Strings		
18. Cribs		

MONITORING VOLUNTARY STANDARDS 1997-1999 - Continued - Page 2

1997 Estimate	1998 Request	1999 Recommendation
Children's Products		
19. Toy Safety		
20. Walkers, Baby		
Chemical Hazards	Chemical Hazards	Chemical Hazards
21. Child Resistant Packaging	18. ASHRAE IAQ Standards	18. Child Resistant Packaging
22. ASHRAE IAQ Standards	19. Child Resistant Packaging	
23. Lead Abatement		
Fire/Gas Codes & Stds.	Fire/Gas Codes & Stds.	Fire/Gas Codes & Stds.
24. Central Furnaces	20. Central Furnaces	19. Candles
25. Furnaces, High Efficiency	21. Gas Systems: Overpressure	20. Gas Systems: Overpressure
26. Gas Systems: Overpressure	22. LP Gas Code	21. National Fuel Gas Code
27. LP Gas Code	23. National Fuel Gas Code	22. 20 lb. Gas Systems
28. National Fuel Gas Code	24. 20 lb. Gas Systems	23. Unvented Gas Room Heaters
29. 20 lb. Systems, Gas	25. Vented Gas Room Heaters	24. Vented Gas Room Heaters
30. Vented Gas Room Heaters	26. CO Detectors	25. Clothes Dryers
	27. Clothes Dryers	
	Sports and Recreation	Sports and Recreation
	28. Bicycles	26. Bicycles
	29. Bike/Rec. Helmets	27. Bike Helmets
		28. Snowboarding Helmets
		29. Skiing (Helmets)

RULEMAKING SUMMARY, 1997-1999

1997 Estimate	1998 Request	1999 Recommendation
Fire/Household	Fire/Household	Fire/Household
Upholstered Furniture ¹	Upholstered Furniture ¹	Upholstered Furniture ¹
General Wearing Apparel	General Wearing Apparel	
Flammability Standards ²	Flammability Standards ²	
Multi-purpose Lighters	Multi-purpose Lighters	Multi-purpose Lighters
Fireworks (fuse burn time)		
Electrical/Mech/Child	Electrical/Mech/Child	Electrical/Mech/Child
Baby Walkers ³		
Bicycle Helmets	Bicycle Helmets	
Pacifiers	Pacifiers	
Toy Standards (Harmonization)	Toy Standards (Harmonization)	Toy Standards (Harmonization)
Crib Slats	Crib Slats	
Chemical	Chemical	Chemical
	CR Packaging Standards 2 Substances (Substances to be determined)	CR Packaging Standards 2 Substances (Substances to be determined)
Petroleum Distillates	Petroleum Distillates	
Ketoprofen		
Fluoride ⁴		
Monoxidil ⁴		
	Aspirin Rule	

1. Rulemaking may be terminated if adequate voluntary standard is developed.
2. Amendment of laundering procedures.
3. Rulemaking may be terminated if there is substantial conformance to the voluntary standard.
4. Rulemaking may be recommended.

1999 INFORMATION TECHNOLOGY INITIATIVES

CPSC is a data driven agency. Protecting the public by making risk-based decisions on the basis of timely and accurate data or information is critical to our mission. Information technology is a key component to gathering and disseminating timely and accurate data.

Background

Since 1993, the Commission has made a significant initial investment in upgrading its information technology capabilities, including establishing an agency-wide client-server computer network, installing and revising computerized databases for key, mission-critical programs, initiating a document-imaging capability for electronic filing, improving the Consumer Hotline and National Injury Information Clearinghouse, and establishing an Internet site. These investments have been made through a combination of special one-time appropriations and limited use of annual appropriation funding.

The applications of information technology at CPSC have directly benefitted consumers and industry by saving thousands of hours of staff time, allowing this time to be used in reducing product hazards. Information technology has also improved the distribution of safety information to the public and has greatly streamlined communications among agency staff, permitting the rapid sharing of hazard data and product-related information. Information technology must take substantial credit for sustained agency product safety effectiveness despite CPSC's loss of purchasing power and 10 percent of its staff since 1993. Information technology has allowed us to make more productive use of our resources, such as introducing telecommuting for our field staff and speeding internal agency communications.

The agency currently devotes about \$2.3 million or 5% of its 1998 budget to information technology efforts. About 43% of these dollars are staff compensation costs (15 FTEs) with the balance, \$1.3 million devoted to software programming support of existing databases, software licensing, and only emergency equipment replacement. Agency resources devoted to information technology, when benchmarked to other Federal agencies, compare favorably.

1999 Program

The Commission has reached a cross-roads in its information technology development. It has an infrastructure in place that properly supports hazard injury reduction activities. However, the Commission's budget does not provide for either proper maintenance of the existing system or the development of the next generation of hazard database use.

The Commission's 1999 request thus seeks additional information technology funding of \$2.4 million for a total of \$4.7 million to properly maintain and develop an information technology system that is fully supportive of our agency programs. Of the \$2.4 increase, \$1.4 million represents one-time or non-recurring costs; \$1 million would continue in

future years to provide current and efficient information technology support to hazard reduction work. The investment proposed will make CPSC's recurring information technology allocation about 7% of its 1998 budget base. This percentage compares favorably to other Federal agencies.

The information technology investment requested consists of three elements:

1. **Establish Maintenance Program** - An additional \$1,351,000 is needed to modernize agency computer systems and provide equipment and software for new applications. The agency has invested in computer equipment over the past five years. As this equipment ages, a portion must be replaced periodically. Equipment subject to replacement includes staff computers, database computer servers, and networks linking the staff to the databases. Much of the agency's equipment inventory is approaching its useful life in terms of actually functioning and of providing the utility to meet the demands placed on it by software and staff use. This level of funding would establish a recurring replacement cycle, varying by type of equipment or software. For example, staff computers would be replaced every three to five years. \$1 million of this cost would be recurring each year for future budgets.

2. **Integration of Hazard Databases** - Since the goal of the Commission's information technology program is to have all of the Commission's injury data in electronic format, and linked, enabling staff to more quickly identify hazards, \$700,000 is requested to make substantial progress toward full integration with completion scheduled for FY 2000. This full integration of agency data will, for example, enable a Compliance officer to quickly obtain all of the Commission's data on product related injuries from our NEISS and MECAP databases, death certificate data, poison control center data, Consumer Hotline, and other incident reports. Today, an employee must access all of these independently, which takes many hours or days, with no assurances that all of the Commission's data on the subject have been accessed. Not having complete data means that the thoroughness and accuracy of the completed work could be compromised. The major Section 15 work in the Compliance program is particularly dependent on this integration of agency hazard databases.

3. **New Hardware and Services** - \$315,000 is requested to purchase new equipment which would allow CPSC's networks, the backbone of the agency's computer support, to operate more effectively. This includes:

- a FAX server (which would give employees the ability to send and receive faxes more efficiently from their desktops).
- a testing server (for testing programs with a copy of the same databases that are actually used so that the program's operation with large databases could be tested).

- a server to upgrade to the latest network operating system (allowing more security, flexibility, and efficiency), and an electronic mail server (which would store our electronic mail system, a great productivity tool, and make it full-featured and less susceptible to breakdown).
- a gateway server to allow us to accept various types of Internet and other electronic mail services and better integrate them with our existing internal electronic mail system.

This funding would also be used to allow employees to access our networks from home (a productivity enhancement), and to gain access to basic investigative and research information such as zip codes, maps, and telephone directories.

Conclusion

CPSC has successfully used information technology to increase agency productivity and cope with resource reductions. The agency will depend on it in the future to sustain current level of agency productivity and success in reducing deaths and injuries. However, the information technology infrastructure requires a continual investment if it is to efficiently operate and if it is to take advantage of productivity gains technology can offer.