

**U.S. CONSUMER PRODUCT SAFETY COMMISSION
2005 PERFORMANCE BUDGET**

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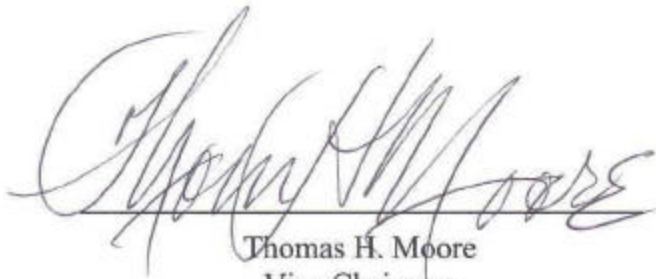
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COMMISSIONERS' TRANSMITTAL STATEMENT


This Performance Budget for Fiscal Year 2005 is submitted by the Commissioners of the U.S. Consumer Product Safety Commission.



Harold D. Stratton, Jr.
Chairman



Thomas H. Moore
Vice Chairman



Mary Sheila Gall
Commissioner

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

For necessary expenses of the Consumer Product Safety Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable under 5 U.S.C. 5376, purchase of nominal awards to recognize non-federal officials' contributions to Commission activities, and not to exceed \$500 for official reception and representation expenses, \$62,650,000. (Additional authorizing legislation to be proposed.)

U.S. CONSUMER PRODUCT SAFETY COMMISSION

2005 PERFORMANCE BUDGET OVERVIEW STATEMENT

The U.S. Consumer Product Safety Commission's (CPSC) performance budget request to maintain its current safety program for 2005 is \$62,650,000, an increase of \$3 million. CPSC's strong record in reducing the nation's deaths, injuries, and health care costs associated with unsafe consumer products justifies continued funding. The proposed resources will sustain our existing safety efforts and continue providing balanced national consumer product safety leadership.

*Request
keeps
CPSC
protecting
families*

CPSC delivers important safety benefits to the American public daily. Despite increases in population and the number of consumer products, our work has contributed significantly to the almost 30 percent decline in the rate of deaths and injuries related to hazardous consumer products since the agency's inception. However, while CPSC's mission and workload has grown over the years, our staff has decreased by over 10 percent since 1990. This resource erosion has been met by CPSC reducing operating costs wherever possible. As a result, we no longer have the financial leverage to fund increased costs of operation without reducing program services. The 2005 funding increase reflects the significant fact that annual cost increases are required to maintain our current level of effort.

CPSC WORKS FOR AMERICA'S FAMILIES EVERY DAY

CPSC's mission is to protect children and families against unreasonable risks of injury and death from 15,000 types of consumer products. This health and safety mission is critical because:

- Despite significant reductions over the years, there remains on average about *24,400 deaths and 33.4 million injuries* each year related to consumer products under CPSC's jurisdiction. These represent almost 9 deaths and 12,000 injuries per 100,000 people each year.
- The deaths, injuries, and property damage associated with consumer products cost the nation over *\$700 billion annually* (see Appendix A – Societal Cost Estimation).

*24,400 deaths,
33.4 million
injuries, \$700
billion cost*

Working cooperatively with industry and consumers since the inception of the agency, CPSC prevented tens of thousands of needless tragedies from dangerous products and saved society hundreds of billions of dollars.

CPSC's UNIQUE SAFETY ROLE

As cited in the recent OMB PART analysis, CPSC has a clear Federal safety role in reducing consumer product hazards. CPSC plays a unique role because it is the only Federal agency that both identifies and acts on a wide range of product hazards. We operate advanced hazard identification systems, including an internationally-recognized hospital emergency room injury reporting system, a toll-free telephone hotline, and a Web site that have all been cited as models among Federal agencies. Once we identify and assess hazards, we apply a wide range of tools to address them: voluntary standards; consumer information; safety guidelines; cooperative product recalls and corrective actions; and, as a last resort, mandatory rulemaking and litigation. Because CPSC is a Federal agency, our product safety work and safety guidance provide businesses a national, level playing field for domestic and imported consumer products. Similarly, our work ensures a uniform level of safety for the nation's families.

CPSC identifies and acts on hazards

The Office of Management and Budget (OMB), in applying the Program Assessment Rating Tool (PART) to CPSC, found the agency scored relatively high (83 percent) among the 20 percent of Federal programs rated last year. While the OMB assessment suggested areas for improvement¹, OMB found that CPSC performs very well.

CPSC ACTIVITIES SAVE BILLIONS

CPSC is a great value to the American people. By any measure, each year CPSC saves the nation many times the agency's annual budget. The agency's primary performance measures are reductions in deaths, injuries, and other costs to the nation, such as health care costs and property damage. Through our standards work, compliance efforts, industry partnerships, and consumer information program, we have achieved substantial reductions in deaths and injuries associated with a wide variety of hazards. Since the inception of the agency, the annual number of deaths and injuries prevented by just a sample of CPSC activities reduced societal costs by over *\$15 billion*; this is 250 times CPSC's proposed 2005 funding. Some notable CPSC "success stories" include:

CPSC reduces health care costs

- A **42 percent reduction** in *residential fire deaths* from 4,560 in 1980 to 2,660 in 1998.
- A **69 percent reduction** in consumer product-related *electrocutions* from 650 in 1975 to 200 in 1998.
- A **36 percent reduction** in consumer product-related *carbon monoxide deaths* from 282 in 1980 to 180 in 1998.
- An **87 percent reduction** in *poisoning deaths* of children younger than 5 years from drugs and household chemicals from 216 in 1972 to 28 in 2000.

¹A status report on the PART recommendations is included in Appendix B.

- An **84 percent reduction** in *baby walker injuries* from an estimated 25,700 children younger than 15 months of age treated in U.S. hospital emergency rooms in 1992 to an estimated 4,000 such injuries in 2002.
- A **90 percent reduction** in *crib-related deaths* from an estimated 200 in 1973 to a 2000 average of 20 deaths.

Finally, we believe many more deaths and injuries have been prevented as a result of the heightened attention to safety by manufacturers and consumers due to CPSC leadership.

STRATEGIC PLAN GOALS

CPSC is a results-oriented agency. Our new strategic plan (our second strategic plan was adopted in September 2003) guided the development of the 2005 request and it focuses on three results-oriented hazard reduction goals:

- **Reduce the death rate from fires by 20%.**
- **Reduce the death rate for children under 5 years old from drowning by 10%.**
- **Reduce the death rate from carbon monoxide poisonings by 20%.**

A significant addition in the strategic plan is the establishment of two goals addressing the use and quality of our data. First, we want to systematically use the data we collect to lead to risk-based decisions so that we focus on reducing the most critical consumer product hazards with our limited resources. Second, we want to review our databases to ensure that we are using the best quality data. We are a data-driven agency and these goals will focus appropriate attention to data management.

**Improve
risk-based
decision-
making**

We have also established service quality and customer satisfaction goals. In addition, we have addressed the President's Management Agenda by establishing performance goals. Our strategic goals cover 50 percent of the agency's efforts in 2005 and we have established annual performance goals for 100 percent of the agency's efforts. We have met or exceeded most of our past years' annual performance plan goals. As cited in the recent OMB PART analysis, our annual performance goals are discrete, quantifiable, and measurable and directly support the agency's mission.

We were very successful under our first Strategic Plan. Of the five hazard reduction strategic goals, we reached our targets for four of them, reducing deaths due to fire, electrocutions, child poisonings and carbon monoxide poisonings. Annual consumer product-related deaths in these hazard areas decreased by almost 500 at the end of the six years covered by our first Strategic Plan. However, product-related deaths and injuries continue to occur at an unacceptable rate. The proposed performance budget will keep us at work reducing deaths and injuries and protecting American families. The 2005 performance budget assumes that the agency will receive full funding of our \$62,650,000 request.

2005 REQUEST IN DETAIL

As part of its development of the 2005 request, the Commission identified major funding categories for consideration in 2005. First, \$3 million is requested in the President's budget to maintain our current safety program and prevent further reductions of our purchasing power. Second, critical infrastructure needs in laboratory redevelopment and information technology have been identified for future funding consideration. The Commission will continue to pursue funding of these infrastructure needs in the future.

Meeting Annual Cost Increases

Full maintenance of our current program activity at 2005 prices requires additional funding of \$3 million, of which \$2.6 million is for staff salaries and benefits, with the balance of the \$3 million increase for General Services Administration (GSA) office space rent and operating costs of the new fire death and injury data system.

Our basic staff costs have been *increasing beyond the rate of annual pay increases*. This is a result of changes in our staff makeup and competition for specialized and highly skilled staff. In previous years, we were able to see cost savings from staff attrition that could be used to offset unfunded salary increases; however, this is no longer the case. Our funded FTEs for 2003 and 2004 are now 471 – as recently as 2002, our budget funded 480 FTEs (in 1990, we funded 526 FTEs). With a small workforce, we cover over 15,000 types of consumer products and this coverage demands a wide range of technical skills. With a shrinking workforce, our staffing flexibility is now extremely limited and full salary funding is key to continuing the effectiveness of the agency. The \$2.6 million required to fund our full complement of 471 highly skilled staff consists of several cost increases:

Increasing cost of staff, our most vital resource

- **Federal pay increases** - \$1.8 million. This is based on an estimated increase of 1.5 percent proposed by the President for 2005. This estimate reflects one less payday in 2005 (261 days). This estimate also reflects the cumulative effect on the salary base of the actual enacted pay increases that doubled the budgeted pay increases for 2003 and 2004. These increases were funded in the first year of each raise by *temporarily* cutting staffing and operating costs. We cannot maintain our 471 FTE base and operate at current program levels if we do not secure full pay increase funding.
- **Staff recruitment and staff retention promotions** - \$250,000. We established a career ladder promotion program for our scientific and technical staff in response to our need to recruit and retain staff in certain highly competitive skill areas. Because our staffing has decreased (our staff has been cut by over 10 percent or 55 FTEs since 1990) we need skilled, experienced staff in a broad range of disciplines who can make immediate contributions to our health and safety efforts in order to sustain productivity. The career ladder promotion program provides scheduled promotions to qualified employees, which results in costs exceeding savings from staff turnover (this cost does not include non-career ladder promotions, which the agency does absorb within its budget).

Specialized staff critical to success

- **Staff within-grade step increases** - \$200,000. This is the cost of annual service increases we are required to pay qualified staff. As we experience growth in new hires, the number of employees eligible for within-grade step increases has grown. In the first three years of employment, employees can receive an increase annually. In addition, to maintain productivity and successfully recruit skilled staff to replace departing experienced employees, we are hiring at higher-grade levels than in the past. These factors combine to make the cost of within-grade step increases exceed the savings normally expected from staff turnover. *Changes in staffing offset turnover savings*
- **Staff health insurance benefits increase** - \$200,000. Our share of staff health insurance costs increased an average of 14 percent a year for the past few years. We expect this trend to continue in 2005.
- **Staff retirement benefits increase** - \$150,000. We have seen a net increase in total agency retirement contributions due to a growing proportion of our staff covered by the more costly Federal Employees Retirement System (FERS) instead of the Civil Service Retirement System (CSRS) that is being phased out. Total agency staff turnover has increased from 6 percent in 1997 to 9 percent in 2002, largely due to retirements (over half the departures in 2002 were retirements). By 2005, almost half of our staff will be retirement-eligible. Retirements have been averaging 5 percent annually and we expect that to increase in 2005 and beyond. We expect this trend to accelerate and continue to increase our retirement contribution costs as the number of our employees covered by FERS increases. While we are seeing more retirements, to maintain productivity and successfully recruit skilled staff to replace departing experienced employees, we are hiring at higher-grade levels than in the past. This offsets savings normally expected from staff turnover. *Staff turnover causing shift to higher costs*

In addition to staff costs, we have two other current service cost increases in 2005:

- **GSA space rent increase** - \$339,000. This represents the General Services Administration's (GSA) proposed annual increase for space occupied by CPSC in our headquarters, laboratory and field locations. The increase represents GSA's estimate of annual rent and operating increases for CPSC locations. We have not increased our space from 2004 to 2005. In fact, in the past 5 years, CPSC avoided space rent increases of over \$1 million annually because our field telecommuting initiative allowed us to reduce space requirements. However, this program has now maximized its potential savings and we cannot absorb any of the 2005 increase without reducing program work. *CPSC has cut space*
- **Operation of new fire data system** - \$80,000. Reduction of fire deaths and injuries is a major effort by the agency and accurate data on consumer product involvement is critical. This initiative builds on a successful pilot conducted in 2002 designed in response to General Accounting Office criticism of the statistical deficiencies of the National Fire Incident Reporting System (NFIRS) operated by the U.S. Fire Administration (USFA) and used by CPSC for its fire death and injury estimates. The new system involves collecting fire incident data from fire departments and death certificates with follow-up investigations of incidents. We will continue to rely on the NFIRS system to provide us information on the number of residential fires and on property cost data but to obtain a statistical sampling of deaths and injuries, we must rely on the new fire data system. The total annual operating

cost of the system is \$310,000. CPSC is able to reallocate funds of \$230,000 by cutting operating support from other CPSC programs. However, we need an additional increment of \$80,000 to fully fund the program.

Deferred Critical Investments

We also have identified critical investments that would build on our current success and strengthen our safety efforts in the future. These enhancements are important to keeping our business processes current, keeping abreast of consumer product market changes, and maintaining our product safety leadership. While not funded in 2005, these items remain important to the Commission and we will continue to seek ways to attain these investments.

- Laboratory modernization** – The Commission has developed a plan to modernize our aging laboratory facility. This facility provides critical support to our compliance investigations and development of safety standards. GSA studies have shown that simply maintaining the existing structures is not cost effective. We have been working with GSA since 1999 to develop a modernization plan for the former military installation built in the 1950’s that serves as our laboratory facility. An architectural firm under contract to GSA is now developing the full costs for implementing the master plan approved last year by the local planning commission. These cost estimates are expected to be available later this winter. When we have these estimates, CPSC and GSA will work with OMB to determine the appropriate funding vehicle for the laboratory modernization project.
- Information Technology** – As a data-driven agency, we must continually invest in the tools we use to identify and analyze hazards. However, we have not been able to properly fund our information technology (IT) infrastructure. Our present IT funding is barely adequate to maintain our existing IT infrastructure. We have been fortunate to be able to reallocate salary savings in recent years to fund IT needs, However, with the reductions in FTE funding in the last few years, we no longer have the financial flexibility to reallocate funds by postponing filling positions to achieve short-term savings.

Testing key to safety

Data-driven work requires modern technology

Our IT infrastructure supports all program work of the agency. Much of our IT needs are being driven by various legislative mandates and Administration initiatives. The Enterprise Architecture Plan, now under development, will guide our IT investments. We face a full-range of IT challenges: establishment of a capital investment fund to provide a three-year replacement cycle; extensive database programming; upgrading of our data access; enhanced security; and increased help desk support. A fuller discussion of our future IT needs can be found in the Information Technology Status section (page 3).

	<u>FTEs</u>	<u>\$000</u>
<i>2004 Appropriation (pending)</i>	471	\$59,646
<i>Maintain current services</i>	--	3,004
<i>2005 Request</i>	<u>471</u>	<u>\$62,650</u>

CPSC is a Health and Safety Bargain

Deaths, injuries, and property loss associated with consumer products cost the nation over \$700 billion every year. Working cooperatively with industry and consumers, CPSC has prevented tens of thousands of needless tragedies from dangerous products and saved society billions of dollars.

**Full funding
benefits
families**

The \$62,650,000 investment requested for 2005 is less than 25 cents per U.S. citizen. Given the annual cost of deaths, injuries, and property loss associated with hazardous consumer products under CPSC jurisdiction and demonstrated savings of CPSC work, full funding for CPSC has and will continue to pay great dividends to American families for years to come.

CPSC's PROGRAMS

CPSC's focus on safety is reflected in its two programs: *1. Reducing Product Hazards to Children and Families* and *2. Identifying Product Hazards*.

1. Reducing Product Hazards to Children and Families. Under this program, our largest, we seek to reduce deaths and injuries in four hazard areas:

- a. Fire and Electrocutation Hazards*
- b. Children's Hazards*
- c. Child Poisonings and other Chemical Hazards*
- d. Household and Recreation Hazards*

In each of the four hazard areas, we conduct these basic activities to achieve hazard reductions:

- **Safety Standards.** Includes developing voluntary or mandatory safety standards for product performance and product labeling, and banning products where appropriate. Whenever possible, hazard reduction activities are carried out cooperatively with affected industries and state and local organizations.
- **Compliance.** Includes obtaining compliance with product safety regulations, identifying and remedying unregulated products that present substantial safety hazards, and seeking conformance with voluntary safety standards. Remedies may include voluntary product recalls as well as civil and criminal penalties. Remedial actions are achieved by working cooperatively with industry and as a last resort, through litigation.
- **Consumer Information.** Includes alerting the public to recalled hazardous products, providing other safety information designed to reduce injuries, and collecting complaints from the public through the agency's consumer hotline and Web site. Consumer information is a critical function in the Commission's hazard reduction efforts. For some product hazards, consumer information represents the only viable means available to reduce injuries.

For 2005, the budget request for the four hazard areas under *Reducing Product Hazards to Children and Families* includes a prorated share of the agency-wide increase to maintain current services. While total program FTEs remain level, there are minor adjustments in FTE staffing

within hazard areas to reflect normal workload adjustments in response to changes in our hazard project inventory.

a. Reducing Fire and Electrocutation Hazards

Fire Hazards -- *The Commission's strategic plan sets a goal of reducing the rate of death from fires by 20 percent from 1998 to 2013.* In 1999², there were about 337,300 residential fires resulting in about 2,390 civilian deaths, 14,550 civilian injuries, and \$4.24 billion in property damage. The total annual cost to the nation of residential fires is about \$17 billion. Fire is a leading cause of home deaths among children younger than 5 years old and adults 65 and older. About 25 percent of fire deaths are to children under 15 years old. While efforts by the agency and the nation's fire prevention community have resulted in a steady decline in residential fires, this nation's fire death rate remains one of the highest among industrialized nations.



Our past standard-setting and compliance activities contributed to the general decline in fires and fire deaths and show that the agency is effective in reducing fire hazards. These activities included work on cigarette ignition-resistant mattresses and upholstered furniture, heating and cooking equipment, electrical products, general wearing apparel, children's sleepwear, child-resistant lighters, fireworks, battery-operated children's vehicles, and smoke alarms. In 2003, we had 71 recalls involving over 11.3 million product units presenting a fire hazard. These recalls included the recall of fireworks, chain saws, and snow throwers. In addition, CPSC actions prevented almost 1 million illegal firework devices from being imported into the U.S. We also conducted consumer information campaigns to warn the public about fire hazards.



Electrocution Hazards – In 2000, there were about 150 electrocutions associated with consumer products and the cost to the nation from electrocution and shock-related injuries was over \$1 billion. The Commission continues to receive reports of electrocutions from products such as house wiring, lamps and light fixtures, antennas, power tools and small and large appliances. Deaths from

electrocutions have decreased to 5.3 deaths per 10 million people, or about 140 fewer deaths annually since 1988, in large part due to CPSC efforts. We worked with industry to develop safety standards that reduced or nearly eliminated the risk of electrocution for such products as hair dryers, power tools, CB antennas, and electric toys. CPSC has been instrumental in upgrading the National Electrical Code to provide for wider application of the highly effective electric shock protectors known as ground-fault circuit-interrupters (GFCIs). In 2003, we had 17 recalls involving over 800,000 product units presenting an electrocution hazard, such as extension cords and portable worklights. We conducted consumer information campaigns to warn the public about hazards presented by electrical products.



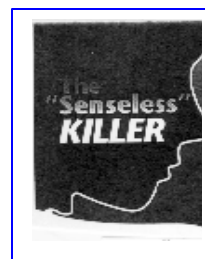
Reducing Children's Hazards. *The Commission's strategic plan sets a goal to reduce the rate of pool and in-home drowning of children under 5 years old by 10 percent from the 1999-2000 average by the year 2013.* Annually, an average of 248 children younger than 5 years of age drowned in swimming pools nationwide in 1999-2000. In addition, an average of 167 children under 5 years of age

²1999 is the latest year for which data is available.

drowned each year from other hazards in and around the home in 1999-2000. Many of these deaths involved common household products such as bathtubs, 5-gallon buckets, toilets, spas and hot tubs. The total cost to the nation from child pool and in home drownings and near drownings is nearly \$2.7 billion.

Non-drowning related hazards to children are associated with a wide-range of consumer products. Examples include choking and suffocation hazards related to some children's toys; suffocation from soft bedding; strangulation from window blind cords and clothing drawstrings; fall hazards to children associated with baby walkers, infant swings, infant car seat/carriers, playground equipment, and bicycles and various hazards with infant products, such as highchairs, strollers, and baby bath seats. In 2003, we obtained 94 recalls for toys and other children's products involving over 14 million product units. We conducted consumer information campaigns to warn the public about hazards to children. In total, the hazards to children from drownings and non-drowning related hazards addressed in this activity are associated with over 525 deaths, almost 469,000 injuries and societal costs of over \$27 billion each year.

c. Reducing Child Poisonings and other Chemical Hazards. The Commission's strategic plan sets a goal of reducing the rate of death from carbon monoxide poisonings by 20 percent from the 1999-2000 average by the year 2013. The latest available data show that in 1999 and 2000 an average of 124 people died each year from unintentional CO poisoning related incidents, excluding incidents involving auto exhaust and fires, at a societal cost of approximately \$620 million. CO is a poisonous gas that has no smell, color or taste -- truly a "senseless" killer. Any fuel-burning appliance is a potential CO source. In 2003, we negotiated a recall of over 40,000 propane camping heaters. Our past work on reducing CO hazards is projected to save \$600 million annually in societal costs from CO poisoning.



The Commission estimates annual societal costs of \$2.4 billion resulting from injuries and deaths associated with products that can poison children. In 2000, an estimated 74,000 household chemical poisonings to children under the age of 5 were treated in hospital emergency rooms. Our efforts through promulgation and enforcement of regulations issued under the Poison Prevention Packaging Act (PPPA) have played a key role in reducing medicine and household chemical poisoning deaths of children under 5 from an average of 200 before 1974 to an average of under 30 deaths annually in recent years.

We also play a prominent role in protecting children from the risk of lead poisoning and other chemical hazards. Actions in this area include eliminating lead as a chemical stabilizer in vinyl mini-blinds; issuing guidance about lead on public playground equipment; obtaining recalls of crayons containing lead, lead figurines and toys containing lead paint; and issuing guidance to manufacturers, retailers, distributors and importers urging them to eliminate the use of lead and hazardous liquids in children's products, such as jewelry and toys. In 2003, we completed a risk assessment of CCA-wood treated products in home decking and play equipment. Also in 2003, for all poisoning and chemical hazards, we had 14 recalls involving over 2.4 million product units that presented poisoning hazards, including toy necklaces containing lead and batteries in

crib mobiles that may cause chemical burns. We conducted consumer information campaigns to warn the public about poisoning hazards.



d. Reducing Household and Recreation Hazards. The annual societal cost to the nation of household and recreation hazards is estimated at \$57 billion. We have made important strides in reducing household and recreational hazards. We estimate that \$1 billion in societal costs related to lawn mower injuries have been saved annually since a CPSC safety standard became effective. In 2003, we obtained 82 recalls involving nearly 11 million product units presenting hazards when used in the household or in recreation. These recalls involved a wide range of products such as weed cutting attachment blades, slow cookers, recliners and patio chairs. We also have been a leader in providing consumers with information on the safe use of bicycles, scooters, and in-line skates.

2. Identifying Product Hazards -- The work in this program³ provides the critical information needed to assess product hazards, apply hazard reduction strategies, and generally, support risk-based decision-making. For 2005, the budget request for this program includes its prorated share of agency-wide increases to help maintain current service levels, including full funding of the new fire death and injury system. The program consists of two activities: **a. Data Collection and b. Emerging Hazards/Data Utility.**

Foundation for risk-based decision-making

a. Data Collection. This activity is the agency's early warning system that identifies hazardous products, injury patterns, causes of deaths and injuries, and proposes hazard reduction initiatives. Early identification of product hazards allows CPSC to take prompt action to prevent and reduce injuries and deaths and avoid costs to consumers and businesses. This program is the basis for the agency's decision-making process and subsequent hazard reduction activities, such as voluntary standard setting, compliance, consumer information, and rulemaking efforts. The most prominent activity is the operation of CPSC's National Electronic Injury Surveillance System (NEISS). This is a hospital emergency reporting system designed to provide statistically valid national estimates of product hazards (except fire) and is the foundation for subsequent CPSC safety work. In 2005, \$80,000 is requested to fully fund the annual \$310,000 cost of a new fire and death data collection system that will correct statistical difficulties with our existing method of developing fire statistics. It will allow valid national statistical projections and will contain detailed descriptions of the incidents, including the causes of these incidents and consumer products involved.



Strengthening risk-based decision-making

b. Emerging Hazards/Data Utility. *The Commission's new strategic plan sets a goal to improve the usefulness of CPSC's data through 2009 by developing and implementing a more systematic method to identify new*

³ The previous title of this program was "Identifying and Researching Product Hazards." We have shortened the title to "Identifying Product Hazards" because we are not requesting a specific research budget, which was proposed for several years but not been funded by OMB or Congress. While the Commission believes that research is appropriate and authorized by the Consumer Product Safety Act, future research will be proposed on an individual project basis in specific program areas as needed, instead of as a centralized research budget.

strategic goal areas, hazard reduction projects, and remedial actions. To improve the utility of the hazard data collected, we will more systematically review and analyze death and injury data available to the agency and identify areas where more information must be obtained in order to develop effective strategies to reduce deaths and injuries. Staff plans to develop and implement a data review system that will identify promising strategic goal areas and hazard reduction projects for future incorporation into our strategic plan, as well as provide insight into potential remedial actions.

A complementary data goal concerning data quality has also been established. *The Commission's new strategic plan sets a goal to improve the accuracy, consistency, security, and completeness of CPSC's data through 2009.* In 2005, the staff will review our databases and will recommend improvements as necessary.

The data assembled under the Data Collection activity is analyzed by conducting follow-up investigations of selected individual incidents, either by telephone or through on-site visits. The follow-up investigations provide an opportunity to examine the interaction between the product involved in the incident, the environment in which the incident occurred, and the injured person. This information is necessary to develop remedial strategies.

We also conduct economic studies to provide specialized economic information to the staff, Commissioners, other agencies, and the public. Staff develops injury cost projections to estimate potential benefits associated with agency actions. We generate estimates of products-in-use to determine potential recall effectiveness, consumer exposure to product hazards and to support agency hazard analysis work.

Finally, in response to petitions, staff may prepare briefing packages for Commission consideration to grant or deny the petitions. The public may file a petition requesting that the Commission regulate a consumer product under its jurisdiction.

<u>Program</u>	<u>2004</u>		<u>2005</u>		<u>Change</u>	
	<u>FTEs</u>	<u>\$000</u>	<u>FTEs</u>	<u>\$000</u>	<u>FTEs</u>	<u>\$000</u>
<i>Reducing Product Hazards to Children and Families</i>	391	\$48,470	391	\$50,962	--	+\$2,492
<i>Identifying Product Hazards</i>	80	11,176	80	11,688	--	+512
Total	<u>471</u>	<u>\$59,646</u>	<u>471</u>	<u>\$62,650</u>	<u>--</u>	<u>+\$3,004</u>

HIGHLIGHTS OF RECENT ACCOMPLISHMENTS

Our accomplishments illustrate the benefits of CPSC funding. The proposed budget seeks to build on recent accomplishments of the agency. CPSC's injury prevention activities involve all members of the product safety triangle, consumers, businesses, and government, working together for product safety. CPSC stresses three approaches in carrying out its



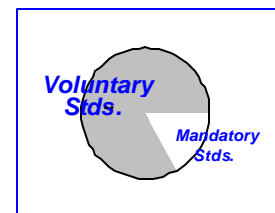
mission. First, the agency reaches out to prevent deaths and injuries from hazardous products, instead of waiting for tragedies to occur. Second, CPSC seeks to be accessible and to work cooperatively with its customers -- American consumers and businesses. Finally, the agency continually evaluates the way it operates to create a more efficient agency.

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

- Continued the *Fast Track Product Recall Program* to speed up corrective actions, including product recalls and, most importantly, quickly remove unsafe consumer products from the marketplace. Over 800 firms have participated in the program, resulting in almost 1,200 corrective action plans involving almost 140 million product units. This effort was a winner of the 1998 "Innovations in American Government Award" sponsored by the Ford Foundation in conjunction with Harvard University's Kennedy School of Government and the Council for Excellence in Government.
- Created www.Recalls.gov by leading an effort to partner with six other federal agencies to develop a "one-stop-shop" for all federal product recalls. This new website is an easy to use portal for all federal agencies that have the authority to conduct safety recalls. CPSC also partnered with numerous businesses as well as public organizations to continue promoting the website
- Designated an official *Small Business Ombudsman* at CPSC to enhance relationships between the agency and small businesses, and provide guidance to them. So far, the agency has helped over 2,000 small businesses comply more easily with product safety guidelines. Currently, about 99 percent of the callers to our small business toll-free hotline received a full response within three business days. The National Ombudsman Report to Congress on Regulatory Fairness cited our program as one of the best in the Federal government.
- Partnered with the CNA Financial Corporation to produce *Childproofing Your Home, 12 Safety Devices to Protect Your Children*. Almost 300,000 copies have been distributed.
- Joined forces with "Amazon.com" and "eBay" to call their customers' attention to products offered for sale on their *auction sites* that might have been recalled and to direct them to CPSC's Web site for recall information.

Stressing Voluntary Safety Standards. We emphasize voluntary safety standards first and enact mandatory standards only when appropriate. For example, CPSC:

- *Worked cooperatively with industry* to complete 249 voluntary standards, while issuing only 35 mandatory rules since 1990 -- a seven-to-one ratio of voluntary to mandatory standards.
- Worked with industry to revise the *voluntary baby walker safety standard* to address injuries from stair falls. New walkers with safety features are now on the market. There has been a decrease in injuries of about 80 percent from 1995 to 2002 likely due in part to the new voluntary standards requirements. CPSC projects societal costs decreasing about \$600 million annually.



- Held *public safety meetings* that brought together industry, consumer, and government groups to find ways to address safety hazards by sharing information. The topics of the meetings included recall effectiveness, upholstered furniture, soft bedding in cribs, public playground safety, swimming pool and spa hazards, bleachers and grandstands, multi-use helmets, all terrain vehicles (ATVs), movable soccer goals, baseball safety equipment, toy premiums, soccer head injuries, nighttime bicycle safety, carbon monoxide and smoke alarms, phthalates, and mattress and bedding fires.

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

- Completed about 280 *cooperative recalls* in 2003, involving about 40 million product units. CPSC obtained major recalls cooperatively with industry, such as fireworks, slow cookers, recliner chairs, electric sanders, and pacifiers.
- Continued to enforce the laws and regulations designed to protect citizens from product hazards. In 2003, we completed 4 civil penalty cases that resulted in almost \$2 million in fines for failure to report a hazardous defect, and violations of the Poison Prevention Packaging Act, the Federal Hazardous Substances Act, and the Consumer Product Safety Act. In addition, we secured 5 criminal convictions for violations of the Federal Hazardous Substances Act and other statutes.
- In 2003, informed the public of hazardous products through 232 press releases, almost 2 million distributed publications, appearances on network TV shows, and through CPSC's consumer hotline, Web site, and National Injury Information Clearinghouse. Placed on national and local TV news shows 16 agency and industry-funded TV safety messages to announce recalls or give safety information in 2003. These video news releases reached a cumulative audience of over 211 million viewers. Examples of past video news releases include flammable skirts (over 103 million viewers), crib mattresses and strollers (over 81 million viewers), and dive stick pool toys that were banned (over 77 million viewers).
- Issued safety alerts and guidelines to parents and other caregivers about the hazards of *soft bedding*. Worked with public and private health organizations to promote placing infants on their backs to sleep in a safe crib with no soft bedding. We conducted a Baby Safety Month campaign (*Sweet Dreams, Safe Sleep for Babies*) addressing safe infant sleeping practices. Over 97,000 brochures were distributed in English and Spanish.
- Conducted a national campaign to alert the public to the sale by *thrift stores* of hazardous products that had been recalled or banned or did not meet current safety standards. CPSC's findings were based on a study of 300 thrift stores nationwide. Our video news release on thrift stores reached over 24 million viewers.
- Sampled and tested 240 shipments containing over 32 million fireworks in 2003. We prevented over 1 million *illegal firework devices* from entering the U.S. in 2003. In addition, CPSC in conjunction with the Department of Justice and the Bureau of Alcohol, Tobacco, Firearms and Explosives seized tens of thousands of illegal firework devices. In addition, other port surveillance activities prevented nearly 400,000 lighters that failed to have child-resistance safety devices from entry.

- Prevented, in partnership with U.S. Customs, about 100,000 *hazardous toys* that violated safety standards from entering the country in 2003.
- Worked with our state and local partners, Safe-Kids Coalitions, fire departments, senior centers, and Thrift/Consignment store operators on CPSC's successful federal-state program, *Recall Round-Up 2003*. This year a new initiative was incorporated involving senior citizen organizations and resulted in 268 safety hazards being corrected in seniors' homes. Combined TV, radio, and press events informed about 12 million consumers of dangerous recalled products that could be in their homes. All 50 states including state and local officials, health and safety agencies, and national and grass roots organizations assisted in getting out our important safety message.
- Set up a *radio message system* that enables local radio stations around the country to access audio segments from CPSC safety messages to use in their newscasts.

Improving Early Warning Systems. Because CPSC is data-driven, we always seek to improve the timeliness and quality of data collection efforts. Specifically, CPSC:

- Initiated the National Burn Center Reporting System to collect data on all clothing-related burn injuries to children under 15 years old from over 100 burn centers nationwide.
- Expanded and accelerated *collection of medical examiner and coroner reports* to provide quicker identification of consumer product-related deaths.
- *Improved the availability of hazard data to staff, industry, and consumers* by making data available from the agency's National Electronic Injury Surveillance System (NEISS) database available on CPSC's Web site.
- Expanded *timely reporting of hazards* by accepting hazard complaints through our telephone hotline and Web site.

CPSC and Citizens. We bring CPSC services to citizens through our Web site, Small Business Ombudsman program, and the consumer hotline.

CPSC is
citizen-
centered

- Provided a "*user friendly*" CPSC Internet Web site (www.cpsc.gov), enabling citizens to visit the site more than 9.2 million times in 2003 compared to about 200,000 times in 1997 (the first full year of operation). The CPSC's Internet Web site provides up-to-the minute recall and other safety information. It allows the public to send CPSC complaints about hazardous products. Industry can also use this site to file hazardous product reports required under section 15 of the Consumer Product Safety Act and obtain current information about CPSC actions. CPSC safety brochures are available on the Web site for citizens and organizations to download and distribute. A section for children, *Especially for Kids*, provides children with important safety information on activities such as bicycling and skateboarding. Finally, we conducted a major review of our website and introduced many enhancements.
- Partnered with six other Federal health and safety regulatory agencies to create the new web site, www.Recalls.gov. This innovative site provides the public with a one-stop shop for all government-regulated product recalls. This site also enables people to sign up for product recall alerts and to obtain important product safety information.

- Creatively combined state-of-the-art technology and existing resources to transform the outdated hotline into an *innovative, user-friendly hotline information system*. The hotline provides a critical gateway to CPSC for citizens seeking important safety information and filing reports about unsafe products. In 2003, there were 136,000 hotline calls from the public.
- *Brought staff closer to citizens* by reassigning staff from larger, centralized regional offices to more field office locations, providing greater local presence and access.

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

- *Consolidated two separate laboratory facilities at one location* to make more efficient use of space and to increase staff productivity. In addition, we recently co-located our sample storage facility to our laboratory site to reduce travel, shipping, and staff time costs. We are now working with GSA to modernize our testing laboratory site in order to introduce more efficiency and capability into the operation of this vital facility.
- *Modernized information technology infrastructure* from mainframe technology to an internal network environment that has lowered costs, improved access to hazard data, and sped up agency responses.
- *Implemented a field telecommuting program* that reduced field space rent by more than one half and increased staff efficiency by reducing travel.
- *Created a strategic goal* to focus agency on continual improvement of critical databases.

TABLE 1
2003 TO 2005 RESOURCES BY PROGRAM AND ACTIVITY
(dollars in thousands)

	<u>2003 Actual</u>		<u>2004 Request 1/</u>		<u>2005 Request</u>		<u>2005 Change</u>	
	<u>FTEs</u>	<u>Amount</u>	<u>FTEs</u>	<u>Amount</u>	<u>FTEs</u>	<u>Amount</u>	<u>FTEs</u>	<u>Amount</u>
REDUCING PRODUCT HAZARDS TO CHILDREN AND FAMILIES:								
Reducing Fire and Electrocutation								
Hazards	<u>167</u>	<u>\$19,634</u>	<u>171</u>	<u>\$21,036</u>	<u>169</u>	<u>\$21,950</u>	<u>-2</u>	<u>+\$914</u>
Fire Deaths 2/.....	145	16,967	145	17,889	143	18,526	-2	+\$637
Electrocutation Hazards.....	22	2,667	26	3,147	26	3,424	--	+\$277
Reducing Children's Hazards	<u>108</u>	<u>12,812</u>	<u>117</u>	<u>14,481</u>	<u>117</u>	<u>15,135</u>	<u>--</u>	<u>+654</u>
Drowning 2/.....	--	--	12	1,431	17	2,155	+5	+724
Other Children's Hazards.....	108	12,812	105	13,050	100	12,980	-5	-70
Reducing Poisonings and								
Other Chemical Hazards								
Carbon Monoxide Poisoning 2/	12	1,563	15	1,796	14	1,770	-1	+26
Other Chemical Hazards	53	6,673	42	5,548	44	6,106	+2	+558
Reducing Household and								
Recreation Hazards								
Subtotal.....	<u>45</u>	<u>5,595</u>	<u>46</u>	<u>\$5,609</u>	<u>47</u>	<u>6,001</u>	<u>+1</u>	<u>+392</u>
Subtotal.....	<u>385</u>	<u>\$46,277</u>	<u>391</u>	<u>\$48,470</u>	<u>391</u>	<u>\$50,962</u>	<u>--</u>	<u>+\$2,492</u>
IDENTIFYING PRODUCT HAZARDS:								
Data Collection 3/.....	85	\$10,299	67	\$8,586	67	\$8,969	--	+\$383
Emerging Hazards/Data Utility 2/	--	--	13	2,590	13	2,719	--	+129
Subtotal.....	<u>85</u>	<u>\$10,299</u>	<u>80</u>	<u>\$11,176</u>	<u>80</u>	<u>\$11,688</u>	<u>--</u>	<u>+\$512</u>
TOTAL COMMISSION	<u>470</u>	<u>\$56,576</u>	<u>471</u>	<u>\$59,646</u>	<u>471</u>	<u>\$62,650</u>	<u>--</u>	<u>+\$3,004</u>

1/ President's Request of \$60 million adjusted for pending rescission of \$354,000.

2/ These are strategic goals; Child Drowning and Emerging Hazards/Data Utility are new for 2004 and 2005.

3/ Data collection activities support all hazard reduction efforts.

TABLE 2
2004 TO 2005 BUDGET CHANGES
 (dollars in thousands)

	<u>Amount</u>	<u>FTEs</u>
2004 APPROPRIATION PENDING	\$60,000	471
Pending Rescission	-354	--
2004 ADJUSTED APPROPRIATION	\$59,646	471
 Cost Increases to Maintain Current Services in 2005:		
Staff pay and benefit increases.....	\$2,585	
GSA space rent increase for staff office and laboratory space.....	339	
Fire death and injury data – Full operation of new data surveillance system.....	80	
Subtotal	\$3,004	
 2005 CURRENT SERVICES LEVEL (for all programs)	 <u>\$62,650</u>	 <u>471</u>

INFORMATION TECHNOLOGY STATUS

*Data-driven
work rests on
Information
Technology*

CPSC is a data-driven agency dependent on information technology (IT). Protecting the public by making risk-based decisions requires timely and accurate data. Our IT system needs sustained investment to support and maintain the current level of hazard identification and reduction efforts. This narrative summarizes our IT program and provides an update on program needs.

DEVELOPMENT OF INFORMATION TECHNOLOGY CAPABILITY

In 1993, CPSC, as part of its relocation to a new headquarters site, received special funding that enabled us to move from a mainframe environment to a networked-based IT infrastructure. Since that time, however, we have only been able to sporadically purchase equipment and enhance our systems with funding received through one-time savings. Continuing a decade old trend, our 2003 appropriation further reduced our primary asset, our staff, making us even more dependent on IT to maintain productivity. However, we have not been able to increase our IT resources.

*Initial IT
investment
not maintained*

Using information technology, CPSC has increased productivity despite erosion in our buying power over the last decade. For example, in 1993, when the agency's information technology capabilities were limited, CPSC provided technical support to the development of 36 voluntary safety standards, distributed one million product safety publications and reviewed 298,000 hospital reports submitted through the NEISS system. In 2003, using advances gained through the use of information technology, the agency provided technical support to the development of 65 voluntary standards, distributed almost 2 million product safety publications and reviewed 350,000 product-related injury reports through the NEISS system. Information technology enabled staff to not only identify hazards more quickly, but also gave staff more time to work on addressing those hazards and increased the speed at which CPSC can inform the public. Under the current budget climate, enhancing and maintaining our information technology capabilities becomes even more critical.

In the last decade, the nature of the way the Federal Government, our stakeholders, and CPSC conduct business has changed dramatically. The demand for the electronic sharing of information has increased both internally and externally. New federal requirements such as the Government Paperwork Elimination Act (GPEA), Teleworking Act, and the President's Management Agenda (PMA) have created the need for greatly enhanced IT systems. In addition, the Government Information Security Reform Act (GISRA) and the Federal Information Security Management Act (FISMA) mandate a whole new level of IT security requirements to protect the quality and integrity of our data.

New Requirements:

- *Clinger-Cohen*
- *GPEA*
- *GISRA/FISMA*
- *Telecommuting*
- *PMA/E-Gov*
- *Public demand*

CURRENT STATUS

As a result of reductions in agency staff (-10 percent in the last decade) and increases in agency workload in the last decade, achievement of the agency mission has become increasingly dependent on our IT systems and the accessibility of information electronically to maintain productivity. However, we are struggling to simply maintain our existing systems. We do not have funds to enhance or modernize our systems to take advantage of new productivity possibilities (such as one-stop data searching of our several hazard databases), to implement new software systems (such as converting our databases to modern, Web-accessible software), or to even replace aging components of our infrastructure (from network servers to desktop computers).

CPSC IT Facts:

- *Over 500 desktop computers, network connected*
- *Over 250 full-time & part-time teleworkers*
- *Web site and Intranet*
- *50 databases*
- *EA plan under development*
- *26 FTEs; 6 contract staff*

IT buying power being eroded

Our total IT budget is about \$4 million or 7 percent of the 2005 Presidents' Request for CPSC. About \$3 million funds CPSC staff (26). The remaining \$1 million funds recurring costs for telephone and data communications, basic programming services, annual software licenses, help desk services, and emergency equipment replacements. The purchasing power of these resources is being eroded over time. For example, as a result of our first GISRA audit recommendations, we now devote a full staff position to IT security (the audit suggested that we use up to 3 FTEs). While some IT costs have decreased, such as computers and telecommunication costs, software licenses have become more expensive, and programming and help desk services demands continue to grow.

CPSC's most prominent database, the National Electronic Injury Surveillance System (NEISS), not only supports much of CPSC's hazard identification efforts, but also provides other agencies and the public with important safety data. The NEISS system is entirely dependent on the well-being of our IT infrastructure. If our systems were to fail, the effects would reach far beyond CPSC. The systems that support NEISS and all of the agency's work are nearing the end of their expected life cycles.

The agency was able to fund the development of an IT Enterprise Architecture (EA) plan in 2002. We expect to complete the plan in 2004. The plan, required under the Clinger-Cohen Act and recommended in our first IT security audit, will guide future IT development and expenditures.

FUTURE NEEDS

We have identified several deferred investments totaling about \$2 million that, when added to our base, would provide us the capability to maintain and enhance the information technology infrastructure our safety work depends on. These efforts are above and beyond the current funding capacity of the agency. With current resources, it is questionable if we can maintain current IT systems that support the agency's work, let alone meet the public's demand for electronic access to information, comply with Federal mandates and initiatives, and fully secure our systems to protect our data.

1. ESTABLISHMENT OF IT CAPITAL INVESTMENT FUND

Just ten years ago, very few staff had personal computers on their desktops. Now, virtually all of our business is conducted electronically through our desktop computers. We are at a point now where we will have to begin sacrificing critical IT replacements in an effort to just maintain a minimal level of operations. We need to determine the risks involved in continuing to run equipment beyond the expected life cycle in order to fund a more critical requirement or an emergency requirement.

*Fund life-cycle
replacement
for equipment
and software*

We have made efforts to replace aging equipment whenever possible. For example, we were able to purchase a new telephone and voice mail system in 2002 with funding from unanticipated salary savings (due to delays in confirming a new chairman). The system that we replaced was ten years old and in addition to showing signs of failure, was costly to maintain. As expected, the agency has realized savings with the new system in the first year of operation. We had planned to use these savings for other, critically needed equipment. Unfortunately, we experienced a catastrophic equipment failure in our computer room (where a large portion of our IT infrastructure is housed). Several problems occurred as a result: the system went down prohibiting staffs' access to important data; our public Web site was inaccessible; and some of the equipment sustained immediate damage, but more importantly, as time goes by we are seeing more equipment failure as a result of this one incident.

Our primary network servers began to fail and could not be restored. We were forced to use the savings realized from the new telephone system to replace the damaged equipment. In addition, during these unplanned outages, the agency was not able to access critical data or systems. Had the problem not been caught, we would have sustained total equipment failure. In that case, even if funding were available, it would take several months to restore our systems. This experience has underscored the need for the agency to establish an off-site backup system to ensure agency operations in case of a disruption of the primary facility. This is an example of the need that an IT capital investment fund could meet.

Major processing systems need periodic replacement. Just recently, the vendor for our procurement system announced they are dropping support for our existing system so we now have to acquire a new system for about \$400,000. In another example, GSA is requiring all agencies to adopt a new automated travel system. We currently do not have an automated travel system and the acquisition of such a system from a GSA schedule could cost about \$300,000.

Without the funds to maintain current systems, we cannot fully meet the requirements mandated by the Clinger-Cohen Act to develop a viable Capital Planning, Investment and Control process, which includes a capital investment program. Our recent independent security audit also recommended the establishment of an IT capital investment fund. Such a program would include a replacement cycle for agency computer systems and other information technology. At this time, we fund only emergency replacements. We believe a permanent fund of \$800,000 would provide the planned life-cycle IT replacement program we believe is necessary to support CPSC.

Life-cycle replacement items:

- **Computers**
- **Network & database servers**
- **Printers/scanners**
- **Software upgrades**

This fund would allow the agency to establish a 3-4 year industry standard replacement cycle of critical IT infrastructure components. The expenditures would be guided by the EA plan. An example of a typical year's efforts could include these expenditures at today's prices: replacement of 1/3 of our desktop computers (\$430,000); replacement of 1/3 of our network and database servers (\$60,000); replacement of 1/3 of our telecommunications and data switches (\$100,000); replacement of 1/3 of our printers/scanners (\$60,000) and, software applications (\$150,000).

2. WEB-BASED DATA APPLICATIONS DEVELOPMENT

CPSC staff depends on our IT systems to perform all aspects of their work, from the rapid sharing of hazard data and product-related information both internally and externally, to the timely distribution of safety information to other Federal agencies and the public. At the current funding level, we can

Hazard reduction work starts with our databases

only provide minimal administrative support of our data application systems, including the National Electronic Injury Surveillance System (NEISS). Enhancements to our current systems is not possible within our current funding level. Many of the E-government initiatives under the President's Management Agenda (PMA) are dependent on Web-based applications such as government-to-citizen. With one-time salary savings in 2002, we were able to launch the Web-based application, NEISS On-Line, which enables the public to search our NEISS system for injury data. We are also developing interactive Web-based applications for government-to-government, which will allow data to be shared such as in the case of our State Partners Program where state designees assist us in product investigations and recall effectiveness activities. Because these efforts were achieved by contracting through an outside source, with one-time only savings, we cannot continue further development of these systems and may not be able to meet the goals of the agency's Strategic Plan or continue with the E-Government initiatives outlined in the PMA. For example, we had planned to implement a new initiative (government-to-citizen) which would enable the public to make on-line requests under the Freedom of Information Act (FOIA). We do not know if we can meet this goal without funding. We do not have the in-house staff resources to develop the application.

Databases serve CPSC, other Federal agencies, and the public

In addition, programming work is needed to provide staff with one-stop searching capability. Presently, staff must search at least 4 databases when researching a hazard. Using Web-based applications, staff will be able to run a comprehensive search of all our databases. Staff will be able to run a query and the system will search all the databases providing comprehensive results.

One-stop data updates/searches

We believe that \$600,000 would enable us to develop Web-based, integrated data applications. These expenditures would also be guided by our EA plan. Funds would be used to hire contract programmers to develop the new applications. Investment in Web-based application development and maintenance is critical and ongoing as business, both internal and external, continues to migrate to that environment.

3. SECURITY ENHANCEMENTS

Security needs grow as systems become complex and accessible

As a result of unanticipated funding in 2002, we were able to address initial IT security requirements identified in our GISRA audit. By 2004, we will have completed addressing the high-level security weaknesses identified. But, as the requirements for remote access increase, continued expansion of Web-based applications is necessary to further our efforts to increase access to information electronically. External requirements, such as the E-government initiative requiring all agencies to move to a new e-payroll system and e-travel system, continue to place extraordinary burdens on our internal security controls. These activities require new and ongoing security measures to protect our data and to meet requirements of the FISMA. We will face a growing need to strengthen our automated information security. We believe about \$175,000 is necessary to fund annual security investments such as periodic purchases of enhanced intrusion-protection software as our databases evolve over time.

IT security requires continual investment

4. DATA ACCESS

Demand for access requires new software

The E-government initiatives under the PMA require that all agencies begin working on systems which will allow submission of information electronically government-wide, including such requirements as submission of the IT annual budget request using Extensible Markup Language (XML) and the new e-travel initiative requiring all agencies to develop compatible systems by 2006. We estimate that about \$200,000 is needed to develop an IT software infrastructure which would support using XML software. This funding would allow us to determine the best method for conversion, develop a conversion plan and purchase available software applications. Some of the conversion work would be performed as part of the Web-based application development. Without additional funding, it is unlikely we will be able to comply.

Major databases must be converted for greater access

5. HELP DESK SUPPORT

Growth in Help Desk Work:

- *Remote users require twice the support time as HQ users*
- *40 users at Lab*
- *130 full-time Field teleworkers*
- *120 part-time HQ teleworkers*
- *20% increase in the past 2 years in help desk calls – primarily from teleworkers*

Beginning in 1997, the majority of our Field staff began teleworking. A new federal mandate now requires agencies to have all eligible staff teleworking by 2004. We are in the process of complying with this initiative and were able to purchase equipment in 2002 with unanticipated savings that provided funding to support this requirement. However, we do not have an adequate number of IT technical support staff to assist the teleworkers in accessing and sharing information electronically. The success of our teleworking program depends on the staff's ability to access critical databases and to be able to communicate electronically. The computer is their primary access to the agency's work. We currently have two contract positions (that sometimes is supplemented with additional contract employees) that comprise our IT Help Desk support and provide IT technical support to CPSC Headquarters' and teleworking staff. Although the number of users requiring support has

More complexity requires more support

increased, particularly with the expansion of telecommuting, the number of Help Desk contracted staff has remained the same since 2000. We estimate it would cost about \$175,000 to add two additional full-time IT Help Desk contract staff.

CONCLUSION

Information technology constantly evolves. IT Systems cannot simply be maintained but must be enhanced or replaced over time. Not to do so is to risk having IT systems become a hindrance instead of a help. Unimproved IT systems over time begin to limit access to vital information because older systems become incompatible with newer systems. Unimproved technology costs more as vendor support moves on to newer technology. Unimproved IT systems fail to capture new productivity gains made possible by advancing technology.

CPSC has been fortunate to have been able to benefit from IT productivity gains as our overall buying power eroded in the last decade. As a result, CPSC has become very dependent on our IT infrastructure to achieve its daily safety work. However, the lack of a permanent capability to maintain and enhance our systems is jeopardizing our future work. The long-term benefit of a strong IT program to the agency's work can not be understated. Additional funding would give us the ability to proactively manage IT resources and pursue greater productivity in our work to maintain and improve product safety. CPSC will continue to explore funding options to help meet our identified IT needs.

BUDGET PROGRAM: Reducing Product Hazards to Children and Families

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

Our hazard reduction work has contributed significantly to the 30 percent decline in the rate of deaths and injuries related to consumer products since the agency's inception in 1973. Past CPSC work has saved and continues to save the nation billions of dollars each year. However, product-related deaths and injuries continue to occur. There are on average 24,400 deaths and over 33.4 million injuries each year related to consumer products under CPSC's jurisdiction. The deaths, injuries, and property damage associated with consumer products cost the nation over \$700 billion annually. (See Appendix A- Societal Cost Estimation.)

In the Reducing Hazards budget program, we set annual, and for some hazards, long-term strategic goals for reducing the risks of injuries and deaths from:

- Fire and electrocution hazards
- Children's hazards
- Chemical hazards
- Household and recreation hazards

Whenever possible, the Commission seeks a *voluntary solution* to product hazards. This voluntary approach is demonstrated by our high ratio of voluntary to mandatory safety standards (seven-to-one since 1990) and our success at getting voluntary recalls (100 percent in 2003).

HAZARDS	2003 Actual		2004 Request		2005 Request	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Fire and Electrocution	167	\$19,634	171	\$21,036	169	\$21,950
Children	108	12,812	117	14,481	117	15,135
Chemical	65	8,236	57	7,344	58	7,876
Household and Recreation	45	5,595	46	5,609	47	6,001
TOTAL	385	\$46,277	391	\$48,470	391	\$50,962

2005 CHANGES

Total dollars increase by \$2.5 million to reflect the program's share of the agency request to maintain current safety efforts at 2005 prices for this program. FTEs in total remain unchanged from 2004 with 391 FTEs for 2005. FTEs change within the activities of the program to reflect normal adjustments of staff time required to work on projects scheduled in 2005.

HOW WE REDUCE HAZARDS

The Commission uses a variety of tools to reduce the risks of hazardous consumer products. These tools include (1) participating in the voluntary standards process and developing mandatory safety standards; (2) compliance activities such as recalls and corrective actions of hazardous products and enforcement of existing regulations; and (3) alerting the public to safety hazards and safe practices. In addition, the agency bases its actions to reduce the risks of hazardous consumer products on information developed from its extensive data collection systems that assess the causes and scope of product-related injuries.

Safety Standards

Much of our work in saving lives and making homes safer is through cooperation with industry. Since 1990, we have worked cooperatively with industry and others to develop 249 voluntary safety standards while issuing only 35 mandatory rules, about a seven-to-one ratio of voluntary to mandatory standards.

We participate in the development of voluntary standards at a number of steps in the process. Staff first submits recommendations for new standards, or modifications of existing standards, to organizations that develop voluntary standards. The organizations complete technical work to support the requirements, publish a proposal for public comment, and publish a standard. We participate in the process by providing expert advice, technical assistance, and information based on data analyses of how deaths, injuries and/or incidents occurred. Our voluntary standards policy does not permit us to vote on proposed changes or new standards; however, our comments are considered throughout the process.

This process can take months or it may take several years. While the development of recommendations is within our span of control and the actual development of proposed standards within our span of influence, the publication and effective dates for the consensus voluntary standards are not.

Safety standards may also be developed through regulation. We usually work cooperatively with industry to develop an effective voluntary standard. If a voluntary standard exists, by law, we may issue a mandatory standard only when we find that the voluntary standard will not eliminate or adequately reduce the risk of injury or death or it is unlikely that there will be substantial compliance with the voluntary standard.

Compliance

In 2003, CPSC completed about 280 cooperative recalls involving about 40 million consumer product units that either violated mandatory standards or presented a substantial risk of injury to the public. Although we have neither the authority nor the resources to approve products for safety before they are marketed, we can work with companies to remove products from the marketplace if we learn that they violate mandatory safety standards or are defective, creating a substantial risk of injury or death.

Headquarters and field staff identify defective products through their own investigations. In addition, firms are required by law to report potential product hazards or violations of standards to the Commission. If an evaluation justifies seeking a product recall, we work with the firm to cooperatively recall the defective or violative product. In nearly all cases, firms work cooperatively with us. If a firm refuses to recall a product voluntarily, we may litigate to require a recall.

To assist industry in cooperatively recalling products and complying with our regulations easily and quickly, we rely on two activities: Fast-Track product recalls and our Small Business Ombudsman. We developed the Fast-Track program to streamline the process of recalls for firms that were willing and prepared to recall their products quickly. Because every recalled defective product represents a potential injury or death, removing these hazardous products from the marketplace faster can prevent more injuries and save more lives. Recalls under the Fast-Track program are twice as fast as traditional recalls and, on the average, are implemented within the 20 days of a firm's report to CPSC provided in the program.

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

Consumer Information

We warn the public about product-related hazards through print and electronic media, our hotline and Web site, and other outreach activities. We develop and provide safety information for the public through safety alerts, news releases, video news releases, publications, including the *Consumer Product Safety Review*, national and local

television appearances, and hotline messages. When knowledge of a hazard requires immediate warnings to the public, such as the recall of a playpen that caused the death of a baby, we rely heavily on the media (newspapers, radio, TV, video news releases). For warnings that need to be repeated -- and most do -- we often rely on outreach by partnering with other organizations and by developing programs, such as Baby Safety Showers, which are easily replicated by other organizations.

We improved our Web site, consumer hotline, and Clearinghouse to better serve the public. CPSC's Web site has grown rapidly from about 200,000 visits in 1997 to 9.2 million visits in 2003. We post and spotlight recall notices on the Web site the same day as the news release announcing the recall. Consumers and firms can file reports of unsafe products on-line and firms are ensured of confidentiality by encrypted transfer of data. Product safety information is also available in Spanish and children can access a special section of the site, *Especially for Kids*, which has safety information.

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

HOW WE IDENTIFY HAZARDS

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

Each year, we collect information about product-related injuries treated in hospital emergency rooms through our National Electronic Injury Surveillance System (NEISS). This unique system provides statistically valid national estimates of product-related injuries from a probability sample of hospital emergency rooms. In 2003, NEISS will supply about 350,000 product-related cases from a sample of about 100 hospitals. The hospitals transmit incident

information electronically, and in some cases, the data are available within 24 hours after an incident. Several foreign governments have modeled their national injury data collection system after the Commission's system.

CPSC also collects mortality data. We purchase, review, and process about 8,700 death certificates each year covering unintentional product-related deaths from all 50 states. Our Medical Examiner and Coroner Alert Project collects and reviews approximately 3,000 additional reports from participating medical examiners and coroners throughout the country. We also collect and review about 5,000 news clips and 10,000 other reports of product-related injuries and deaths from consumers, lawyers, physicians, fire departments and others.

TWO TYPES OF ANNUAL PERFORMANCE GOALS

Our annual plans set performance goals for our key activities. These activities require two different types of annual performance goals.

For activities that address unforeseen safety issues, such as recalls, corrective actions, and news releases, annual goals are more appropriately characterized as estimates. We set numerical estimates for these types of activities based on a review of five years of historical data. However, the actual number of recalls, corrective actions, and news releases responding to unpredictable events in a given year will vary from the estimate, depending on the mix of safety-related problems arising during that year.

For activities that address known product hazards, annual goals are targets set for completing a certain number of activities, e.g., sending a targeted number of recommendations designed to address fire-related deaths to voluntary standards organizations.

FIRE AND ELECTROCUTION HAZARDS

INTRODUCTION

Reducing fire and electrocution hazards is our largest hazard reduction activity. Fire hazards result in more deaths than any other hazard under our jurisdiction. Electrocution represents a smaller hazard and is allocated a correspondingly smaller portion of our resources.

HAZARDS	2003 Actual		2004 Request		2005 Request	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Fire	145	\$16,967	145	\$17,889	143	\$18,526
Electrocution	22	2,667	26	3,147	26	3,424
TOTAL	167	\$19,634	171	\$21,036	169	\$21,950

2005 CHANGES

Total dollars increase by \$914,000 to reflect the program's share of the agency request to maintain current safety efforts at 2005 prices and changes in FTE levels. FTEs decrease by 2 from 2004 with 169 FTEs planned for 2005; these FTE changes reflect normal adjustments of staff time required to work on projects scheduled in 2005.



KEEPING FAMILIES SAFE FROM FIRE HAZARDS

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

THE HAZARD

This nation's fire death rate remains high. In 1999⁴, an estimated 2,390 people died and 14,550 were injured because of fires in residences. These fires resulted in property losses of about \$4.24 billion. The total cost to the nation from residential fires was about \$17 billion. Children and seniors are particularly vulnerable. In 1999, over 500 children under the age of 15 died of fire-related causes and

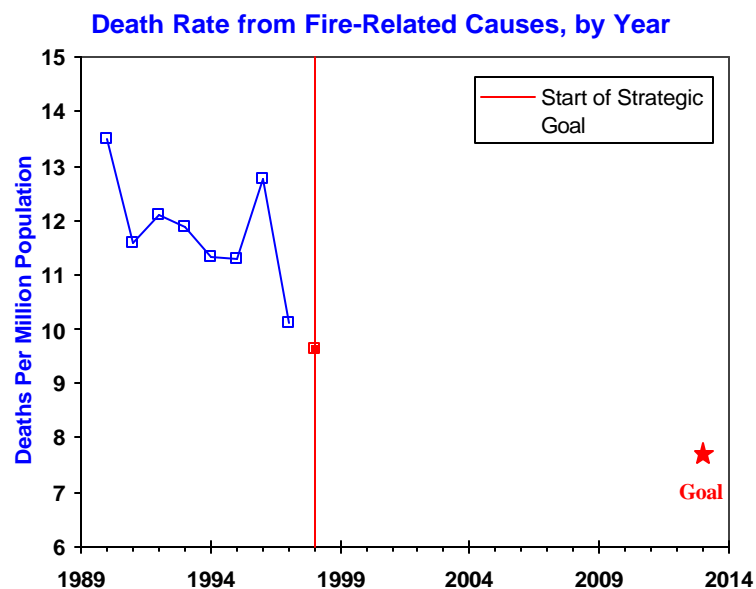
⁴1999 is the latest year for which complete death data is available.

over 300 of these deaths were to children under the age of 5 years. Children under age 5 have a fire death rate more than twice the national average. Older adults also have significantly higher fire death rates in comparison to the rest of the population. In 1999, residential fires resulted in over 800 deaths to adults 65 years and older.

Products most often ignited in fire deaths are upholstered furniture, mattresses, and bedding. In recent years, these product categories were associated with about one-third of the fire deaths. Cooking equipment is often involved as a source of ignition in fire deaths, accounting for about 13 percent of fire deaths in recent years.

OUR PROGRESS

Under our previous Strategic Plans (1997 and 2000), we had a target to reduce the rate of fire deaths due to consumer products by 10 percent from 1995 to 2005. From 1995 to 1998, the fire death rate reduced by nearly 15 percent. To further reduce the death rate, we decided to retain this as a strategic goal in our Strategic Plan, but with a new target of 20 percent reduction from 1998 to 2013.



Deaths due to fire have declined substantially since 1990. In 1998, there were more than 700 fewer home fire-related deaths compared to 1990. In 1999, the trend appeared to continue, although the 1999 estimate is not strictly comparable to those for previous years due to changes in the system for coding fire data.⁵

Past standard-setting and compliance activities contributed to the general decline in fires and fire deaths and show that the agency is effective in reducing fire hazards. These activities include work on cigarette ignition-resistant mattresses and upholstered furniture, heating and cooking equipment, electrical products, general wearing apparel, children’s sleepwear, child-resistant lighters, fireworks, battery-operated children’s vehicles, smoke alarms, and residential fire sprinklers.

⁵A new revision of the National Fire Incident Reporting System (NFIRS), the nationwide system for coding information about fires, went into effect in 1999.

2005 ANNUAL FIRE-RELATED GOALS

Safety Standards

Annual Goals		2000	2001	2002	2003	2004	2005
1. Prepare candidates for rulemaking	Goal	1	2	3	3	2	5
	Actual	0	2	3	2		
2. Present recommendations to voluntary standards or code organizations	Goal	5	6	3	3	3	2
	Actual	3	4	4	3 [#]		
3. Complete data analysis and technical review activities	Goal	7	13	14	12	8	6
	Actual	4	8	12	9		
4. Monitor or participate in voluntary standards revisions	Goal	**	**	**	17	14	13
	Actual	20	15	15	--		

**No goal established. [#]This includes an unplanned activity, Turkey Fryers, that was completed in 2003, but not included in the 2003 Performance Plan. --Data not available.

1. Prepare for Commission consideration 5 candidates for rulemaking or other alternatives.

Carpet Standard Amendment

110 deaths
310 injuries
(1999)

The standards for the flammability of carpets and rugs were adopted to prevent deaths and injuries from fires spread by carpets and rugs ignited by a small ignition source (match, burning ember, etc.). The test method requires the use of a methenamine-timed burning tablet produced by Eli Lilly and Company or an equal tablet as the ignition source for the carpet tests. In 2002, Lilly ceased production of its product. Various pharmaceutical companies claim to be manufacturing acceptable methenamine tablets, but their performance has not been verified.

In 2003, staff completed comparison testing of various manufacturers' tablets and is evaluating the results. From this work, the staff will develop draft specifications to better define the "equal" characteristics in the regulation. The standards will need to be amended to specify these characteristics without reference to a specific brand name product. In 2005, the staff will prepare a briefing package with recommended product specification amendments for Commission consideration. Other possible amendments will be identified, if warranted.

Clothing Textile Flammability

150 deaths (average 1998-2002)
4,400 thermal burn injuries
(average 1995-1999)

The federal standard for the flammability of clothing textiles was enacted to reduce clothing-related thermal burn injuries and fatalities due to the use of highly flammable textiles in clothing. Several aspects of the existing standard require test procedure clarifications or are out of date due to changes in test equipment, consumer practice, environmental law, and textile product cleaning techniques.

Updating the general textile standard is complex; requiring development of a new dry cleaning test procedure, clarification of existing test procedures and methods for interpreting results, and possible harmonization with Canada's clothing regulations. An advance notice of proposed rulemaking (ANPR) was published in late 2002. In 2003 the staff will review the ANPR comments and develop a plan to prepare a proposed standard. From 2004 and into 2005, the staff will prepare proposed amendments to the standard for Commission consideration and prepare a briefing package with a draft proposed rule, as appropriate.

Mattresses - Cigarette Ignition

160 deaths
550 injuries
(1999)

Ignitions of mattresses and bedding materials continue to be one of the main causes of residential structure fires. According to 1999 data, mattresses and bedding ignited by smoking resulted in 5,200 fires, 160 deaths, and 550 injuries. With a New York state requirement for fire-safe cigarettes taking effect in June 2004, traditional cigarettes, including the standard cigarette needed for compliance tests, may eventually be unavailable. Staff work begun in 2002 will continue through 2004 to develop a surrogate ignition source with properties very similar to the standard cigarette source. The staff will follow Commission direction on options to address the changing availability of the standard cigarette and in 2005, prepare an options package, as appropriate, for Commission consideration. The staff may draft proposed amendments to the mattress standard that define a new surrogate "cigarette" ignition source that will not be affected by future changes in that product market.

*Mattresses & Bedding Material -
Open Flame Ignition*

390 deaths
2,090 injuries
(1998)

Based on 1998 data, CPSC staff estimates that an open flame standard for mattresses could potentially address 17,300 mattress and bedding fires that result in 390 deaths and 2,090 injuries. These losses could potentially be addressed by an open-flame standard. In 2002, the Commission voted to publish an ANPR to develop a mandatory standard to reduce the severity of mattress fires and make mattresses less flammable. In 2004 and 2005, the staff will continue to develop a draft proposed standard for mattresses, taking into account the continuing research sponsored by the mattress industry and rulemaking in California. A draft proposed standard for the open-flame ignition of mattresses would include test methodology, a screening test, and acceptance criteria. A briefing package with a draft proposed standard for mattresses will be prepared for Commission consideration, as appropriate. The staff will also follow Commission direction on options to address the flammability

of bedding items.

Upholstered Furniture

420 deaths
1,080 injuries
(includes 80 deaths and 350 injuries associated with small open flame ignition and 340 deaths and 730 injuries associated with cigarette ignition) (1998)

Ignitions of upholstered furniture account for more fire deaths than any consumer product under CPSC's jurisdiction. The staff is developing a possible rule to address the risk of fire. In 1998, fire losses addressable by a standard were 420 deaths, 1,080 injuries and \$120 million in property damage.

In 2003, the Commission considered issues raised at a 2002 public meeting and regulatory options to address the risk of upholstered furniture fires. In October 2003, the Commission published a new advance notice of proposed rulemaking (ANPR) expanding the regulatory proceeding to cover the risk of cigarette ignitions as well as small open flame ignitions. In 2004, the staff will further develop its draft standard and prepare regulatory options, including a possible notice of proposed rulemaking (NPR). Depending on Commission guidance, the staff may, in 2005, continue work on mandatory standard development or continue to work with the California bureau of home furnishings, and industry/voluntary standards groups to develop alternatives to federal regulation.

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

Arc-Fault Circuit Interrupters (AFCIs)

10 deaths
40 injuries
(1998)

In 2005, the National Electrical Code (NEC) may require advanced, more sensitive AFCIs for use in homes effective in 2008. As these new AFCIs become available, CPSC staff will evaluate them for efficacy and nuisance tripping issues. We will also continue to evaluate data from field units installed in public facilities, including installation issues, nuisance tripping, and detection of hazardous conditions. In 2005, test results and field data will be used to make proposals to the NEC for future expansion of AFCIs, as warranted.

Manufactured Homes

192 deaths
644 injuries
(1998)

The National Fire Protection Association (NFPA) estimates that in 1998, there were 15,500 manufactured home fires in the U.S. that resulted in 192 deaths, 644 injuries, and \$144 million in property damage. There appears to be a high incidence of fires caused by consumer products in manufactured homes. The safety standards for gas-fired heating appliances installed in manufactured homes are different than for other installations. These differences may lead to a higher incidence of fires that may be addressable through voluntary standard changes. The purpose of this project is to identify causes of manufactured home fires and

make recommendations to the voluntary standards and building codes to address the hazards. In 2005, staff will make recommendations to revise the codes and standards based on data developed in 2004.

3. Complete 6 data analysis, collection and technical review activities.

Duplex Electrical Receptacles

10 deaths
50 injuries
(1999)

In 1999, receptacles and switches were associated with an estimated 3,300 fires resulting in 10 deaths, 50 injuries, and \$60.6 million in property losses. In 2004, staff will begin a two-year data collection effort by enrolling fire departments in a systematic effort to collect information regarding the types of receptacles involved in fire incidents and to collect receptacles involved in these fires. In 2005, concurrent with ongoing data collection efforts, engineering staff will evaluate collected samples to determine causes of failure. In 2006, staff will complete analysis and sample evaluations. This information will be used to support further changes to the voluntary standard for receptacles, as warranted.

Electric Blankets

<10 deaths
20 injuries
(1998)

Around 1982, designs for electric blankets emerged that were based on new technology, a self-regulating polymer heating element that replaced resistive heating wire with thermostats distributed around the blanket to prevent overheating. Revisions to the voluntary standard in 1999 included safety requirements for certain failure modes of this self-regulating polymer heating element. Subsequently, newer technology, non-polymer blankets have emerged. All of these improvements provide increased safety over the old-style resistive blankets, but in recent years, a number of recalls with these new technology blankets suggest a need for staff to study the issues.

In 2005, staff will conduct an analysis of different electric blanket technologies available on the market and assess whether the industry voluntary safety standard adequately addresses the risk of fire and shock that may be associated with these emerging designs.

Electrical Lighting Products

20 deaths
310 injuries
(1999)

In 1999, light fixtures, lamps and light bulbs were associated with an estimated 20 deaths and 310 injuries. In 2004, staff will continue to conduct a detailed review and analysis of incident data related to lighting equipment for individual products or product categories that were identified in 2003. In 2005, staff will evaluate aspects of design, installation, use, maintenance, etc. that may have caused these incidents. If necessary, laboratory testing will be conducted. In 2006, recommendations for improvements to the voluntary

standards applicable to those lighting products most responsible for deaths and injuries will be made, as warranted.

Panel Boards

30 deaths
260 injuries
(1999)

Fires may occur from overload and short circuit conditions in a home's wiring when the circuit breaker fails to perform its intended function of interrupting the power. In 2004, we will continue exploratory test work to evaluate the circuit breaker/panel board system. We also plan to complete a two-year data collection effort of fire incident reports associated with panel boards and circuit breakers. In 2005, the staff will review voluntary standards and codes related to panel board and circuit breaker design, installation, and use; analyze the data; evaluate the collected samples; and issue a report. Recommendations for changes in the voluntary standards or building codes may be identified and submitted to the appropriate organizations in 2006, as warranted.

Residential Fire Survey

2,390 deaths
14,550 injuries
(1999)

There were 337,300 residential fires attended by the fire service that resulted in 2,390 deaths, 14,550 injuries, and \$4.24 billion in property loss in 1999. Fire service attended fires are thought to represent only about 3 percent of all U.S. residential fires annually. A probability telephone survey of causes and characteristics of residential fires, both attended and not attended by the fire service, will be initiated during 2004 by a contractor. Data collection will include information about the performance of smoke alarms, sprinklers, and fire extinguishers in those fires. Staff analysis of the survey data will begin in 2005. Staff will also begin preparing a hazard report to support national programs conducted by the federal fire partners, voluntary standards groups, and the fire safety community.

Smoke Alarms

2,390 deaths
14,550 injuries
(1999)

The increased use of smoke alarms has resulted in a dramatic decrease in fire deaths in the U.S. during the last 20 years. However, CPSC's 1999 residential fire loss estimates reported that there were an estimated 337,300 residential structure fires, 2,390 civilian deaths, 14,550 civilian injuries, and \$4.24 billion in property loss in 1999.

The sensors used in smoke alarms have changed very little since they were first introduced on a large scale in the early 1970s. Recent research concludes that occupants have less time before untenable conditions are reached in residential fires than they did 30 years ago due to changes in construction materials, home furnishings, and an increased understanding of the physical effects from smoke and toxic gases. Further, under some scenarios, today's alarms may not

provide adequate escape time. In 2005, CPSC staff will investigate technically viable and economical solutions to reduce the response detection time of a smoke alarm in the event of a fire. Both direct (modification of the smoke alarm) and indirect (additional means to notify a main smoke alarm unit) methods of improving smoke alarm detection will be investigated.

4. *Voluntary Standards*

Monitor or participate in the development or modification of 13 voluntary standards for products such as fire sprinklers, gas grills, clothes dryers, heaters, and smoke alarms.

Compliance

Annual Goals		2000	2001	2002	2003	2004	2005
5. Pursue for recall or other corrective action	Goal	455	505	505	350*	270*	270*
	Actual	529	614	367	270		
6. Monitor existing voluntary standards	Goal	1	2	1	1*	0*	1*
	Actual	1	1	1	2		
7. Conduct port-of-entry surveillance	Goal	2	2	2	2*	2*	1*
	Actual	2	3	3	3		

*Estimate based on prior years' experience. The actual number of recalls, corrective actions, monitoring, and surveillance activities will depend on the mix of safety-related problems arising during the year.

Identify and act on products that present a risk of fire-related death through:

5. *Recalls*

Initiate recalls or other corrective actions for a projected 270 products that violate mandatory safety standards or unregulated products that present a substantial risk of fire-related death and injury. In 2003, we identified and corrected 270 violations relating to products that failed mandatory fire safety standards or presented a substantial risk of fire-related deaths. Of these, we obtained 71 recalls involving over 11 million product units such as sparklers, battery chargers, and halogen bulbs. There were substantially fewer corrective actions including recalls in 2002 and 2003 mainly because there was a significant reduction in the amount of support that the U.S. Customs Service was able to provide to CPSC as a result of heightened terror alerts following the September 11, 2001 terrorist attacks. Customs notifies us of shipments of potentially hazardous consumer products that may violate mandatory standards. Customs staff and CPSC recently entered into a revised Memorandum of Understanding, which provides CPSC access to two major Customs databases that may allow quicker response by CPSC staff and may help offset the reduced Customs support.

6. Voluntary Standards

Monitor 1 existing voluntary standard likely to reduce fire-related deaths. Products related to fire hazards that we recently monitored include halogen lamps and extension cords.

7. Import Surveillance

Conduct port-of-entry surveillance for 1 product for which fire safety standards are in effect. In 2003, CPSC field staff and the U.S. Customs Service prevented over 390,000 unsafe lighters and over 2,000 multi-purpose lighters that were not child-resistant and over 1 million units of violative fireworks from entering the country.

Consumer Information

Annual Goals		2000	2001	2002	2003	2004	2005
8. Conduct public information efforts/partnerships	Goal	5	6	7	7	6	6
	Actual	5	6	7	7		
9. Issue press releases and Web recall alerts	Goal	45	45	45 [#]	45 [#]	60 ^{#,*}	60 ^{#,*}
	Actual	48	53	88	72		
10. Produce video news releases	Goal	5	5	6 [#]	5 [#]	5 [#]	5 [#]
	Actual	8	5	8	7		
11. Respond to requests for publications	Goal	160,000	160,000	160,000	200,000	260,000	260,000
	Actual	222,000	259,500	289,000	354,500		

[#]These goals were changed to include all product hazards not just recalled products as in previous years. ^{*}This goal now includes Web recall alerts.

8. Conduct 6 public information efforts, including at least 1 partnership with industry and/or a fire safety group.*Fireworks*

Conduct a national fireworks safety campaign for the Fourth of July aimed at increasing public awareness of the need for safety. The national campaign will alert consumers to the common hazards associated with legal and illegal fireworks. Field staff will work with fire departments to demonstrate the dangers of fireworks and conduct safety campaigns at the community level in cooperation with such groups as hospitals, youth groups, and schools.

Halloween Hazards

Continue reminding consumers of the flammability hazards associated with costumes and other Halloween hazards. Issue a news release to continue warnings about the risk of fire associated with homemade children's costumes, jack-o-lanterns, and other Halloween decorations. Promote availability for television and radio interviews. Continue to conduct field Halloween safety campaigns in collaboration with key public officials and/or private agencies to warn about costume flammability when carrying candles and using

matches and lighters. Visit schools and provide similar information.

Holiday Hazards

Continue to remind consumers about the fire hazards associated with holiday decorations. During the winter holiday season, issue an annual news release to warn about the risk of fire from defective decorative holiday light strings and natural trees, as well as provide tips on the safe use of candles and fireplaces. Include similar information in regional Christmas/winter holiday safety campaigns to warn about the risk of fire.

Lighters

Warn consumers about the risk of fire due to children under 5 years old playing with lighters. Issue a news release about hazards of cigarette lighters and multi-purpose lighters. These lighters are required to incorporate child-resistant features to help prevent their operation by children under age 5. Field staff will conduct safety campaigns using activities such as radio interviews, local press publications, presentations to state and local product safety groups and partnering with other injury prevention organizations, as appropriate.

Senior Safety

Warn consumers about the risk of fire. This outreach campaign will focus on the risks to seniors with a possible partnership with senior-serving organization.

Smoke Alarms

Issue an annual news release to remind consumers to maintain smoke alarms in working condition. Conduct the campaign by partnering with other appropriate organizations.

Alert the public to fire-related hazards through:

9. *Press Releases*

Issue 60 press releases and Web recall alerts to inform the public about products presenting a risk of fire-related death. In 2003, we issued 72 press releases and 15 Web recall alerts on hazardous products such as laser printers, fire sprinklers, and riding lawn equipment.

10. *Video News Releases*

Produce 4 video news releases (VNRs) for products that present a fire hazard and 1 VNR for fireworks safety. In 2003, we produced a VNR on fireworks safety and 6 VNRs on hazardous products such as televisions and heaters. These VNRs reached a combined potential television viewing audience of 129 million.

11. *Publications*

Respond to consumer requests for a projected 260,000 checklists, booklets, and safety alerts warning about fire

hazards. In 2003, we distributed 354,000 publications addressing fire hazards; the most often requested were “Home Fire Safety Checklist,” and “Home Safety Checklist for Older Consumers.”



KEEPING FAMILIES SAFE FROM ELECTROCUTIONS

THE HAZARD

In 2000⁶, there were about 150 deaths from consumer product-related electrocutions. Over 8 percent of the deaths are to children under 15 years old. In 2002, there were an estimated 5,900 electric shock injuries. Total societal costs in the U.S. associated with consumer product-related electrocutions and electric shock are about \$1 billion. The Commission continues to receive reports of electrocution deaths from products such as house wiring, lamps and light fixtures, power tools, and small and large appliances.

This was a former strategic goal, to reduce the rate of death from electrocutions. Past efforts have been successful and the annual number of consumer product-related electrocutions is now below 200. Past efforts may continue to bear fruit, particularly provisions in the National Electrical Code. We will continue work in this area, but not at the level of intensity of a strategic goal.

2005 ANNUAL ELECTROCUTION-RELATED GOALS

Safety Standards

Annual Goals		2000	2001	2002	2003	2004	2005
1. Complete data analysis and technical review activities	Goal	**	3	1	**	**	2
	Actual	--	1	1			
2. Monitor or participate in voluntary standards revisions	Goal	**	**	**	2	2	1
	Actual	2	2	4	--		

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

1. Complete 2 data analysis and technical review activities.

Electrocution Data Update

In 2005, staff will update its annual estimates of consumer product-related electrocutions. Tracking the number of deaths and the death rates is essential to identifying any changes in the risks associated with types of products.

⁶2000 is the latest year for which fatality data is available.

Self-Testing GFCI

25 deaths

Ground Fault Circuit Interrupters (GFCIs) have contributed significantly to the reduction of electrocution and severe electric shock incidents since their introduction in the early 1970s. However, GFCIs can fail and not provide a safety function even though there is still power to the outlet. These failures can occur without warning and in a manner that the consumer may not realize that the GFCI is no longer providing shock protection. Few consumers actually test their GFCIs and may not realize one is non-functional, increasing the possibility of consumer exposure to a potentially severe electric shock incident.

Self-testing GFCIs would reduce the concern that this safety device may not be operating because most functional testing would be done automatically and would require less action by the consumer. In addition, the self-testing GFCI would not provide power if the GFCI did not pass its test. In 2005, staff will work with industry to define the characteristics of a self-testing GFCI, as well as the types of tests that should be considered in evaluation of prototype designs. We will prepare a report describing the desired characteristics and recommended tests. In 2006, staff will investigate technically viable and economical solutions to the development of a self-testing GFCI.

2. Voluntary Standards

Monitor or participate in the development or modification of 1 voluntary standard for ground fault circuit interrupters.

Compliance

Annual Goals		2000	2001	2002	2003	2004	2005
3. Pursue for recall or other corrective action	Goal	25	15	15	15*	20*	20*
	Actual	22	13	31	18		

*Estimate based on prior years' experience. The actual number of recalls, corrective actions, and standards monitored will depend on the mix of safety-related problems arising during the year.

3. Recalls

Identify and act on products that present a risk of electrocution by seeking recalls or other corrective actions. In 2003, there were 18 voluntary corrective actions including 17 recalls involving about 806,000 product units such as portable lights and power adapters.

Consumer Information

Annual Goals		2000	2001	2002	2003	2004	2005
4. Conduct public information efforts/partnerships	Goal	1	1	1	2	2	1
	Actual	1	1	3	2		
5. Issue press releases and Web recall alerts	Goal	8	8	8 [#]	8 [#]	15 ^{#,*}	15 ^{#,*}
	Actual	11	9	25	21		
6. Produce video news releases	Goal	1	1	1 [#]	1 [#]	2 [#]	1 [#]
	Actual	2	1	1	3		
7. Respond to requests for publications	Goal	45,000	45,000	45,000	60,000	80,000	80,000
	Actual	83,000	80,000	102,000	115,500		

[#]These goals were changed to include all product hazards not just recalled products as in previous years. ^{*}This goal now includes Web recall alerts.

- 4. Public Information Effort** Conduct a campaign to alert the public of electrocution and electric shock hazards on a topic such as ground fault circuit interrupters, old power tools, old hair dryers, or swimming pool electrical safety.

Alert the public to electrocution hazards through:

- 5. Press Releases/Recall Alerts** Issue 15 press releases and recall alerts for products presenting a risk of electrocution. In 2003, we initiated 21 press releases and 5 Web recall alerts to warn the public of recalled products with a substantial risk of electrocution including portable lights and power adapters.
- 6. Video News Releases** Produce 1 video news release (VNR) for a product presenting a risk of electrocution. In 2003, we produced three VNRs on electrocution hazards that reached a potential viewing audience of 26 million.
- 7. Publications** We will respond to consumer requests for an estimated 80,000 safety alerts, checklists and booklets. In 2003, the most requested publications addressing electrocutions and electric shock hazards were “Home Safety Checklist for Older Consumers” and “Childproofing Your Home.”

CHILDREN'S HAZARDS

INTRODUCTION

The hazards to children addressed in our second largest activity are associated with over 525 deaths, almost 469,000 injuries and societal costs of over \$27 billion each year. Our work on safety standards and compliance activities has reduced product-related hazards to children associated with baby walkers, bunk beds, infant cribs, infant swings, infant car seat/carriers, playpens, playground equipment, toys and bicycles. We have identified strangulation, suffocation and entrapment risks to infants in their sleep environments. CPSC actions also addressed child strangulation from window blind cords and clothing drawstrings. In 2003, we obtained 94 recalls for toys and children's products involving about 14 million product units. We conducted consumer information campaigns to warn the public about hazards to children.

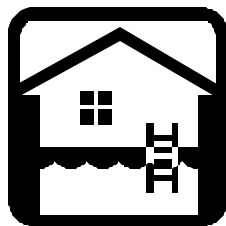
This performance plan sets annual goals for "Keeping Children Safe from Drowning," a new long-term goal in CPSC's Strategic Plan. We also continue to work on injuries related to other children's hazards, such as recalling toys with dangerous small parts and warning the public about hidden hazards related to children's sleep environment. The performance plan sets annual goals for these activities under "Keeping Children Safe from Other Hazards."

HAZARDS	2003 Actual		2004 Request		2005 Request	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Children's Drownings*	--	--	12	\$1,431	17	\$2,155
Other	108	12,812	105	13,050	100	12,980
TOTAL	108	\$12,812	117	\$14,481	117	\$15,135

*New strategic goal in 2005. --Data not available. While the agency did work in this area in 2003, resource data is not available to reflect the 2003 work done on Children's Drownings.

2005 CHANGES

Total dollars increase by \$645,000 to reflect the program's share of the agency request to maintain current safety efforts at 2005 prices. FTEs remain at 117 FTEs for 2005; FTE changes within the program reflect normal adjustments of staff time required to work on projects scheduled in 2005, particularly for work on our new strategic goal on Children's Drownings.

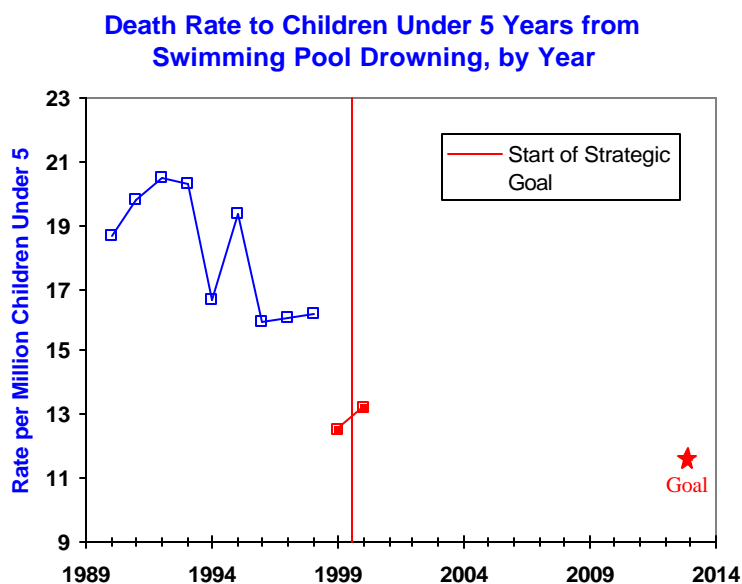


KEEPING CHILDREN SAFE FROM DROWNING

STRATEGIC GOAL: Reduce the rate of swimming pool and other at-home drownings of children under 5 years old by 10 percent from the 1999-2000 average by the year 2013.

THE HAZARD

Annually, an average of 248 children younger than 5 years of age drowned in swimming pools nationwide in 1999-2000.⁷ The total cost to the nation from child pool drownings and near-drownings is nearly \$1.9 billion. Near-drowning incidents may range from complete recovery to irreversible brain damage. Most of these cases involve residential pools. Drowning in swimming pools occurs not just when people are outside or using the pool, but also when young children leave the house without a parent or caregiver realizing it.



CPSC has also received information about other causes of drowning in and around the home. Recent data show that at least two-thirds as many children under age 5 (an average of about 167 reported deaths annually in 1999-2000) drown from other hazards around the home. Many of these deaths involve common household products, such as bathtubs, 5-gallon buckets, toilets, spas, hot tubs, and landscape ponds.

Drowning prevention was developed as a new Strategic Goal for three main reasons: (1) the goal focuses on children, a vulnerable population; (2) drowning ranks second in causes of death to children in the home after suffocation hazards; and (3) proposed strategies

⁷The discontinuity of rates between 1999, 2000 and earlier data shown in the graph above may be at least partially the result of a different method to determine the number of deaths in 1999 and 2000 than was used in the previous years. This different method includes two changes: a change in the International Classification of Diseases (ICD) and a change in methodology within CPSC.

show that a systematic approach appears to be potentially effective.

2005 ANNUAL DROWNING-RELATED GOALS

Safety Standards

Annual Goals		2000	2001	2002	2003	2004	2005
1. Complete testing, data collection, hazard analysis, or technical review activities	Goal	**	**	**	**	3	4
	Actual	--	--	--	2		
2. Monitor or participate in voluntary standards revisions	Goal	**	**	**	1	5	2
	Actual	1	2	2	--		

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

1. Complete 4 testing, data collection, hazard analysis, or technical review activities.

Regional Meetings

As CPSC begins to develop strategies to reduce childhood drowning in residential swimming pools, it will be essential to involve outside parties. In 2004 and possibly 2005, staff will conduct a series of regional stakeholder meetings to obtain information and recommendations on how to address this problem. Invitees may include parents/caregivers, city and county code enforcement staff, injury prevention specialists, state/local health officials, fire department/emergency medical service officials, and legislative staff. Specific review areas may include: (1) review of local drowning and near-drowning data; (2) review and examination of regional/local pool barrier codes, laws, and regulations; (3) review and examination of viable pool barriers and their effectiveness; (4) education approaches for parents and caregivers on pool hazards and drowning prevention; and (5) networking approaches with local coalitions, code officials, and legislators to encourage the adoption of pool barrier recommendations.

Information Collection

Staff will gather information to define the relevant issues; identify gaps in current knowledge; establish priorities and develop methodologies for collecting further information; and solidify objectives in addressing this national problem. In 2004, staff will conduct a literature review of pool drowning data/issues and research pool barrier codes, laws, and regulations. Depending on the outcome of the literature review and research, in 2005, we will implement follow-up strategies that could include: (1) evaluating possible measures of conformance; and as necessary, (2) developing plans, including site selection and investigative guidelines,

for an in-depth epidemiological study of residential pool drownings and/or near-drownings to determine the circumstances involved. Data collection for the drowning study would occur in 2006 and analysis would occur in 2007.

Safety Guideline

CPSC has developed two major publications to address safety issues associated with pools and spas. These publications, *Safety Barrier Guidelines for Home Pools* and *Guidelines for Entrapment Hazards: Making Pools and Spas Safer*, have been referenced in the building codes of many states and local jurisdictions. In 2005, staff will produce a draft document that combines and updates the two documents to include current safe practices in new pool design and construction and the minimum layers of protection. Staff will complete the new safety guideline in 2006 incorporating findings on pool alarms, perimeter alarms, and current applicable standards associated with pool safety products. Staff intends for the publication to become a single reference/guideline for code officials to use in developing jurisdictional requirements for both residential and public aquatic facilities.

Sensor Technology (Pool Areas)

Unattended children can face a risk of injury or death from features such as swimming pools and fishponds. Many child drownings could be prevented if the conditions leading to the hazard are detected and stopped before the child reaches the water. Emerging sensor technologies are highly sensitive to minute changes in physical parameters, potentially allowing for earlier detection and warning. In 2004, 2005, and possibly subsequent years, this project will study the differences, in quantitative terms, between children and adults, and develop some of the system requirements for a monitor capable of discriminating children from adults in pool areas. Which characteristics are the most robust, and how many are required for a low error rate will be investigated. Technologies with applicability in detecting persons and differentiating children from adults will be investigated. System considerations used in developing a working monitor/discriminator will be identified.

2. Voluntary Standards

Staff will monitor or participate in the development of or revisions to safety standards for 2 products such as suction release devices and pool alarms.

Compliance

Annual Goals		2000	2001	2002	2003	2004	2005
3. Pursue for recall or other corrective action	Goal	**	**	**	**	1*	1*
	Actual	0	0	2	1		

**No goal established. *Estimate based on prior years' experience. The actual number of recalls, corrective actions, and standards monitored will depend on the mix of safety-related problems arising during the year.

3. Recalls

Identify and act on products that present a risk of drowning by obtaining 1 recall or other corrective action of a hazardous product that presents a substantial risk of drowning to children or violates CPSC's safety standards. In 2003, there was 1 recall of a child's floatation device involving over 4,000 product units that presented a risk of drowning.

Consumer Information

Annual Goals		2000	2001	2002	2003	2004	2005
4. Conduct public information efforts	Goal	**	**	**	1	1	1
	Actual	--	--	2	1		
5. Issue press releases and Web recall alerts	Goal	**	**	**	**	2 [#] *	2 [#] *
	Actual	0	0	5	4		
6. Produce video news release	Goal	**	**	**	**	1 [#]	1 [#]
	Actual	0	0	1	2		
7. Respond to requests for publications	Goal	**	**	**	**	95,000	95,000
	Actual	94,000	97,500	107,500	123,500		

**No goal established. --Data not available. [#]These goals were changed to include all product hazards not just recalled products as in previous years. *This goal now includes Web recall alerts.

4. Public Information Effort

Issue a news release to inform about the hazards of drowning to children including information such as pool alarms or public and home pool safety. Field staff will participate in injury prevention conferences and work with state/local groups in communities to promote the use of pool alarms that meet the new ASTM standard.

Alert the public to the hazards of drowning to children through:

5. Press Releases/Recall Alerts

Issue 2 press releases or Web recall alerts to inform the public about hazardous products presenting a risk of drowning. In 2003, we issued 4 press releases for products such as child swim trainers.

6. Video News Releases

Produce 1 video news release (VNR) for a product presenting a risk of drowning. In 2003, we produced 2 VNRs that addressed child drowning prevention that reached a potential viewing audience of 4 million.

7. Publications

Respond to consumer requests for a projected 95,000 checklists, booklets, and safety alerts warning about drowning hazards. In 2003, we distributed 123,500 publications relating to child drowning hazards. The most requested of these were “Childproofing Your Home” and “Water Safety Tips.”

KEEPING CHILDREN SAFE FROM OTHER HAZARDS

THE HAZARD

Non-drowning hazards to children are associated with a wide-range of consumer products. Examples include choking and suffocation hazards related to some children's toys; strangulation, suffocation and entrapment risks to infants in their sleep environments; strangulation from window blind cords and clothing drawstrings; and various hazards with infant products, such as highchairs and strollers. In 2005, planned activities will address about 110 annual child deaths and 467,000 injuries.

Children's head injuries are also included in this hazard area. This was a former strategic goal, to reduce the rate of head injury to children, and we will continue to work on this hazard. There is a product standard, the CPSC helmet standard, which we will continue to enforce and we will contribute to efforts advocating helmet use.

2005 ANNUAL GOALS FOR OTHER CHILDREN'S HAZARDS

Safety Standards

Annual Goals		2000	2001	2002	2003	2004	2005
1. Complete testing, data collection, hazard analysis, or technical review activities	Goal	3	4	8	2	6	3
	Actual	2	3	8	2		
2. Monitor or participate in voluntary standards revisions	Goal	**	**	**	28	26	26
	Actual	22	22	30	--		

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

1. Complete 3 testing, data collection, hazard analysis, or technical review activities.

Head Injury and Death Update

About 235 children under 15 years of age died in 2000 from injuries in which head trauma related to consumer products was the primary cause. In 2002, there were also an estimated 646,000 product-related head injuries to children under 15 years old treated in U.S. hospital emergency rooms. Studies have shown that children have a higher risk of head injury than adults do and that children's head injuries may have life-altering consequences. Tracking these deaths and injuries in a systematic way is important in identifying the most critical hazards and evaluating actions previously taken. In 2005,

staff will update its annual estimates of consumer product-related head injuries and deaths to children.

Indoor Play Surfacing

The Commission has advised parents and childcare providers that climbing equipment should not be used indoors on hard surfaces, but we have not provided specific guidance on what types of protective surfaces may be suitable around indoor play equipment. In 2004 and 2005, staff will identify the range of currently available manufactured safety mats and test them according to the established ASTM test method for playground surfaces or other criteria. This should provide a reasonably comprehensive summary of the types and levels of protection of surfacing products now on the market. Development of consumer information and/or staff participation in voluntary standards activities related to playground surfacing may follow in 2006.

Playground Surfacing/ Long Bone Injuries

57,800 injuries

Over 200,000 emergency room-treated injuries and 15 deaths annually occur with playground equipment. Fractures are the most commonly reported injury, and most of these involve the wrist, lower arm, and elbow. In 2004 and 2005, CPSC staff will conduct research into the effect of various types of protective surfaces on long-bone injury patterns (e.g., fractures of the lower arm). Such a study will include evaluation of the interactions among various loose-fill or "solid" protective surfaces and body mechanics that result in injury. Information developed as a result of this project may be used in support of playground equipment/surfacing voluntary standards activities and public information efforts.

2. Voluntary Standards

Staff will monitor or participate in the development of or revisions to 26 various safety standards for children's products, such as playground equipment, baby walkers, toddler beds, recreational headgear, infant carriers, and strollers.

Compliance

Annual Goals		2000	2001	2002	2003	2004	2005
3. Pursue for recall or other corrective action	Goal	**	**	270	225*	235*	250*
	Actual	327	356	259	261		
4. Monitor existing voluntary standards	Goal	**	**	**	**	**	1*
	Actual	--	--	--	--		
5. Conduct import surveillance	Goal	**	**	**	1*	1*	1*
	Actual	1	1	1	1		

*Estimate based on prior years' experience. The actual number of recalls, corrective actions, monitoring, and surveillance activities will depend on the mix of safety-related problems arising during the year. **No goal established. --Data not available.

Identify and act on products that present a risk of injury to children through:

3. *Recalls*

Obtain recalls or other corrective actions on hazardous products that present a substantial risk of injury (other than drowning in pools) to children or violate CPSC's safety standards. In 2003, there were 261 voluntary corrective actions including 93 recalls that involved over 14 million product units including board books, infant carriers, plush toys, and training cups.

4. *Voluntary Standards*

Monitor 1 existing voluntary standard likely to reduce children's deaths or injuries.

5. *Import Surveillance*

Conduct 1 port-of-entry surveillance for children's products that present a substantial risk of injury to children. In 2003, U.S. Customs detained about 60 shipments consisting of over 92,000 toys, mainly for violations of the small parts regulation.

Consumer Information

Annual Goals		2000	2001	2002	2003	2004	2005
6. Conduct public information efforts	Goal	4	4	3	5	2	2
	Actual	4	4	3	4		
7. Issue press releases and recall alerts	Goal	**	**	**	**	70 [#] **	70 [#] **
	Actual	79	79	62	69		
8. Produce video news releases	Goal	**	**	**	**	4 [#]	13 [#]
	Actual	23	13	7	7		
9. Respond to requests for publications	Goal	**	**	**	**	840,000	840,000
	Actual	842,000	902,000	896,000	852,000		

**No goal established. --Data not available. *This goal now includes Web recall alerts. [#]These goals were changed to include all product hazards not just recalled products as in previous years.

6. Conduct 2 public information efforts.

Children's Products

Issue 1 news release to warn about the hazards associated with a wide-range of children's products such as toys, playgrounds, or infant products. Regional activities will include such programs as baby safety showers, local media interviews, and speaking engagements.

Recreational/Sports Activities

Issue 1 news release to promote the use of protection/safety gear with children's recreational and sports activities such as bicycling, riding scooters, in-line skating, skiing and snowboarding. Partner with State/Local officials to promote children's recreational safety including radio interviews for seasonal sport activities.

Alert the public to the hazards of injuries to children through:

- 7. *Press Releases/Recall Alerts*** Issue 70 press releases and Web recall alerts to inform the public about products presenting a risk of injury to children. In 2003, we issued 69 press releases and 14 Web recall alerts on hazardous products that included bottled water with sports caps, spray foam, and book sets.
- 8. *Video News Releases*** Produce 13 video news releases (VNRs) for products presenting a risk of injury to children. In 2003, we produced 7 VNRs for recalled products with a total potential television viewing audience of over 75 million.
- 9. *Publications*** Respond to consumer requests for a projected 840,000 checklists, booklets, and safety alerts warning about other children's hazards. In 2003, the most often requested publications were "Childproofing Your Home" and "Childcare Safety Checklist."

CHEMICAL HAZARDS

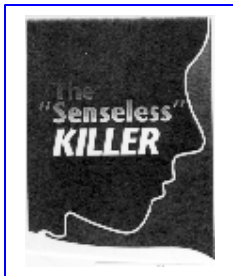
INTRODUCTION

In this program, we address two chemical hazards: carbon monoxide poisonings (CO), a long-term goal in CPSC's Strategic Plan, and other chemical poisonings, such as child poisonings from drugs and other hazardous household substances.

HAZARDS	2003 Actual		2004 Request		2005 Request	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Carbon Monoxide Poisonings	12	\$1,563	15	\$1,796	14	\$1,770
Other	53	6,673	42	5,548	44	6,106
TOTAL	65	\$8,236	57	\$7,344	58	\$7,876

2005 CHANGES

Total dollars increase by \$532,000 to reflect the program's share of the agency request to maintain current safety efforts at 2005 prices. FTEs increase by 1 over 2004 with 58 FTEs planned for 2005; these FTE changes reflect normal adjustments of staff time required to work on projects scheduled in 2005.



KEEPING FAMILIES SAFE FROM CARBON MONOXIDE POISONINGS

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

THE HAZARD

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

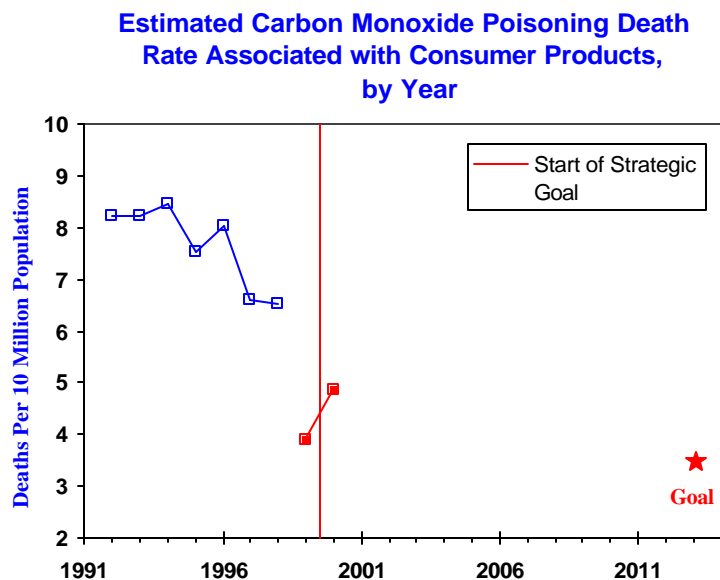
The latest available data show that in 1999 and 2000 an average of 124 people died from unintentional CO poisoning-related incidents, excluding incidents involving auto exhaust and fires, at a societal cost of approximately \$620 million each year. Because some symptoms of

moderate CO poisoning may mimic common illnesses such as influenza or colds, there may be a high incidence of missed initial diagnoses. Not only are victims frequently unaware of exposure to CO, but also health care providers may not suspect, or check for, CO poisoning. While some symptoms of CO poisoning are reversible, delayed neurological effects can develop following severe poisonings, especially those involving prolonged unconsciousness. Prompt medical attention is important to reduce the risk of permanent damage.

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

OUR PROGRESS

Under our previous Strategic Plans (1997 and 2000), we had a target to reduce the rate of CO poisoning deaths due to consumer products by 20 percent from 1994 to 2004. From 1994 to 1998, the death rate was reduced by 23 percent. To further reduce the death rate, we decided to retain this as a strategic goal in our Strategic Plan with a target of 20 percent reduction from 1998 to 2010.



Estimated deaths from carbon monoxide poisonings decreased from over 210 deaths in 1992 to 180 deaths in 1998. The average estimated number of deaths for 1999-2000 was 124. The discontinuity of rates may be at least partially the result of a different method to estimate the number of deaths in 1999 and 2000 than was used in previous years.⁸

We used a number of interventions to help reduce these deaths including working with industry to encourage the development of new products to protect consumers from CO

⁸This different method includes three changes: a change in the International Classification of Diseases (ICD), a change in methodology within CPSC, and inclusion of a new category of products in the estimates.

poisonings; working with industry to develop a voluntary performance standard for CO alarms; and warning the public about CO poisoning through information campaigns.

2005 ANNUAL CARBON MONOXIDE-RELATED GOALS

Safety Standards

Annual Goals		2000	2001	2002	2003	2004	2005
1. Complete testing, data collection, hazard analysis, or technical review activities	Goal	2	1	3	2	1	1
	Actual	2	0	3	2		
2. Monitor or participate in voluntary standards revisions	Goal	**	**	**	4	3	4
	Actual	7	4	4	--		

**No goal established.

1. Complete 1 testing, data collection, hazard analysis, or technical review activity.

Fuel-Fired Heating Systems

66 deaths

CO poisoning deaths may result from consumers using alternate heat sources during power outages. In 2003, CPSC staff conducted a project to assess the viability of thermoelectric cells to generate enough power to power a CO sensor and shut off a portable camping heater in the event of high CO levels. Staff developed the circuit and design of this module and demonstrated its performance. Compact passive power generating devices, such as thermoelectric generators, show promise as practical power sources that could operate appliances during power outages and that could ensure safe operation of sensor and control systems during abnormal conditions by using the inherent heat generated by these appliances.

In 2003 and 2004, for selected classes of gas-fired products, staff will identify the potential energy sources, assess the potential for power production, and develop a prototype power/safety module for the most promising product category. At least 1 additional different class of gas-fired products will be assessed in 2005 and a prototype module will be constructed and tested to demonstrate its feasibility and practicality for selected products. Results will be summarized in a report that will serve as a basis for voluntary standards development, as appropriate. The results will be shared with industry to encourage development of promising technologies.

2. Voluntary Standards

Monitor or participate in the development or modification of voluntary standards for 4 products such as engine-driven tools and gas appliances.

Compliance

Annual Goals		2000	2001	2002	2003	2004	2005
4. Pursue for recall or other corrective action	Goal	2	2	2	2*	2*	2*
	Actual	2	6	11	2		

*Estimate based on prior years' experience. The actual number of recalls and other corrective actions will depend on the mix of safety-related problems arising during the year.

4. Recalls

Identify and act on products that present a risk of death from CO poisoning by obtaining recalls or other corrective actions for 2 products that present a substantial risk of CO poisoning. In 2003, there were 2 corrective actions resulting in recalls involving almost 53,000 product units involving propane camping heaters and lanterns.

Consumer Information

Annual Goals		2000	2001	2002	2003	2004	2005
5. Conduct public information efforts/partnerships	Goal	2	2	1	3	1	2
	Actual	1	1	3	3		
6. Issue press releases and recall alerts	Goal	1	3	1 [#]	1 [#]	5 ^{#,*}	5 ^{#,*}
	Actual	0	3	8	6		
7. Produce video news release	Goal	**	**	**	**	1 [#]	1 [#]
	Actual	0	0	2	1		
8. Respond to requests for publications	Goal	50,000	50,000	50,000	50,000	65,000	65,000
	Actual	53,000	66,500	84,500	97,000		

[#]This goal was changed to include all hazardous products not just recalled products as in previous years. ^{**}No goal established. *This goal now includes Web recall alerts.

5. Conduct 2 public information efforts and/or partnerships with trade associations or safety advocacy groups to provide information to the public about CO hazards and prevention.*General CO Hazards*

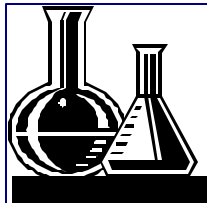
Develop and distribute safety information on general CO hazards for distribution to groups such as local utility companies, retailers, ventilation maintenance companies and trade organizations for further distribution to consumers.

Home Heating

At the beginning of home heating season, issue a seasonal news release to warn about CO hazards from heating equipment.

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

- 6. *Press Releases/Recall Alerts*** Issue 5 press releases or Web recall alerts for hazardous products presenting a risk of CO poisoning. In 2003, we issued 6 press releases warning consumers of hazards related to hazardous products such as propane heaters and propane lanterns.
- 7. *Video News Releases*** Produce 1 video news release (VNR) for a product that presents a CO hazard.
- 8. *Publications*** Respond to consumer requests for an estimated 65,000 checklists, booklets, and safety alerts warning about CO poisoning hazards. In 2003, the most often requested publications were “The Senseless Killer (CO),” “Childproofing Your Home.”



OTHER CHEMICAL HAZARDS

THE HAZARD

Each year, accidental ingestion of toxic household chemicals are associated with, on average, almost 30 deaths to children under age 5, and an estimated 74,000 children treated in emergency rooms. There are about 1 million calls to Poison Control Centers involving children under 5 years of age. CPSC is responsible for administering the Poison Prevention Packaging Act (PPPA), which requires special child-resistant packaging for household substances that are hazardous to children. The Commission further seeks to reduce or prevent deaths or injuries due to other poisonings, ingestion, inhalation, or dermal exposure from use of consumer products. The costs of injuries and deaths associated with products in the chemical hazard area are estimated to be in the billions of dollars based on respiratory diseases alone.

We have also played a prominent role in protecting children from the risk of lead poisoning and other chemical hazards. For example, Commission action resulted in manufacturers eliminating the use of lead as a stabilizer in vinyl mini-blinds. We also developed and distributed guidance about lead on public playground equipment and children's jewelry; recalled crayons that contained hazardous levels of lead; recalled toys with lead paint; and issued a policy statement to manufacturers, retailers, distributors and importers urging them to eliminate the use of lead and hazardous liquids in children's products.

Child poisonings was a former strategic goal area. It was a maintenance goal, to not increase the death rate of unintentional poisonings to children from hazardous household chemicals. Before 1974, an average of 200 children under the age of 5 years died each year from poisonings. Since the PPPA became law, deaths to children under 5 years of age have declined substantially to an average of under 30 deaths annually. We will continue to work on this hazard, but it will no longer be a strategic goal.

2005 ANNUAL GOALS FOR OTHER CHEMICAL HAZARDS

Safety Standards

Annual Goals		2000	2001	2002	2003	2004	2005
1. Prepare candidates for rulemaking	Goal	**	**	1	1	1	2
	Actual	2	1	1	0		
2. Complete testing, data collection, toxicity and/or risk assessment, or technical review activities	Goal	**	**	4	5	7	4
	Actual	--	--	3	5		
3. Monitor or participate in voluntary standards revisions	Goal	**	**	**	2	2	2
	Actual	1	2	1	--		

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

1. Prepare for Commission consideration 2 candidates for rulemaking or other alternatives.

Poison Prevention

28 deaths
74,000 injuries

The purpose of the project is to reduce injuries and deaths of children associated with ingestion of household chemicals. The project will continue to monitor ingestions of hazardous household chemicals and to assess them for the need for child-resistant packaging. In 2005, staff will prepare a briefing package for Commission consideration regarding a notice of proposed rulemaking or a final rule for at least one hazardous substance.

Strong Sensitizer Definition

In 1986, The Commission issued a rule supplementing the definition of strong sensitizer found in the Federal Hazardous Substances Act (FHSA). Our knowledge in the area of immunology has grown and changed since the mid-1980s. The purpose of this project is to formally review and revise accordingly the supplemental definitions of a sensitizer found in the FHSA regulations. This will involve input and review from experts in the fields of immunology. The area of immunology has grown and changed since that time and we feel it is appropriate to update this definition, as it could be the basis for labeling and/or recalling consumer products.

2. Complete 4 testing, data collection, toxicity and/or risk assessments, or technical review/report activities.

Chronic Hazard Guidelines

The focus of the 2005 work will be to continue the systematic review of the CPSC chronic hazard guidelines, with appropriate revisions to address scientific advances and new risk assessment methods. The guidelines, which provide the basis for certain health, environmental and safety regulations, should reflect the most current state of the

science. Work in 2003 and 2004 will continue in 2005 on the systematic review of the CPSC chronic hazard guidelines, with appropriate revisions to address scientific advances. In 2005, staff will complete draft guidance on assessing possible reproductive and developmental toxicants, and begin developing guidance for immunotoxicants, and neurotoxicants.

Poison Prevention

Staff will continue to monitor ingestion databases and review chemical classes of products for the need for child resistant packaging. As appropriate, staff will make recommendations for rulemaking to the Commission. Staff also will prepare the annual report on deaths due to ingestions of hazardous household chemicals using data from the National Center for Health Statistics (NCHS) and will continue to work with other government agencies in the poison prevention area.

Toxicity Assessment

Staff will address a broad spectrum of products and effects by continuing ongoing assessments and initiating new assessments depending on the identification of emerging hazards. The issues will vary but may include hazards associated with exposure to lead, perfluorooctanoyl sulfonates (PFOS) and related chemicals, phthalate substitutes, and ozone from ozone generators, as needed. Staff will initiate reduction activities, as needed. Staff will perform one toxicity assessment, technical review, preliminary exposure assessment, or risk assessment, as appropriate.

Interagency Coordination

Participation in interagency committees and partnerships ensures coordination of scientific activities of mutual interest. In 2005, staff will respond to requests from the Interagency Coordinating Committee on the Validation of Alternative Methods (ICCVAM) regarding possible CPSC acceptance of ICCVAM validated test methods and continue screening for emerging hazards by identifying potential chemical hazards using data from sources such as EPA's High Production Volume (HPV) Program and other TSCA data, the National Toxicology Program, and the International Agency for Research on Cancer (IARC).

3. *Voluntary Standards*

Monitor or participate in the development or modification of 2 voluntary standards for gas cans or products with child resistant packaging.

Compliance

Annual Goals		2000	2001	2002	2003	2004	2005
4. Pursue for recall or other corrective action	Goal	**	**	55*	70*	70*	90*
	Actual	68	79	166	122		

*Estimate based on prior years' experience. The actual number of recalls and other corrective actions will depend on the mix of safety-related problems arising during the year. **No goal established.

4. Recalls

Identify and act on products that present a risk of death from other chemical hazards by obtaining 90 recalls or other corrective actions for violations of mandatory safety standards or for unregulated products that present a substantial risk of other chemical hazards. In 2003, there were 122 corrective actions including 12 recalls involving over 2.4 million product units presenting other chemical hazards such as necklaces with high levels of lead and crib mobiles with batteries that can leak and may cause chemical burns.

Consumer Information

Annual Goals		2000	2001	2002	2003	2004	2005
5. Conduct public information effort	Goal	1	1	1	1	1	1
	Actual	1	1	1	1		
6. Issue press releases and recall alerts	Goal	**	**	**	5 [#]	6 [#] *	6 [#] *
	Actual	6	11	8	11		
7. Produce video news releases	Goal	**	**	**	1 [#]	1 [#]	1 [#]
	Actual	1	1	2	3		
8. Respond to requests for publications	Goal	**	**	**	255,000	300,000	300,000
	Actual	357,500	356,000	350,000	311,000		

**No goal established. *This goal now includes Web recall alerts. [#]These goals were changed to include all hazardous products not just recalled products as in previous years.

5. Public Information Effort

Conduct 1 public information effort/partnership. During National Poison Prevention Week, issue a news release and coordinate a health and safety campaign by partnering with the Poison Prevention Week Council and related organizations to promote child-resistant packaging and other poison prevention measures. Throughout the year and during National Poison Prevention Week, field staff will promote the benefits of child-resistant packaging in preventing children's poisonings using activities such as radio interviews, local press publications, presentations to state and local product safety groups and partnering with other injury prevention organizations, as appropriate.

Alert the public to the hazards of other chemical hazards through:

- 6. *Press Releases/Recall Alerts*** Issue 5 press releases or recall alerts to inform the public about hazardous products presenting a risk of other chemical hazards. In 2003, we issued 11 press releases and 2 Web recall alerts on hazards such as toy flashlights, infant girls' garments, and oil lamps.

- 7. *Video News Release*** Produce 1 video news release (VNR) on the hazards of unintentional poisonings to children. In 2003, we produced 3 VNRs on other chemical hazards. There were nearly 31 million potential television viewings of these VNRs.

- 8. *Publications*** Respond to consumer requests for a projected 300,000 checklists, booklets, and safety alerts warning about other chemical hazards. In 2003, the most often requested other chemical hazards publications were "Protect Your Family From Lead in Your Home," and "Locked-Up Poisons."



HOUSEHOLD AND RECREATION HAZARDS

INTRODUCTION

The household and recreation hazards addressed here are found throughout the nation's homes and affect many of our family activities. The resources used are small because some of the larger household and recreational hazards related to children's products or activities are covered under the activity "Reducing Hazards to Children." The remaining household and recreational hazards covered under this activity include such products as lawn and garden equipment, power tools, and recreational equipment.

HAZARD	2003 Actual		2004 Request		2005 Request	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Household and Recreation	45	\$5,595	46	\$5,609	47	\$6,001

2005 CHANGES

Total dollars increase by \$392,000 to reflect the program's share of the agency request to maintain current safety efforts at 2005 prices. FTEs increase by 1 over 2004 with 47 FTEs planned for 2005; the FTE change reflects normal adjustments of staff time required to work on projects scheduled in 2005.

THE HAZARD

The annual societal cost to the nation of these hazards is at least \$57 billion. CPSC activities made significant contributions to household and recreation safety. For example, we improved lawn mower safety by establishing a standard addressing blade contact. We estimate that the lawn mower standard saves about \$1 billion in societal costs annually. The agency also has been a leader in urging consumers to use safety gear when participating in recreational activities, such as biking, in-line skating, skiing, and scooter riding. In 2003, we obtained 82 voluntary recalls of about 11 million non-complying or hazardous product units that presented a household or recreation hazard.

2005 ANNUAL GOALS FOR HOUSEHOLD AND RECREATION HAZARDS

Safety Standards

Annual Goals		2000	2001	2002	2003	2004	2005
1. Prepare and present recommendations to voluntary standards/code organizations	Goal	**	**	**	3	1	2
	Actual	--	--	--	3		
2. Complete testing, data collection, hazard analysis, or technical review activities	Goal	**	**	2	2	3	4
	Actual	--	--	2	1		
3. Monitor or participate in voluntary standards revisions	Goal	**	**	**	11	13	10
	Actual	10	12	8	--		

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

1. Prepare and present 2 recommendations to voluntary standards/code organizations to strengthen or develop a voluntary standard.

Mobile Amusement Ride Restraint Systems

CPSC has reports of falls and injuries from mobile amusement rides because the restraint system failed to keep riders in place. Current standards do not take into account various body shapes and sizes and leave a significant portion of the population outside of the restraint specifications. Additionally, there is some indication that the restraints themselves may be creating injuries. In 2004, staff will examine incident data related to mobile amusement ride restraint failure and conduct a technical evaluation to assess if recommendations are appropriate for restraint system design and/or revisions to voluntary standards. In 2005, staff will complete technical evaluations and prepare voluntary standard/code recommendations, if appropriate.

Quick Release Mechanisms

CPSC has received reports of incidents of front wheels falling off bicycles leading to injuries and deaths. CPSC has reports of seven deaths associated with wheels falling off bicycles, with four of the seven occurring in 2001. Quick release mechanisms are commonly found on bicycle wheels to make the wheel easy to remove for quick tire changes and to break down the bicycle for transport. Other products, such as folding scooters, also use quick release mechanisms. Children and other users with lower strength levels may have trouble properly tightening quick release mechanisms. It may be difficult for users, particularly children, to assess if a mechanism is adjusted properly. For example, releases may appear to be in the locked position, although poorly adjusted. In 2005, staff will complete technical evaluations and prepare voluntary standard/code recommendations, if appropriate.

2. Complete 4 testing, data collection or hazard analysis activities to evaluate the need for, or adequacy of, safety standards.

Amusement Ride Data Update

The primary purpose of this project is to provide the annual amusement ride data update. This data is collected and updated annually and is a continuation of data reporting started in 1987. The data includes hospital emergency room treated injury estimates for both fixed and mobile amusement rides. Fixed ride data is included for comparison purposes as the CPSC only has jurisdiction over mobile rides. Data is typically reported for non-occupational injuries in formats that present annual trends, seasonal trends, and injuries by age and sex, body part, diagnosis, and disposition.

ATV Data Update

The primary purpose of this project is to provide an annual ATV death and injury data update report. This data is collected and updated annually and is a continuation of reporting that began in 1982. The data includes the total number of ATV-related deaths, deaths by state, relative risk of death by year, annual estimates of ATV-related hospital emergency room treated injuries, and injuries distributed by year and age grouping.

Senior Safety and Falls

6,000 deaths

The National Safety Council reported that there were 6,000 fall-related deaths to victims 75 years and older in home settings in 2002. The proportion of older adults in the population of the U.S. continues to rise. In 2005, staff will develop an overall, comprehensive profile of fall hazards to older persons as they relate to their environment and the products that they use. Staff will aggregate existing epidemiological data relevant to fall hazards and injuries for this population. Qualitative and quantitative results will be ranked by factors including the following: (1) degree of difference from younger adults, (2) number of seniors affected, and (3) effects of the difference. This information will be used to develop hazard reduction strategies in 2006.

Sensor Technology (Riding Mower)

400 injuries

In 2001, about 400 children under 15 years of age were treated in U.S. hospital emergency rooms for injuries associated with riding power lawn mowers running over or backing over them. Common scenarios included: a child ran in front of the mower and was run over; sat on lap of operator, fell, and was run over; slipped, fell, and was run over; and was backed over with the mower. The rate of hospitalization was 10 times the national average of 4 percent associated with all consumer products reported through the National Electronic Injury Surveillance System

(NEISS) system. Approximately one-third of injuries were serious (e.g., internal injuries including amputations). In 2005, staff will collect and analyze data, perform a study to determine the factors affecting the hazard scenarios such as the direction and velocity of the lawnmower and bystander, sight limitations, operator workload, operator and bystander reaction times, and lawn conditions. Additionally, staff will identify possible technical solutions with particular focus on the application of sensor technology necessary to avert injuries identified in the typical hazard scenarios.

3. *Voluntary Standards*

Monitor or participate in voluntary standards activities related to 10 products such as ATVs, bicycles, chain saws, garage door and gate operators, gun locks, ride-on mowers, plastic gas tanks, portable amusement rides, table saws, and tree stands.

Compliance

Annual Goals		2000	2001	2002	2003	2004	2005
4. Pursue for recall or other corrective action	Goal	**	**	30*	45*	45*	80*
	Actual	52	92	134	83		
5. Monitor existing voluntary standards	Goal	**	**	**	**	1	1
	Actual	--	--	--	0		

*Estimate based on prior years' experience. The actual number of recalls and other corrective actions will depend on the mix of safety-related problems arising during the year. **No goal established. --Data not available.

Identify and act on products that present a risk of household or recreation hazards through:

4. *Recalls*

Obtain 80 recalls or other corrective actions for violations of mandatory safety standards and for unregulated products that present substantial hazards. In 2003, there were 83 voluntary corrective actions that resulted in recalls involving about 11 million product units including weed cutting attachment blades, slow cookers, and bicycles.

5. *Monitor Voluntary Standards*

Monitor 1 existing voluntary standard likely to reduce household-, power tools-, or sports and recreation- related deaths or injuries.

Consumer Information

Annual Goals		2000	2001	2002	2003	2004	2005
6. Issue press releases and Web recall alerts	Goal	**	**	20 [#]	20 [#]	50 ^{#,*}	50 ^{#,*}
	Actual	22	45	65	49		
7. Produce video news releases	Goal	**	**	2 [#]	2 [#]	2 [#]	2 [#]
	Actual	2	3	3	2		
8. Respond to requests for publications	Goal	**	**	30,000	30,000	30,000	30,000
	Actual	32,000	34,000	32,500	46,000		

**No goal established. *This goal now includes Web recall alerts. #This goal was changed to include all hazardous products not just recalled products as in previous years.

Alert the public to the hazards of household and recreation hazards through:

- 6. *Press Releases/Recall Alerts*** Issue 35 press releases and Web recall alerts to inform the public about products presenting a risk of a household or recreation hazard. In 2003, we issued 49 press releases and 17 Web recall alerts that addressed recalled products such as recliner chairs, slow cookers, and cordless drills/drivers.
- 7. *Video News Releases*** Produce 2 video news releases (VNRs) for products presenting a risk of a household or recreation hazard. In 2003, we produced 2 VNRs that addressed recalled products and reached a combined potential viewing audience of over 41 million.
- 8. *Publications*** Respond to consumer requests for a projected 30,000 checklists, booklets, and safety alerts warning about household or recreation hazards. In 2003, the most requested publications were “Home Safety Checklist for Older Consumers” and “Keep Active... Safe at Any Age

BUDGET PROGRAM: Identifying Product Hazards

The work in this program provides the information needed to assess product hazards and apply hazard reduction strategies. The program has two activities: Data Collection and Emerging Hazards/Data Utility.

	2003 Actual		2004 Request		2005 Request	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Data Collection	85	\$10,299	67	\$8,586	67	\$8,969
Emerging Hazards/Data Utility*	--	--	13	2,590	13	2,719
TOTAL	85	\$10,299	80	\$11,176	80	\$11,688

*New strategic goal in 2005: work done in 2003 included under Data Collection.

2005 CHANGES

Total dollars increase by \$512,000 to reflect the program's share of the agency request to maintain current safety efforts at 2005 prices, including \$80,000 to fully fund our new national fire death and injury system. FTEs at 80 remain the same as in 2004.

DATA COLLECTION

THE PROGRAM

This program provides the information needed to assess product hazards and develop injury reduction strategies--it is the agency's early warning system.



The Commission collects data on consumer product-related injuries and deaths, as well as economic and hazard exposure information, for those products under our jurisdiction. We also investigate specific injury cases to gain additional knowledge about injuries or hazards and how the reported product was involved. These activities reflect the agency's commitment to making decisions based on appropriate data analyses. The work provides underlying support to all the Commission's Results Act activities.

In 2005, we will seek to continue strengthening our data collection and analysis process. Past improvements include the purchase of annual data on poisonings to children, the update of our critical Injury Cost Model, a study of the long-term costs of head injuries, and in 2003, the implementation of a National Burn Center Reporting System. In 2005, we are

seeking an additional \$80,000 to complete funding of the new fire death and injury data system. This new system will allow us to make statistically valid national death and injury projections and meet the General Accounting Office concerns with the existing system. The total recurring annual cost of the system is \$310,000. CPSC reallocated \$230,000 in contract support funds from other program activities but requires additional funding to fully operate the system.

ONGOING MEANS AND STRATEGIES

Each year, we collect information about product-related injuries treated in hospital emergency rooms through our National Electronic Injury Surveillance System (NEISS). This unique system provides statistically valid national estimates of product-related injuries from a probability sample of hospital emergency rooms and is the foundation for many Commission activities. Several foreign governments have modeled their national injury data collection systems after the Commission's system. In 2005, NEISS will supply about 350,000 product-related cases from a sample of about 100 hospitals. The hospitals transmit incident information electronically, and in some cases, the data are available within 24 hours after an incident. We are carefully monitoring the costs of this program because in recent years we have seen rises in both the costs per case reported as well as the total number of cases reported by member hospitals. If this trend continues, we may need to seek additional funding.

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

CPSC continues the collection of mortality data in 2005 with the purchase, review, and processing of about 8,700 death certificates covering unintentional product-related deaths from all 50 states. Our Medical Examiner and Coroner Alert Project (MECAP) collects and reviews approximately 3,000 additional reports from participating medical examiners and coroners throughout the country. We will also collect and review about 5,000 news clips and 10,000 other reports of

product-related injuries and deaths from consumers, lawyers, physicians, fire departments and others.

2005 ANNUAL GOALS

Hazard Identification and Data Collection Activities

Annual Goals		2000	2001	2002	2003	2004	2005
1. Evaluate, train and audit each hospital in the NEISS sample	Goal	**	**	100%	100%	100%	100%
	Actual	100%	95%	100%	100%		
2. Capture the product-related cases	Goal	**	**	90%	90%	90%	90%
	Actual	92%	93%	94%	94%		
3. Complete headquarters telephone investigations in less than 45 business days	Goal	**	**	85%	85%	85%	90%
	Actual	89%	98%	95%	99%		
4. Complete field telephone and onsite investigations in less than 45 business days	Goal	**	**	85%	85%	85%	90%
	Actual	85%	87%	89%	90%		
5. Sustain the number of onsite investigations	Goal	**	**	**	**	1,200	1,200
	Actual	1,285	1,223	1,327	1,334		
6. Sustain the number of incident reports collected from medical examiners and coroners	Goal	**	**	2,800	3,600	3,600	3,600
	Actual	3,108	3,880	4,165	3,774		
7. Sustain the number of incident reports collected from news clips	Goal	**	**	5,000	6,000	7,000	7,000
	Actual	5,444	6,942	7,101	8,131		

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

Maintain the quality of injury data by:

1. *Monitoring Hospitals*

Conduct at least one evaluation visit at each hospital in the NEISS sample. Evaluation visits provide CPSC staff an opportunity to review hospital records and assure that hospital coders are capturing and reporting data on the highest possible percentage of reportable cases.

2. *Capturing Product-Related Cases*

The results of the audits in each hospital should indicate that NEISS hospitals are reporting over 90 percent of the product-related cases. A high reporting percentage is necessary to assure the integrity of the estimates. Remedial action would be instituted in any hospital missing significant numbers of reportable cases.

Identify and investigate product hazards in the field by:

- 3. Telephone Investigations (Headquarters)** Complete at least 90 percent of investigations in less than 45 business days. The headquarters telephone investigations provide valuable information on specific NEISS cases of interest to CPSC analysts. Analysts must receive these data as quickly as possible so that they can use the information to support hazard reduction activities.
- 4. Telephone/Onsite Investigations (Field) - Timeliness** Complete at least 90 percent of field investigations in less than 45 business days. The field investigations provide valuable information on cases of interest to CPSC analysts. Analysts must receive these data as quickly as possible so that they can use the information to support hazard reduction activities.
- 5. Onsite Investigations (Field)** Sustain the number of onsite investigations completed by the field from 1,200. Sustaining the number of onsite investigations will maintain both the timeliness and quality of our information.
- 6. Medical Examiner/Coroner Reports** Sustain the number of medical examiner/coroner reports at 3,600. These reports provide critical information on product-related deaths. The data are especially valuable because they are generally received soon after the incident and provide some detail on how the incident occurred.
- 7. News Clips** Sustain the number of incident reports from news clips at 6,000 clips. CPSC relies on clips from newspapers in all 50 states to identify incidents of special interest in local areas. These clips provide many reports of product-related deaths, serious injuries and hazardous fires. The reports fill gaps in reporting from other data systems and provide a very important source of incidents to investigate in support of hazard identification and analysis activities.

IMPROVING DATA UTILITY



STRATEGIC GOAL: Improve the utility of CPSC's data through 2009 by developing and implementing a more systematic method to identify new strategic goal areas, hazard reduction projects, and remedial actions.

THE PROGRAM

Improvements in the overall utility of CPSC data are necessary for the agency to focus its limited resources effectively. To improve the utility of the data, we will more systematically review and analyze death and injury data and identify areas where more information must be obtained in order to develop effective strategies to reduce deaths and injuries.

Each year CPSC collects incident data involving consumer products including 8,700 death certificates, about 370,000 hospital emergency room reports of injuries, 5,000 newsclips, and 10,000 other reports of incidents. Incidents are screened on a daily basis and routinely summarized. Selected incident information is expanded by conducting follow-up investigations of individual incidents, either by telephone or through on-site visits. The follow-up investigations provide an opportunity to examine the interaction between the product involved in the incident, the environment in which the incident occurred, and the injured person.

While these methods have worked effectively in the past, increasingly limited resources require that we target agency efforts more systematically and prioritize our efforts through the strategic planning process. Staff plans to develop and implement a new data review system that will identify promising strategic goal areas and hazard reduction projects for future incorporation into our strategic plan, as well as provide insight into potential remedial actions.

ONGOING MEANS AND STRATEGIES

CPSC plans to begin more systematic reviews of death and injury data and associated cost data. We plan to do this by product grouping (heating, cooking, ventilating equipment; general household appliances; children's products; home workshop tools, etc.) beginning in 2003. We anticipate reviewing one product grouping per quarter, four per year.

We also plan to conduct special studies in areas identified by the strategic planning process, data reviews or other staff activity. These studies could include analyses of nursery products, powered workshop and yard equipment, mechanical hazards to seniors, and head injuries to adults. An investigation begins with careful review of all incoming reports to identify those most important for further study. These cases are followed-up with a telephone interview and continued, if appropriate, with an on-site investigation when information is needed on how specific types of injuries occurred. The resulting information shows the interaction among the victim, the product, and the environment and forms the basis for developing appropriate remedial strategies. We will also continue to screen all incoming data daily to identify products that may be associated with increasing numbers of injuries.

We will continue to conduct economic studies to provide specialized economic information to the staff, Commissioners, other agencies, and the public. Staff develops injury cost projections to estimate potential benefits associated with agency actions. We generate estimates of products-in-use to determine potential recall effectiveness, consumer exposure to product hazards and to support agency hazard analysis work.

Finally, in response to petitions, staff may prepare briefing packages for Commission consideration to grant or deny the petitions. The public may file a petition requesting that the Commission regulate a consumer product under its jurisdiction.

2005 ANNUAL GOALS

Data Utility

Annual Goals		2000	2001	2002	2003	2004	2005
1. Complete analysis of major product areas	Goal	**	**	**	2	4	4
	Actual	--	--	--	2		
2. Conduct special studies	Goal	**	**	**	**	**	2
	Actual	--	--	--	0		
3. Conduct special economic studies	Goal	**	**	**	**	**	10
	Actual	12	9	19	9		
4. Respond to petitions	Goal	**	**	**	**	**	3*
	Actual	3	5	3	13		

**No goal established. --Data not available. *This goal is an estimate based on prior years' experience. The actual number of petition responses will be based on the number of petitions the Commission receives and other safety-related issues that arise during the year.

1. *Product Area Analysis*

Staff will conduct a systematic review of injury, incident, death, market and cost data on a variety of product-related hazard areas. As appropriate, injury and death data, poison control center data, market/exposure data, toxicity data, medical/physiological/engineering analysis, literature searches, and laboratory assessment will be used to identify and evaluate new and existing hazards. Expected accomplishments include: maintenance of a risk based process for analysis of injury, death and cost data to provide perspective on the problems identified and the relative importance of addressing the hazards. In 2005, staff will complete analyses of injury, death, and cost data in 4 major product areas.

2. *Special Studies*

Staff will conduct 2 special studies such as those using telephone interviews and on-site investigations to determine the circumstances surrounding injuries or deaths associated with a product or hazard of interest.

3. *Special Economic Studies*

Staff will conduct 10 economic studies to provide: injury cost estimates; estimates of product life and numbers in use; general and small business impacts, such as production costs and competition, environmental impact; labeling and recall costs. Staff will maintain econometric models through periodic review to assure that methodological approaches and models are current and adequate for use by CPSC.

4. *Petitions*

In 2005, we estimate that staff will prepare 3 briefing packages in response to petitions. The actual number of petition responses will be based on the number of petitions the Commission receives and other safety-related issues that arise during the year. In 2003, staff prepared briefing packages in response to petitions on auxiliary hazard lighting on snowmobiles, bicycle handlebars, chromated copper arsenate (CCA)-treated wood in playground equipment, and product registration cards.

Quality and Management Goals

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

These activities are in support of our core program effort, thus the resources devoted to the Quality and Management Goals are also included in the resources shown earlier for the core programs. Increases in dollar resources reflect the prorated share of the agency request to partially maintain current services and enhance our IT capabilities.

Data and Service Quality Goals

	2003 Estimate		2004 Request		2005 Request	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Data Quality*	--	--	1	\$163	2	\$219
Industry Services	15	\$1,410	15	1,473	15	1,555
Customer Satisfaction	15	1,980	15	1,992	15	2,104
TOTAL	30	\$3,390	30	\$3,628	32	\$3,878

Note: These resources shown are also included in the program resources for the agency’s two major programs: Reducing Hazards to Children and Families and Identifying Product Hazards.

*New strategic goal in 2005. While the agency did work in this area in 2003, resource data is not available to reflect the 2003 work done on Data Quality.

IMPROVING DATA QUALITY



STRATEGIC GOAL: Improve the utility and quality of CPSC's data through 2009 by (1) developing and implementing a more systematic method to identify new strategic goal areas, hazard reduction projects, and remedial actions, and (2) improving the quality of CPSC’s data based on criteria such as accuracy, consistency, security and completeness.

THE PROGRAM

Improvements in the overall quality of CPSC data are necessary if the agency is to be able to continue to achieve its mission in the future, both in the near term and in the long run. The quality of in-house databases that track agency activity needs to be upgraded and better maintained. Failure to improve these basic operations could present significant risks to future agency functioning.

Data Quality refers to fitness-of-use, including accuracy and reliability, of the data held within our computer systems. Further evaluation of our data systems would, for example, determine whether the data had been entered accurately, are internally consistent and complete, and are secure. While most of CPSC's data systems already meet these criteria, a few do not. To improve data quality in these areas, we will need to determine what problems exist and find data quality tools, policies, and processes to improve these systems.

CPSC plans to evaluate at least one major data system, identify remedial strategies, and seek to acquire needed software and/or hardware in 2005. We plan to implement changes beginning in 2006. Evaluation of other data systems could begin as early as 2005, depending on availability of resources.

2005 ANNUAL GOALS

Data Quality

Annual Goals		2000	2001	2002	2003	2004	2005
1. Conduct data quality planning activities	Goal	**	**	**	**	1	1
	Actual	--	--	--	0		
2. Identify, develop, and implement activities for data quality improvement	Goal	**	**	**	**	2	3
	Actual	--	--	--	0		

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

1. Conduct data quality planning activities.

Improvement Plan

In 2005, staff will refine a data quality improvement plan, which will detail the steps to improve the selected candidate database. The plan will document the activities for data quality improvement, resources to perform those activities, and schedule for assessment.

2. Identify, develop, and implement activities for data quality improvement.

Baseline Data

The team must assess the quality of the data in the selected database. This assessment requires obtaining baseline data on the system such as the number of defects, the degree of inconsistency in the use of the database, database user satisfaction, or any other fitness of use data the team determines is appropriate to assess the quality of the selected system.

Data Assessment

Once the team has obtained the baseline data they must analyze that data to identify the quality level. Follow-up with data users may be required to assist in understanding the results.

Barriers and Costs

Systemic barriers may exist that prevent high information quality. Some of these barriers could be high workload, objectives that reward “productivity” over data quality, or inadequate computer software or hardware. The team will highlight these barriers, and where possible, identify alternative approaches to reduce the barriers. In addition, the team will identify the costs of low quality data and the effort required to obtain high quality data. These costs could include the effort to rework the data, the cost of the data quality assessments and cost of improvements and data defect prevention.



INDUSTRY SERVICES

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

THE PROGRAM

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

We administer two programs to assist industry: the Fast-Track Product Recall (Fast-Track) and Small Business Ombudsman programs. Under the Fast-Track program, a firm that reports a hazardous product and recalls it quickly avoids an agency staff preliminary determination that their product presents a substantial risk of injury. Other advantages of this program for industry include reductions in paperwork, red tape, and legal expenses related to the recall of potentially defective products. For CPSC, advantages of this program include removing hazardous products from consumers and the marketplace more quickly and a reduction in staff time to process the recall. To date, over 800 firms have participated in the program, resulting in almost 1,200 product recalls involving over 140 million product units. The Fast-Track program has been cited as outstanding by both government and private organizations.

With the Small Business Ombudsman program, we help small businesses comply more easily with product safety guidelines and manufacture safer products. This program provides firms with a single point of contact that expedites a clearly understandable response from our technical staff. To date, we have helped about 2,300 small businesses through CPSC's Ombudsman. Our program was cited in the National Ombudsman Report to Congress on Regulatory Fairness as one of the best programs in the Federal government.

2005 ANNUAL GOALS

Maintain the Timeliness of Response to Industry

Annual Goals		2000	2001	2002	2003	2004	2005
1. Initiate a recall within 20 days	Goal	90%	90%	90%	90%	95%	95%
	Actual	94%	95%	95%	95%		
2. Respond to requests within 3 business days	Goal	80%	80%	80%	80%	80%	90%
	Actual	81%	79%	99%	88%		

1. *Fast Track Timeliness* Complete a technical review and initiate a recall within 20 days 95 percent of the time for Fast-Track Program.
2. *Ombudsman Timeliness* Respond to requests from small businesses through the CPSC Small Business Ombudsman within 3 business days 90 percent of the time.

Provide Information to Industry

Annual Goal		2000	2001	2002	2003	2004	2005
3. Develop guidance documents	Goal	15	10	5	5	5	5
	Actual	15	10	5	7		

3. *Guidance Documents* In 2005, we will continue the effort begun in 2000 to develop brief guides or other guidance documents for CPSC regulations, where most of our compliance efforts have been targeted, so that industry can quickly and easily understand how to comply. Five additional guidance documents will be developed to explain regulations, other policies, or procedures; or assist industry in complying with CPSC regulations. These guides are accessible through our Web site under the Regulatory Summaries in Plain Language subheading at <http://www.cpsc.gov/businfo/corrective.html> or available with other regulatory information associated with the specific product.



CUSTOMER SATISFACTION WITH CPSC SERVICES

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

THE PROGRAM

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

Our Web site (www.cpsc.gov) provides Internet access to CPSC resources and allows the public to view information about recalled products, report unsafe product incidents, request information, and download safety information. The hotline is a toll-free service that allows consumers to report product complaints or product-related injuries, learn about recalls and safety hazards, and obtain safety publications. The National Injury Information Clearinghouse provides data to the public in response to over 3,000 requests each year. It also alerts manufacturers to potential hazards associated with their products, providing them with consumer complaints, reported incidents and accident investigations involving their products. Our State Partners Program, using limited CPSC funds and CPSC-developed safety information, brings product safety services to consumers through cooperative programs with state and local governments. The program extends our reach throughout the nation.

2005 ANNUAL CUSTOMER SATISFACTION GOALS

CPSC Web Site

Annual Goals		2000	2001	2002	2003	2004	2005
1. CPSC Web site visits (in millions)	Goal	3.3	4.0	7.0	8.0	10.0	11.0
	Actual	3.7	6.3	7.9	9.2		

1. Web Site Visits

CPSC's Web site (www.cpsc.gov) was established to widen and speed public access to important safety information. The site started out simply, allowing for the retrieval of basic information such as press releases (usually announcing product recalls) and the agency's public meeting calendar. Over time, new features have been added, such as allowing the public to make on-line reports of product hazards.

The number of users of the Web site has grown rapidly from about 200,000 visits in 1997 to about 9.2 million visits in 2003. In 2004, based on customer feedback and a review of our Web site, we plan to implement changes that will improve the ability to access safety information. In 2005, we anticipate that we will have 11 million visitors to CPSC's Web site.

Hotline Services (1-800-638-2772)

Annual Goals		2000	2001	2002	2003	2004	2005
2. Respond to voicemail messages the next business day	Goal	85%	85%	85%	85%	85%	85%
	Actual	92%	79%	86%	92%		
3. Process incident reports within 8 working hours	Goal	85%	85%	85%	85%	90%	95%
	Actual	96%	99%	100%	100%		
4. Maintain the number of e-mails processed	Goal	**	**	**	**	12,000	12,000
	Actual	9,300	12,200	15,500	12,000		

**No goal established.

2. Voicemail

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

business day 85 percent of the time. In 2003, staff received nearly 2,350 messages from the public through voicemail.

3. *Incident Reports*

Consumers may make a complaint of an unsafe product or product-related injury through the hotline. We then send a copy of the report to the consumer for confirmation of the information recorded by the hotline staff. In 2003, hotline staff processed 4,000 complaints about consumer products. These reports are used to support hazard identification and analysis activities. In 2005, staff will process product incident reports within 8 working hours 95 percent of the time.

4. *E-mail*

Hotline staff responds to e-mail messages sent to info@cpsc.gov, which is available through our Web site. Some of these e-mails are forwarded to technical and legal staff, as appropriate, for response. In 2003, we received 12,000 e-mail inquiries from the public. In 2005, we will maintain the number of e-mails that are processed by hotline staff.

National Injury Information Clearinghouse

Annual Goals		2000	2001	2002	2003	2004	2005
5. Mail incident information for verification to consumers within 2 business days	Goal Actual	95%* 99%	95%* 100%	95%* 100%	95% 98%	95%	95%
6. Provide manufacturers with verified incidents and investigations within 48 business days	Goal Actual	90% 90%	90% --	90% 79%	90% 95%	90%	90%
7. Provide responses to requests within 5 business days	Goal Actual	95% 95%	95% 97%	95% 96%	95% 97%	95%	95%

--Data not available. *Goal was for consumer complaints reported through the hotline only; starting in 2003, we now include those reported from all sources.

5. *Consumer Confirmation*

The Clearinghouse contacts consumers to request verification of information contained in reports of unsafe products they submit to us through our consumer hotline, the Internet, or by mail. Requests for verification are mailed to consumers within 48 hours after the report arrives in the Clearinghouse. In 2005, staff will mail incident report verification information to consumers within 2 business days 95 percent of the time. In 2003, we sent over 10,700 reports to consumers for verification.

6. *Manufacturer Mailing*

The incidents from consumers and investigation reports from CPSC's field staff are sent to manufacturers whose products are named in these reports. Consumer verification

information and manufacturer responses are made available to staff electronically for review. In 2005, staff will provide reported incidents and completed investigation results to manufacturers of identified products within 48 business days of receiving the reports in the Clearinghouse 90 percent of the time. In 2003, we mailed 14,000 reports to manufacturers.

7. *Information Requests*

The Clearinghouse provides the public with technical information relating to the prevention of death and injury associated with consumer products. Requests for injury data are assigned to technical information specialists who search agency databases and publications to tailor responses to each customer's needs. Most of the 3,000 requests received on average each year are completed within five business days. In 2005, staff will provide responses to requests for information within 5 business days 95 percent of the time.

State Partners Program

Annual Goals		2000	2001	2002	2003	2004	2005
8. Conduct product safety activities	Goal	50	50	50	50	50	120
	Actual	82	140	140	287		
9. Conduct recall checks, inspections, and investigations to support CPSC priorities	Goal	**	**	900	900	900	740
	Actual	--	985	979	924		
10. Conduct safety seminars for thrift stores' management.	Goal	**	**	**	**	30	30
	Actual	--	--	--	--		

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

8. *Product Safety Activities*

CPSC's State Partners program works in cooperation with a group of state and local officials to deliver CPSC services to consumers. Most of these cooperative activities at the state level complement those performed by the Commission's field staff and are done at little or no cost to the federal government. Conduct 120 product safety activities including media events, congressional contacts, public information seminars and safety consultations.

9. *Assignments*

Conduct at least 740 State Partners recall checks, inspections, and in-depth injury investigations within 90 days of assignment.

10. *Resale Round-Up*

Develop and implement a Resale Round-Up program partnering with Safe Kids and the National Association of Retail and Thrift Stores (NARTS) to conduct 30 safety seminars nationwide for thrift stores' management. The safety seminars are designed to create an environment where the secondary marketplace becomes more aware of

dangerous consumer products and does not accept dangerous products; examines and screens for dangerous products identified from the CPSC Web site; and encourages removal and destruction of dangerous products that do not meet government safety standards and have reached its store shelves.

PRESIDENT'S MANAGEMENT AGENDA

	2003 Estimate		2004 Request		2005 Request	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
President's Management Agenda	5	\$457	8	\$836	8	\$883

Note: These resources shown are also included in the program resources for the agency's two major programs: Reducing Hazards to Children and Families and Identifying Product Hazards.

The President envisions a government that has a citizen-based focus, is results-oriented and market-based. To improve the functioning of Federal government and to achieve efficiencies in its operations, the President has highlighted five government-wide management initiatives. They are Strategic Management of Human Capital, Competitive Sourcing, Improved Financial Performance, Expanded Electronic Government, and Budget and Performance Integration.

STRATEGIC MANAGEMENT OF HUMAN CAPITAL

THE PROGRAM

The President's Management Agenda calls for the government to focus on the hiring, training, and retention of well-qualified individuals and to assure that the organizational structure is efficient and citizen-centered. CPSC employs a diverse and knowledge-based workforce composed of individuals with a broad spectrum of technical and program skills and institutional memory. They are the agency's human capital, its greatest asset. The President's Management Agenda recognizes the importance of the strategic management of human capital and set standards for success in "Getting to Green" as follows:

- The agency's human capital strategy is aligned with mission, goals, and organization objectives by: integrating human capital into the Budget and Strategic Plans; being consistent with OPM's human capital scorecard; and complying with standards for internal accountability systems;
- The agency has a citizen-centered organizational structure that is delayed and oriented toward performing the mission assigned to it;
- The agency sustains a high-performing workforce that is continually improving in productivity; strategically uses existing personnel flexibilities, tools, and technologies; and implements effective succession plans;
- No skill gaps/deficiencies exist in mission critical occupations;
- The agency differentiates between high and low performers

through appropriate incentives and rewards; and,

- Changes in agency workforce skill mix and organizational structure reflect increased emphasis on e-government and competitive sourcing.

The Commission has already begun work on improving strategic management in this area. Through our previous strategic plan and annual plans (see Managing Human Capital), staff set goals for enhancing the recruitment and development of a diverse workforce. We have also addressed reducing the number of managers, organizational layers and the time to make decisions.

For example, CPSC's telecommuting initiative in the field allowed us to reduce the number of supervisors and organizational layers, and placed field investigators and consumer information specialists in more locations, bringing them closer to consumers and businesses. We have also developed an Intranet system to allow employees fuller access to the work of the organization and to help capture the knowledge and skills of our employees.

Annual Goals		2000	2001	2002	2003	2004	2005
1. Implement a human capital scorecard	Goal	**	**	**	**	**	1
	Actual	--	--	--	--		
2. Modify the appraisal system to include progress toward meeting Results Act goals and the President's Management Agenda	Goal	**	**	**	**	**	1
	Actual	--	--	--	--		
3. Identify skill gaps and develop training plans	Goal	**	**	**	**	1	1
	Actual	--	--	--	--		
4. Maintain the recruitment process time	Goal	**	**	62	62	62	62
	Actual	62	65	61	51		
5. Conduct training for managers in human resource management	Goal	**	**	2	2	2	2
	Actual	2	0	2	2		
6. Conduct focus groups of new employees	Goal	**	**	2	2	2	1
	Actual	2	0	2	2		
7. Target recruitment efforts to organizations serving under-represented populations	Goal	**	**	10	10	10	12
	Actual	--	0	11	12		
8. Conduct training sessions in EEO/AEP responsibilities	Goal	**	**	3	3	3	3
	Actual	4	0	4	8		
9. Promote representation of Hispanics and individuals with disabilities	Goal	**	**	5	5	5	5
	Actual	--	0	6	7		
10. Implement the Training Plan	Goal	**	**	**	**	**	1
	Actual	--	--	--	--		
11. Identify and promote low/no cost training	Goal	**	**	1	1	1	1
	Actual	--	--	1	1		

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

- 1. *Human Capital Scorecard*** In 2003, CPSC will complete research and will develop a scorecard in 2004. In 2005, we will implement a scorecard that is consistent with the OPM recommended Human Capital Scorecard. The scorecard will measure our progress on how well CPSC can assess and improve skills, communications, leadership and teamwork that are required to carry out our strategic mission. The scorecard will provide a method for accountability and a way for CPSC to improve its management of human resources.
- 2. *Appraisal System*** Revise CPSC's Senior Executive Service Performance Management System performance elements and standards in 2004 to include measures of success in meeting agency goals in our annual performance plans. In 2005, we will revise the elements and standards for the remainder of the employees.
- 3. *Skills Analyses*** In 2003, we will identify mission critical positions and in 2004, we will develop competencies for those positions. In 2005, identify skill gaps and develop training plans for the mission critical positions to assure we have well-qualified individuals performing the strategic mission of the agency.
- 4. *Recruitment Time*** Maintain the recruitment process time, calculated as difference in the number of days between the recruitment request and candidate selection date. We calculated an average of 51 days for 2003. This number is below the 1999 government average of 90 days and a reduction from our average process time of 72 days for 1999.
- 5. *Human Resource Training*** Conduct training for managers in the human resource management. This would include topics such as recruitment, performance management, incentive programs, and other human resource procedures.
- 6. *Focus Groups*** Conduct 1 focus group of new employees to learn from their experience and determine how to improve our recruitment process.
- 7. *Target Recruitment*** Target 12 recruitment efforts to organizations serving under-represented populations. Contacts will be made to organizations serving under-represented populations such as Hispanic-serving institutions, Hispanic Association of Colleges and Universities (HACU), Hispanic Outreach Leadership Alliance (HOLA), League of United Latin American Citizens (LULAC), and the President's Committee for People with Disabilities.

- 8. *EEO/AEP Training*** Conduct 3 training sessions for the workforce in their EEO/AEP responsibilities. Training will continue to emphasize the shared responsibility for developing and implementing a successful CPSC Federal Equal Opportunity Recruitment Plan.
- 9. *Promote Representation*** Accomplish at least 5 initiatives to promote representation of Hispanics and individuals with disabilities. Examples of these new initiatives are mentoring programs, student summer hires, employee training programs, and disability and diversity awareness programs.
- 10. *Training Plan*** In 2004, The Director of Human Resources will develop and manage the agency's coordinated training plan to be implemented beginning in 2005. This multi-year plan will consist of benchmarks, such as defining and identifying core positions, designing training plans for the core positions; identifying common agency training needs, and establishing individual development plans.
- 11. *Low/No Cost Training*** Identify and promote no or low cost training opportunities such as periodic Small Agency Council training sessions.

COMPETITIVE SOURCING

THE PROGRAM

The President is promoting competition between public and private sources to achieve reduced costs and higher efficiency and effectiveness. The Commission has already been working in this area. On an as needed basis, we already contract from commercial sources certain product testing, technical evaluations, and litigation services. In addition, we have contracted out staff positions that performed mail and driver services, laborer services, reproduction and library services, certain data analysis and collection functions, consumer Hotline, and computer help desk and programming activities. We also contract out administrative systems such as accounting and payroll; we estimate these contracts represent a minimum of 5 FTEs. Thus, the equivalent of about 40 FTEs is represented by the already existing contractual services.

To meet the President's Management Competitive Sourcing goals, CPSC plans to complete the following goals in 2005:

Annual Goals		2000	2001	2002	2003	2004	2005
12. Review and revise the annual Fair Act Inventory as appropriate	Goal	**	**	**	1	1	1
	Actual	1	1	1			
13. Complete performance work statements and cost statements for 20% of the activities in the Fair Act Inventory annually	Goal	**	**	**	**	20%	40%
	Actual	--	--	--			
14. Complete competitions for activities in the Fair Act Inventory	Goal	**	**	**	**	20%	40%
	Actual	--	--	--			

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

12. FAIR Act Inventories

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

We have determined that an additional 17 employees over and above the 40 equivalent staff positions that are already contracted out may also be performing commercial activities under the definitions in the FAIR Act and OMB Circular A-76 (Revised). In 2005, we will continue to review and revise the FAIR Act inventory, as appropriate.

13. Performance Statements

In 2005, we will complete performance work statements and cost statements for at least 40 percent of the activities in our FAIR Act inventory (20 percent each year beginning in 2004).

14. Competition

In 2005, we will complete competitions for a total of at least 40 percent of the activities (at least 20 percent each year beginning in 2004).

IMPROVED FINANCIAL PERFORMANCE

THE PROGRAM

The President has made "Improved Financial Management" a core element in his five-part Management Agenda for making the government more focused on citizens and results. The standards for success for "Getting to Green" under the President's Management Agenda for Improved Financial Performance are:

- Financial management systems that meet Federal financial management system requirements and applicable Federal accounting and transaction standards;
- Accurate and timely financial information; and

- Integrated financial and performance management systems that support day-to-day operations.

To meet the President’s Management Agenda Financial Management goals, and to better meet the mission of the agency, CPSC has initiated, or is expanding, several programs. These are described below:

Annual Goals		2000	2001	2002	2003	2004	2005
15. Monitor financial management systems that meet Federal requirements and standards (Letter of Assurance)	Goal	**	**	**	**	1	1
	Actual	--	1	1	1		
16. Implement a data warehouse capability	Goal	**	**	**	**	1	1
	Actual	--	--	--			
17. Reduce or maintain the number of business days after month-end to produce monthly financial reports	Goal	**	**	**	**	3	3
	Actual	5	5	5	3*		

**No goal established. --Data not available. *Reduced from 5 to 3 business days during 2003.

15. Financial Management Systems

In 2001, CPSC implemented a new core accounting system, the Federal Financial System (FFS), contracted from the Department of Interior’s National Business Center, a major provider of Federal accounting services. The FFS meets all federal accounting system requirements and standards, and is fully compliant with requirements for accuracy and timeliness. In 2005, CPSC will continue to monitor the system to ensure continued compliance with all applicable Federal regulations and standards. This will be documented in the staff annual letter of assurance.

16. Data Warehouse Capability

The Federal Financial System (FFS) described above was designed expressly for government accounting, integrated budget execution, and reporting. Key management data are readily accessible through on-line views and download capabilities. The data from FFS include information from subsystems such as accounts payable, accounts receivable, and purchasing. However, accessing these data can be time-consuming and prone to error through manual processing, and does not allow for error classification and analysis.

Fortunately, these data are also optionally available in FFS in a data warehouse, providing information easily accessed with standard report and query tools. The FFS data warehouse provides reporting from summary to detail level. In 2004, this capability will be pilot-tested by accounting and budget staff. In 2004 through 2005, CPSC plans to train allowance holder staff in other CPSC offices and fully implement this warehouse capability.

17. Information Timeliness

Currently we provide monthly financial reports throughout the agency by the 5th business day, on average, after the close of the month. By 2004, we will speed up this process and get the reports out by the 3rd business day. In 2004, we will begin pilot-testing electronic transmission of FFS reports with full implementation expected in 2005. This will eventually provide on-demand access to financial information.

EXPANDED ELECTRONIC GOVERNMENT

THE PROGRAM

CPSC's mission of protecting the public against potential hazards continues to be increasingly dependent on information technology and electronic communications. In addition, the President has included "Expanding E-Government" in his Management Agenda to make the government more focused on citizens and results with these goals:

- Make it easy for citizens to obtain service and interact with the federal government;
- Improve government efficiency and effectiveness; and
- Improve government's responsiveness to citizens.

To meet each of the President's Management Agenda goals, and to better meet the mission of the agency, CPSC must be "customer-centric," meaning that we must create the environment for understanding and improving the customer relationship. To facilitate this improved relationship, customers are categorized as follows to help us identify common approaches: Government-to-Citizen, Government-to-Business, and Government-to-Government. In addition, we must continue to improve our key business areas through Internal Efficiency and Effectiveness initiatives.

The 2005 performance budget request includes only maintenance-level funding for information technology and may hamper full achievement of the 2005 goals in this area. Actual funding during the 2005 operating plan will have a direct effect on our ability to achieve these plans and goals.

Annual Goals		2000	2001	2002	2003	2004	2005
18. Develop Internet application allowing direct government-to-citizen access	Goal	**	**	**	**	1	1
	Actual	--	--	--	--		
19. Implement Web based application to improve government-to-business communication	Goal	**	**	**	**	1	1
	Actual	--	--	--	--		
20. Develop and implement technology to improve access and transfer of information government-to-government	Goal	**	**	**	**	1	1
	Actual	--	--	--	--		
21. Reduce the weaknesses identified in the 2001 GISRA audit to improve internal efficiency and effectiveness	Goal	**	**	**	**	3	1
	Actual	--	--	--	2		

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

18. *Government-To-Citizen (G2C)*

Government-to-citizen initiatives seek to provide one-stop, on-line access by citizens to benefits and services. They also bring modern management tools to improve the quality and efficiency of service. Citizens can currently request technical, scientific, legal, program, and policy data from CPSC through the Freedom of Information Act. In 2004, we plan to implement an on-line FOIA request form for use by the public. In addition to making a request using this form, the public can also access additional FOIA information through CPSC’s Web site. However, this FOIA information is currently not always easy to find because of the quantity of information available. In 2005, we will continue to improve public access to FOIA information on the Web site by implementing a new, easier-to-use FOIA information retrieval system.

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

Government-to-business initiatives will reduce the burden on business by adopting processes that dramatically reduce redundant data collection, provide one-stop streamlined support for businesses and enable digital communications with businesses. Currently businesses have difficulty finding applicable regulations and Federal Register (FR) notices on the Web site because of the large number of regulations and notices available. In 2005, we plan to implement a Web site retrieval system and other improvements to allow businesses to easily find regulations and FR notices appropriate to their needs.

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

Government-to-government initiatives will enable sharing and integration of federal, state and local data. We currently contract with our state partners to supplement the work of CPSC's field officers in evaluating the effectiveness of CPSC's recalls. State partners currently report this recall effectiveness information in widely varying formats, making

the information difficult and time-consuming to process. We plan to implement an on-line system to standardize the way states report recall effectiveness information and to improve the efficiency in processing that data. In 2004 we plan to complete a pilot program for this system, with full implementation in 2005.

21. *Internal Efficiency and Effectiveness (IEE)*

Internal Efficiency and Effectiveness initiatives bring commercial best practices to key government operations, particularly information security, supply chain management, human capital management, financial management and document workflow. The increase in computer viruses, hacker attempts and potential physical threats put both internal and external CPSC interactions at risk and reduce government-to-employee efficiency and effectiveness. A successful e-Government strategy must deploy effective security controls into government processes and systems. A 2001 Government Information Security Reform Act (GISRA) audit found nine critical weaknesses in CPSC's IT security. In 2002 we corrected two weaknesses and will address the remaining weaknesses in 2003 and 2004. One of the weaknesses addressed included the development of an Information Technology Business Continuity Plan (BCP) which was completed in 2003. In 2005, we plan to implement one of the BCP's recommended security actions.

BUDGET AND PERFORMANCE INTEGRATION

THE PROGRAM

Improvements in the other areas of the President's Management Agenda – human capital, competitive sourcing, improved financial performance and expanded electronic government – will be much more effective if they are linked to results. To provide a greater focus on performance, the Administration plans to integrate performance review with budget decisions.

The standards for success for “Getting to Green” for Budget and Performance Integration are as follows:

- Integrated planning/evaluation and budget staff work with program managers to create an integrated plan/budget;
- Streamlined, clear, integrated agency plans set forth outcome goals, output targets and resources requested in context of past results;
- Budget accounts, staff, and specifically program activities are aligned to support achieving program targets;

- Full budgetary cost is charged to mission accounts and activities; and
- The agency has performed evaluations of program effectiveness.

We believe CPSC has already met most of these standards. To integrate performance review with budget decisions we have taken a number of steps, including (1) changing internal databases to capture performance by strategic goal, (2) developing a system for resource allocation by strategic goal for direct and indirect costs, (3) adding resource allocations (FTE, costs) for each strategic goal to the performance plan, and (4) combining the performance plan and budget request. In addition, we have realigned our budget programs to match our strategic goals. Finally, both the Office of the Budget and the Office of Planning and Evaluation work together under the direction of the Office of the Executive Director.

Annual Goals		2000	2001	2002	2003	2004	2005
22. Perform program evaluations	Goal	5	7	7	8	7	8
	Actual	4	5	4	8		

22. Program Evaluations

We believe that our annual performance budget makes the agency performance-oriented by showing progress achieved on our hazard reduction goals, quality and management goals. However, for continued improvement, we must evaluate our programs and therefore will continue to set goals for performing specific evaluations as indicated in the Performance Evaluation section of this budget.

PROGRAM EVALUATIONS

Program evaluations used to develop the strategic plan. Strategic targets for the extent of injury and death reductions in each hazard area were based on statistical analyses of data and staff expertise. We calculated 10-year trends of injuries and deaths at both the product and hazard levels. Staff experts in each hazard area set specific targets after assessing the potential actions of the Commission and the effect of joint efforts with other organizations and industry. They also made assumptions concerning the outcomes of potential technical feasibility studies. Service quality goals were based on information from surveys and tracking systems, as well as staff expertise as to what could be accomplished in a given time span.

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

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

A. Reducing Fire-Related Deaths

- 2000: Cigarette lighter-related fire deaths
- 2001: Evaluation of changes to fire-related death data from the revised coding system
- 2002: Tracking of fireworks-related deaths
- 2003: Tracking of fire-related deaths
- 2003: Tracking of fireworks-related deaths
- 2004: Tracking of fire-related deaths
- 2004: Tracking of fireworks-related deaths
- 2005: Tracking of fire-related deaths
- 2005: Tracking of fireworks-related deaths

B. Reducing Children's Drowning

- 2004: Tracking of Child Drowning deaths
- 2005: Tracking of Child Drowning deaths

C. Reducing CO Poisoning Deaths

- 2000: Tracking CO alarms sold
- 2001: Evaluation of changes to CO-poisoning data from the revised coding system
- 2003: Tracking of CO deaths
- 2004: Program evaluation of CO poisoning deaths
- 2004: Tracking of CO deaths
- 2005: Tracking of CO deaths

D. Assessments by Industry

- 2001: Fast-Track, Ombudsman
- 2004: Fast-Track, Ombudsman

E. Customer Satisfaction

- 2002: Hotline, Clearinghouse, State Partners
- 2005: Hotline, Clearinghouse, State Partners, Web Site

**Table A
Schedule of Evaluations**

Strategic Goals	Issues	General Scope	Procedures	
			Method	Time
Hazards Fire Child Drownings Carbon Monoxide	Reduce the rate of death	National estimates of deaths	1. Hazard Surveillance (NFIRS, NCHS)* 2. Evaluation of specific products – tracking Before/after studies.	1. Annually 2. As appropriate
Customer/Industry Services Hotline Clearinghouse State Partners Web Site Industry	1. Timeliness standards met 2. Satisfaction with CPSC’s services	1. Population of users 2. Random sample of users	1. Logs 2. Interviews; mail surveys	1. Annually 2. Every 3 years
Critical Management Utility Quality	1. Identify potential hazard reduction projects and/or strategic goals 2. Accuracy, security and completeness of databases	1. Number of goals and projects 2. Selected in-house databases	1. Candidate goals, projects produced 2. Reduction in database errors, penetrations, etc.	1. Annually 2. As appropriate

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

VERIFICATION AND VALIDATION

This section describes the means by which we will verify and validate the results of our annual performance measurement. Each annual goal was set by targeting or projecting a number of activities to be completed in 2005. We provide a complete list of performance measures with corresponding databases and verification procedures in Table B. We also provide further descriptions separately for goals set for: (A) reducing product-related injuries and deaths for each of the three core functions (Safety Standards, Compliance, and Consumer Information), (B) identifying product hazards, and (C) improving or maintaining quality/customer satisfaction (Industry Services, Web Site, Hotline, Clearinghouse, and State Partners).

A. Reducing Hazards to Children and Families

1. Safety Standards

- *Targeted performance goals for (a) rulemaking activities, (b) recommendations sent to voluntary standards groups, or code groups, (c) assessments completed (hazard analyses, data collection/analysis, testing, and technical feasibility studies), and (d) monitoring or participating in voluntary standards revisions.*

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

Database: Milestone tracking systems record, including a quarterly voluntary standards tracking report, the completion dates for significant activities, such as Commission briefings, recommendations sent to voluntary standards committees, and completed reports.

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

2. Compliance

- *Estimated performance goals for (a) obtaining recalls and other corrective actions and (b) timeliness in initiating Fast-Track recalls. [Note: Goals related to Fast-Track are covered under Service Quality Goals - Industry Services.]*

Performance measures: The number of recalls and other corrective actions completed, business days to implement a recall, and business days for final approval of all notification actions for Fast-Track cases.

Database: CPSC's Integrated Field System (IFS) and the Compliance Corrective Actions (CCA) databases track these performance measures.

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

3. Consumer Information

- *Projected performance goals for number of press releases and Web recall alerts by hazard area.*

Performance measures: Number of press releases and Web recall alerts for each hazard.

Database: The Press Release (PRE) database records all press releases issued by the Commission by hazard area. Press releases and Web recall alerts are available on our Web site.

Verification: Check Web site for press releases and Web recall alerts with written description of the hazard.

- *Performance goals for Video News Releases.*

Performance measures: Number of video news releases by hazard area.

Database: All information about video news releases is tracked in the Video News Release (VNR) file log, both for VNRs developed with our resources and those produced by manufacturers in cooperation with us.

Verification: VNR information is reported to us through communications contractors who distribute the VNRs to television stations by satellite. Check of contractor reports with database information.

- *Performance goals: for responding to the public's request for publications. [Note that each CPSC publication has been classified by the hazard addressed.]*

Performance measures: Number of publications with safety information in each hazard area.

Database: The Inventory of Publications database tracks the number of each publication distributed to requestors.

Verification: This information is reported to us by the Department of Health and Human Services that stores and distributes our publications. Check on DHHS Web site for quantity ordered in the inventory report of CPSC publications.

B. Identifying Product Hazards

1. Data Collection

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

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

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

Verification: Internal quality control process including a record system that tracks the result of every NEISS evaluation visit and computer programs that record the number of reports in various categories including NEISS, investigations, medical examiner and news clip reporting.

2. Data Utility

- *Targeted performance goals for (a) completing analysis of major product areas, (b) conducting special studies and special economic studies, and (c) responding to petitions.*

Performance measures: The number of completed activities.

Database: Completed reports and Commission briefing packages.

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

C. Improving Quality

1. Data Quality

- *Targeted performance goals for conducting planning activities and implementing data quality improvements.*

Performance measures: The number of completed activities.

Database: Completed reports.

Verification: Review by senior managers.

2. Service Quality

- *Performance goals for contacts with the public.*

Performance measure: The number of Web site visits, emails, and guidance document developed.

Verification: These performance measures are stored electronically and are either automatically generated by contractors (Web and hotline), or automatically generated through our programming. Completed guidance documents are posted on our Web site.

- *Performance goals for timeliness of CPSC actions.*

Performance measures: Number of business days for CPSC to provide a response to small businesses, voicemail messages left by consumers calling hotline, or number of business days to process incident reports. Also, the number of business days to mail incident reports to consumers and to manufacturers or provide injury data to requestors.

Database: Number of business days is generated automatically in the Small Business Ombudsman, hotline and Clearinghouse databases.

Verification: Manager review.

- *Performance goals for State Partners regional product safety activities, recall checks, inspections, and investigations.*

Performance measures: Number of each activity completed.

Database: CPSC's Integrated Field System (IFS) database tracks these performance measures.

Verification: Manager review.

Table B
Verification and Validation of Performance Measures for Annual Goals

Type of Performance Measure	Performance Measure	Database	Verification/Validation
<i>Reducing Product Hazards</i>			
Candidates for Commission consideration	Number of Commission briefing packages	Milestone tracking	Official documents
Voluntary standards (VS) development/changes	Number of recommendations	Milestone tracking	Official documents
National codes changes	Number of recommendations	Milestone tracking	Official documents
Hazard analysis, data analysis/collection, testing, technical review activities	Number of reports completed	Milestone tracking	Official documents
Monitor or participate in VS revisions	Number of actions	Milestone tracking	Official documents
Recalls or other corrective actions	Number of actions	IFS, CCA*	Manager review
Voluntary standards monitored	Number of VS monitored	IFS, official documents	Manager review
Import surveillance	Number of efforts	Official documents	Manager review
Public information efforts	Number of efforts	Milestone tracking	Official documents
Press releases/Recall Alerts	Number of releases/alerts	PRE*	Official documents
Video news releases (VNR)	Number of VNRs	VNR file log	Contractor report
Publications	Number distributed	Inventory	Contractor report
<i>Identifying Hazards</i>			
NEISS Training	Percent of hospitals visited	NARS	Office Quality Control Process
NEISS Hospital Data	Number of cases	NEISS	Office Quality Control Process
Medical Examiner/Newsclip reporting	Number of cases	IPII	Office Quality Control Process
Investigations	Number of cases	INDP	Office Quality Control Process
Major product area analyses	Number of reports	Milestone tracking	Official documents
Special Studies/Economic Studies	Number of reports	Milestone tracking	Official documents
Responses to Petitions	Number of briefing packages	Milestone tracking	Official documents
<i>Improving Quality</i>			
Data Quality planning activities	Number of activities	Milestone tracking	Manager review
Data Quality improvements	Number of activities	Milestone tracking	Manager review
Fast-Track timeliness	Business days	CCA	Manager review
Small Business Ombudsman timeliness	Business days	Ombudsman database	Manager review
Guidance documents	Number of guides	Web site	Manager review
Web site visits	Number of visits	Contractor reports	Manager review
Hotline timeliness standards	Business days	Hotline databases	Manager review
Emails processed	Number of emails	Contractor log file	Manager review
Clearinghouse timeliness standards	Business days	Clearinghouse databases	Manager review
State Partners activities, recall checks, inspections, investigations	Number of activities	IFS	Manager review

*IFS = Integrated Field System; CCA = Compliance Corrective Actions; PRE = Press Release database

SOCIETAL COSTS ESTIMATION

The \$700 billion in societal costs is the total of three components: injury costs, costs of fatalities, and property damage. To estimate medically attended injuries, CPSC employs the Injury Cost Model (ICM), which uses empirically derived relationships between emergency department injuries reported through the National Electronic Injury Surveillance System (NEISS) and those treated in other settings (e.g. doctor's offices, clinics). The injury cost estimates are made up of four major components including medical costs, work losses, pain and suffering, and legal costs. The methods used to estimate these four broadly defined components are described in detail in *The Consumer Product Safety Commission's Revised Injury Cost Model* (<http://www.cpsc.gov/library/foia/foia02/os/costmodept1.PDF>).

The cost of fatalities is estimated by applying a statistical value of life to the number of deaths. CPSC staff's statistical value of life is consistent with the results of research employing the "willingness to pay" methodology. In the December 1993 *Journal of Economic Literature* Kip Viscusi's review of the literature in "The Value of Risks to Life and Health" concludes that "most of the reasonable estimates of life are clustered in the \$3 million - \$7 million range." CPSC staff uses a \$5 million cost of fatalities.

The estimate for property damage, (\$4.2 billion in 1999), comes from data on residential fires collected by the National Fire Protection Association in an annual survey. The property damage estimate does not include costs that are associated with fires that are not reported to a fire department or when goods are destroyed or damaged when an incident other than fire occurs. The \$700 billion figure does not include the costs of illnesses and deaths resulting from chemical or bacterial exposure from use of consumer products.

PROCESSES AND TECHNOLOGIES NEEDED TO MEET THE PERFORMANCE GOALS

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

A. Processes

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

- Development of voluntary or mandatory product safety standards and guidelines
- Application of voluntary or mandatory corrective actions, including product recalls
- Distribution of information to the public on how to avoid product hazards

These three major activities are supported by our work in the identification and analysis of hazards activity.

B. Capital Assets / Capital Programming

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

We use IT to speed access to injury and death information in order to set priorities for use of our resources; support various voluntary and mandatory approaches to reducing hazards; and more quickly reduce hazards to American consumers. In addition, automating various tracking, planning, and mission-critical systems needed to accomplish organizational tasks has saved thousands of administrative staff hours, thus expanding staff time devoted to injury reduction activities. This has benefited the various CPSC programs established to carry out the agency's mission. We have identified various IT initiatives that at present, are not funded, but which are important to CPSC IT. These are discussed on page 3 of this document.

Also not included in the 2005 request is our effort to modernize our laboratory. CPSC's laboratory provides critical support to our compliance investigations and safety standards activities. Although the Commission and GSA have made modest investments in the physical facilities and equipment at the laboratory over the past 25 years, these investments have made only slight modifications to the existing structures, which were originally designed in the 1950s for military use. GSA and we believe that redeveloping the site can make significant productivity and efficiency gains. For example, we can make much better use of the limited available space

by relocating and consolidating specialized laboratory and office sites.

The National Capital Planning Commission approved the master site plan in late 2002. Final costs are dependent on subsequent pricing of the project by GSA and final agreement between CPSC and GSA. We expect to see construction cost estimates in early 2004. If CPSC can secure funding, design and construction could begin in the initial year of funding.

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

In 2001, as a result of the first annual audit conducted in response to the Government Information Security Act, we have determined that we have a weakness in our internal controls over automated information security and its operation. We are in the process of documenting our security procedures and otherwise improving our information security so that the weakness is corrected and documented in the next audit.

We do not have any major problems of fraud and mismanagement in our programs and operations. We can address problems of fraud and mismanagement in programs and operations, if they were to arise through CPSC's: (1) Office of Inspector General, responsible for audits, inspections, special reports, and investigations; (2) the Office of the Chairman, responsible for the annual Federal Financial Managers Improvement Act (FFMIA) report to the President and Congress; and (3) the Senior Management Council, responsible for internal control reviews and annual letters of assurance.

D. Accountability

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

E. Resource Allocation to Accomplish Annual Goals

For 2005, the funding request for the agency is \$62.7 million with a staff level of 471 Full Time Equivalents (FTEs) nationwide. All of the annual goals outlined in this document assume that the \$6.72 million or equivalent purchasing power will be available for 2005. We may need to adjust the annual goals to reflect the actual level of funding and staff made available to the agency, particularly if our current service funding needs are not met.

Over 80 percent of our resources are allocated to professional and technical staff who identify product-related hazards; investigate and act on product safety hazards and violations of safety regulations; provide recommendations to the Commission for decision-making; and inform the public about product safety. After staff salary and related space rental costs, less than 20 percent of our annual budget is available for other critical support costs, such as injury data collection, in-depth investigations of deaths and injuries, independent expert technical evaluations, and travel in support of investigations and voluntary standards development. Our challenge is to work within these constraints while maintaining enough flexibility to fulfill our mission of protecting the public.

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

- Determining the direct costs for each strategic goal for those activities that were classified by hazard in the budget (e.g., resources for the upholstered furniture project were directly applied to the goal for reducing fire-related deaths). Most of the agency’s costs are direct costs, such as salary and contract support costs.
- Estimating direct costs for those strategic goal activities that were not classified by hazard in the budget, such as customer and industry service activities. Staff estimated the distribution attributable to the strategic goals using historical data and expert judgment.
- Proportionately distributing indirect costs, such as administration, space rent, etc., to the direct costs for each strategic goal and program.

PROGRAM AND FINANCING SCHEDULE (dollars in thousands)

	<u>2003</u> <u>Actual</u>	<u>2004</u> <u>Request</u>	<u>2005</u> <u>Request</u>
Obligations by Program Activity:			
Direct Program:			
Reducing Product Hazards to Children and Families	\$46,277	\$48,470	\$50,962
Identifying Product Hazards	10,299	11,176	11,688
Total direct program.....	56,576	59,646	62,650
Reimbursable program	3,213	3,250	3,250
Total new obligations	59,789	62,896	65,900
Budgetary resources available for obligation:			
New budget authority (gross)	59,843	62,896	65,900
Total new obligations	-59,789	-62,896	-65,900
Unobligating balance expiring	54	--	--
New budget authority (gross), detail:			
Discretionary:			
Appropriation (definite).....	57,000	60,000	62,650
Reduction pursuant to P.L. 108-7 and P.L. 108-199	-370	-354	--
Appropriation (total discretionary)	56,630	60,000	62,650
Discretionary: Spending authority from offsetting collections:			
Offsetting collections (cash).....	3,213	3,250	3,250
Total new budget authority (gross)	59,843	62,896	65,900
Change in unpaid obligations:			
Unpaid obligations, start of year:			
Obligated balance, start of year	11,305	8,925	8,346
Total new obligations	59,789	62,896	65,900
Total outlays (gross).....	-62,095	-63,475	-65,686
Adjustments in expired accounts	--	--	--
Unpaid obligations, end of year:			
Obligated balance, end of year	8,925	8,346	8,560
Outlays (gross), detail:			
Outlays from new discretionary authority	53,498	56,335	59,009
Outlays from discretionary balances.....	8,597	7,140	6,677
Total outlays (gross)	62,095	63,475	65,686
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from Federal sources.....	3,209	3,240	3,240
Offsetting collections (cash) from Non-Federal sources.....	4	10	10
Total offsetting collections (cash)	3,213	3,250	3,250
Net budget authority and outlays:			
Budget authority (net)	\$56,630	\$59,646	\$62,650
Outlays (net).....	\$58,882	\$60,225	\$62,436

OBJECTION CLASSIFICATION SCHEDULE (dollars in thousands)

	2003	2004	2005	
	Actual	Request	Request	
Direct obligations:				
Personnel Compensation:				
11.1	Full-time permanent	\$33,147	\$35,035	\$36,840
11.3	Other than full-time permanent.....	2,852	3,046	3,203
11.5	Other personnel compensation.....	249	325	336
11.8	Special personnel services payments.....	2	--	--
11.9	Total personnel compensation	36,250	38,406	40,379
Personnel benefits:				
12.1	Civilian.....	8,113	8,859	9,471
13.0	Benefits for former personnel.....	10	15	15
	Subtotal, Compensation and Benefits	44,373	47,280	49,865
21.0	Travel and transportation of persons	778	880	880
22.0	Transportation of things	93	75	75
23.1	Rental payments to GSA	3,501	4,521	4,775
23.2	Rental payments to others	9	8	8
23.3	Communication, utilities and miscellaneous charges	739	745	745
24.0	Printing and reproduction.....	288	320	320
25.1	Advisory and assistance services.....	73	150	150
25.2	Other services	3,289	2,943	3,023
25.3	Purchases from other Federal Agencies.....	820	825	910
25.4	Operation and maintenance of facilities.....	318	325	325
25.5	Research and development contracts.....	--	--	--
25.7	Operation and maintenance of equipment.....	478	480	480
26.0	Supplies and materials	535	540	540
31.0	Equipment	1,279	550	550
42.0	Insurance claims and indemnities	3	4	4
99.0	Subtotal, direct obligations	56,576	59,646	62,650
Reimbursable obligations:				
11.1	Full-time permanent	17	--	--
12.1	Civilian.....	3	--	--
21.0	Travel and transportation of persons	134	150	150
25.0	Other services	3,059	3,100	3,100
	Subtotal, reimbursable obligations	3,213	3,250	3,250
99.9	Total obligations	\$59,789	\$62,896	\$65,900

PERSONNEL SUMMARY

Direct:

Total compensable work years:

Full-time equivalent employment	470	471	471
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VOLUNTARY AND MANDATORY STANDARDS SUMMARY

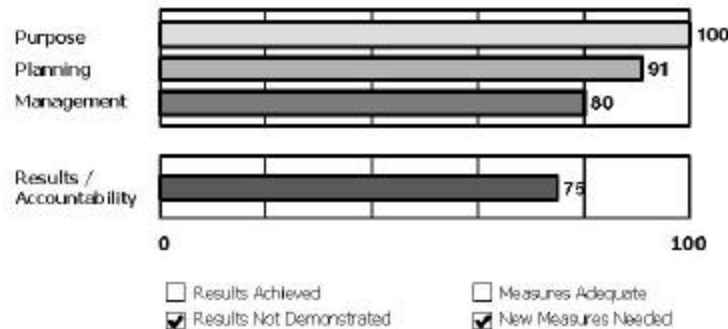
	<u>2003</u> <u>Actual</u>	<u>2004</u> <u>Request*</u>	<u>2005</u> <u>Request*</u>
VOLUNTARY STANDARDS UNDER DEVELOPMENT:			
Fire/Electrocution Hazards	19	16	14
Drowning/Children’s Hazards	29	31	28
CO Poisoning/Chemical Hazards	6	5	6
Household/Recreation Hazards.....	<u>11</u>	<u>13</u>	<u>10</u>
Total Voluntary Standards	65	65	58
 MANDATORY STANDARDS UNDER DEVELOPMENT:			
Fire/Electrocution Hazards	3	3	5
Pool Drowning/Children’s Hazards	3	3	0
CO Poisoning/Chemical Hazards	2	1	2
Household/Recreation Hazards.....	<u>0</u>	<u>0</u>	<u>0</u>
Total Mandatory Standards	8	7	7

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

Program: Consumer Product Safety Commission

Agency: Consumer Product Safety Commission

Bureau: Consumer Product Safety Commission



Key Performance Measures

	Year	Target	Actual
Long-term Measure: The rate of death in the U.S. from fire related causes (measured per million people) (New targets will be developed by March 2003)	1995	10.3	11.4
	1997	10.3	10.3
	1999	10.3	9.8
Long-term Measure: The rate of death in the U.S. from electrocutions (measured per 10 million people) (New targets will be developed by March 2003)	1994	7.1	8.8
	1996	7.1	7.2
	1998	7.1	7.4
Annual Measure: Recalls initiated within 20 days under the Fast Track Product Recall program (New targets will be developed by March 2003)	1999	80%	95%
	2000	90%	94%
	2001	90%	95%

Rating: Results Not Demonstrated

Program Type: Regulatory

Program Summary:

CPSC works to reduce the unreasonable risk of injuries and deaths associated with consumer products through voluntary and mandatory safety standards, compliance with those standards, consumer information, and cooperative, voluntary efforts with manufacturers.

The assessment found that despite overall strong performance, CPSC does not demonstrate results due to a lack of long-term outcome goals. Additional findings include:

1. CPSC has a clear and unique Federal role.
2. CPSC has addressed its data problems by developing new methodologies and procedures for data collection. This will enable the agency to adjust its strategic goals.
3. CPSC's annual performance goals are discrete, quantifiable, and measurable, and directly support the agency's mission.
4. CPSC currently conducts cost-benefit analyses for all of its regulations substantive regulations except Poison Prevention Packaging Act (PPPA) regulations and those regulations directed by Congress that waive the statutory requirements for cost-benefit analysis.
5. CPSC routinely uses performance data to recommend program improvements.
6. CPSC has shown positive trends in meeting its long term goals in the past, however, current targets are set below already achieved levels and are not ambitious.
7. CPSC does a limited review of its current regulations to ensure consistency among all regulations in accomplishing program goals.

To address these findings, the agency will:

1. Develop more ambitious long-term strategic goals. (CPSC is now revising its strategic plan and setting new targets.)
2. Review the conduct of cost-benefit analyses on PPPA regulations to ensure that these regulations are conducted in a more comprehensive, consistent and thorough manner, and propose legislative change when appropriate.
3. Develop a plan to systematically review its current regulations to ensure consistency among all regulations in accomplishing program goals.

(For more information on this program, please see the Other Agencies chapter in the Budget volume.)

Program Funding Level (in millions of dollars)

2002 Actual	2003 Estimate	2004 Estimate
55	57	60

PART Recommendations and Status

PART Recommendation 1

Recommendation 1: Develop more ambitious long-term goals	Completed Date 9/30/03	On Track? Completed	Comments on Status: Strategic Plan developed with ambitious goals
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OMB Recommendation: *"Develop more ambitious long-term strategic goals. (CPSC is now revising its strategic plan and setting new targets.)"*

Background. Under our first strategic plan in 1997, CPSC set 10-year strategic goals to reduce fire-related deaths, electrocutions, and carbon monoxide (CO) poisoning deaths, as well as other hazards. Targets for reductions were based on 1994 or 1995 data, the latest years for which data was available in 1997. By 2000, we had exceeded the targets for these three hazard reduction strategic goals. The agency, however, chose not to adjust targets for the strategic goals because there had been major changes in the way injury and death data were collected or classified and staff believed new baseline data was needed.

Progress. Our new strategic plan was finalized and sent to OMB. In this plan we set ambitious strategic goals. Staff experts met in hazard teams and developed goal candidates based on selection criteria that included the frequency and severity of product-related injuries, the addressability of the hazard, and the vulnerability of the population at risk. Staff recommended targets for each goal candidate based on their knowledge of the hazard, products likely to be targeted for injury reduction, and the extent to which remedial action could address the hazard.

This process resulted in three hazard reduction strategic goals: reducing fire-related deaths, reducing CO poisoning deaths and preventing child-related drownings. Strategic goals for fire and CO poisonings are carry-over goals from the first strategic plan. We increased the target for reducing fire-related deaths to 20 percent from 1998 to 2013 from the previous goal of 10 percent from 1995 to 2005. We retained the target of 20 percent for reducing carbon monoxide poisonings because new data shows that the total number of deaths is smaller (180 in 1998 and an average of 124 deaths for 1999-2000). We believe it will be more difficult to achieve the 20 percent reduction with a smaller universe. The strategic goal for child drownings is new and the target set based on current knowledge of the hazard.

PART Recommendation 2

Recommendation 2: Review the conduct of cost-benefit analyses on PPPA regulations....	Completion Date: 10/30/05	On Track? Y	Comments on Status: Pilot Study in development
Next Milestone: First cost benefit study completed.	Next Milestone Date: 04/01/04	Lead Org: Hazard Identification and Reduction	Lead Official: Assistant Executive Director

OMB Recommendation: *"Review the conduct of cost-benefit analyses on PPPA regulations to ensure that these regulations are conducted in a more comprehensive, consistent, and thorough manner, and propose legislative change when appropriate."*

Background: CPSC conducts cost-benefit analyses for all of its substantive regulations except for Poison Prevention Packaging Act (PPPA) regulations and regulations directed by Congress that waive the statutory requirements for cost-benefit analysis. The Act does not explicitly require the Commission to compare the costs and benefits of a rule, nor is it explicitly precluded. In the past, the Commission made decisions on rules based on several findings required by the Act (see sec 3, 15 USC 1472 of the PPPA) including the reasonableness of the proposed rule. Thus staff has not performed cost-benefit analyses of the type that are developed for products regulated under the FHSA, CPSA or FFA.

Progress: To address OMB's recommendation and explore legal requirements, we will conduct "pilot" cost benefit analyses for the next several proposed PPPA briefing packages. To-date, staff has completed a draft cost-benefit analysis for hydroxides (found in some cleaning products and cosmetics such as hair relaxers, depilatories and cuticle removers) that is currently in internal review. Other candidates will also be identified in 2004.

Conducting a pilot is important. Because cost benefit analysis has not been performed in PPPA projects in the past, staff needs to evaluate the adequacy of existing data sources and determine what additional resources may be needed. After the pilot is completed, staff will provide recommendations for consideration by the Commission. The Commission will decide whether to use cost-benefit analysis as information for decision-making, require it for its decisions, or consider other alternatives as appropriate. If the Commission decides to require cost-benefit analysis for PPPA decisions, legislation revising the original Act will then be proposed.

PART Recommendation 3

Recommendation 3: Develop a plan to systematically review its current regulations	Completion Date 8/30/04	On Track? Y	Comments on Status : Inventory of substantive rules identified.
Next Milestone : Begin pilot study.	Next Milestone Date: 10/01/04	Lead Org: Hazard Identification and Reduction	Lead Official: Assistant Executive Director

OMB Recommendation: *"Develop a plan to systematically review its current regulations to ensure consistency among all regulations in accomplishing program goals."*

Background. In the detailed section of its PART analysis, OMB agreed that we systematically review our current regulations but recommended that a more formal procedure be established. In the past, CPSC used a number of different methods to review mandatory and voluntary standards to assure they are necessary. During the course of these reviews, if staff found evidence that supported the need to revise a specific regulation, staff initiated action. For example, a detailed review of the Commission's regulation on the flammability of clothing textiles showed that the procedures and test equipment specified in the standard had become outdated. These outdated procedures had resulted in confusion by industry and other affected parties in how to apply the standard's requirements. As a result of the review, staff sent a briefing package to the Commission that recommended the publication of an advance notice of proposed rulemaking to update the standard to reflect current technologies and practices.

Progress. We formed a task force comprised of staff from the offices of the General Counsel, Directorate for Economic Analysis, Compliance, Budget, Planning and the Inspector General with the goal of implementing a more formal systematic review. In this initial planning phase, the task force updated CPSC's inventory of rules. The inventory was further refined by identifying those rules that staff considered substantive and will be used to select the rules for systematic review. The task force also decided to conduct a pilot study beginning in FY 2004 to review one rule from each statute (with the exception of the Refrigerator Safety Act). The pilot will allow us to assess the extent of the resources needed and identify any procedures that will expedite the process. At the end of the pilot, we expect to identify a more systematic approach to reviewing CPSC rules that, given our limited resources, will not disrupt critical hazard reduction work.

