

## Why GAO Did This Study

Growing numbers of recalls in 2007 and 2008, particularly of children's products, focused increased attention on CPSC. Consumer products can be subject to mandatory or voluntary standards, or both. Questions have been raised about the level of compliance with voluntary standards and CPSC's ability to encourage compliance. The Consolidated Appropriations Act of 2012 directed GAO to analyze manufacturers' compliance with voluntary industry standards. This report evaluates (1) what is known about the extent to which manufacturers comply with voluntary standards for consumer products, (2) CPSC's authority and ability to require compliance with voluntary standards, and (3) the consequences for manufacturers that fail to comply with voluntary standards.

To do this, GAO reviewed CPSC's statutory and regulatory authorities to encourage compliance with voluntary standards; reviewed agency documents and literature on consumer product safety; analyzed data on CPSC corrective actions; and met with representatives from national consumer, industry, legal, and standard-setting organizations who have expertise in developing consumer product safety standards.

## What GAO Recommends

To strengthen the adequacy of voluntary standards, CPSC should review the policy for participating in voluntary standards development activities and determine the feasibility of assuming a more active, engaged role in developing voluntary standards. CPSC supported the recommendation.

# CONSUMER PRODUCT SAFETY COMMISSION

## A More Active Role in Voluntary Standards Development Should Be Considered

### What GAO Found

Although the Consumer Product Safety Commission (CPSC) enforces compliance with mandatory federal safety standards, it is also required by law to rely on voluntary safety standards when it determines that the standard adequately addresses the product hazard and is likely to have substantial compliance. Voluntary standards—developed by industry, consumer, and government participants through a consensus process—cover many of the thousands of types of products in CPSC's jurisdiction. Compliance with voluntary standards is not routinely tracked, but it is generally considered to be high by industry participants. Compliance with these standards also depends on industry and legal factors, such as retailer requirements to demonstrate proof of compliance with voluntary safety standards and risk of liability in product liability lawsuits.

Because voluntary standards do not have the force of law, CPSC cannot compel compliance with them. However, noncompliance with a voluntary standard can inform a determination of a substantial product hazard by the CPSC that in turn can lead to CPSC enforcement actions. CPSC has exercised its expanded authority to place a product on the substantial product hazards list. Specifically, it designated drawstrings from children's upper outerwear and hair dryers without a ground fault circuit interrupter as hazardous products, and Customs has seized violative items at ports. CPSC also participates in standard development activities with industry and consumer representatives and monitors select voluntary standards. CPSC attends standard development meetings, supplies hazard and injury data and analysis, and provides input on draft standards. However, CPSC's regulation prohibits staff from voting on the final standards or from participating in any meeting that excludes other groups, such as media or consumers. CPSC's rationale for limiting involvement in standards development activity is to maintain its independence—such as not appearing to endorse a specific standard. Office of Management and Budget guidance gives agencies discretion to determine their level of participation in standard setting activities, including full involvement in discussions, serving in leadership positions, and voting on standards. A January 2012 White House memorandum states that the federal government may need to be actively engaged in standards development and implementation, including playing an active role in standard setting and assuming leadership positions in Standard Development Organization committees. Committee participants GAO spoke to value CPSC's input but generally agreed that CPSC should participate earlier and take a more active role in standards development. These actions could enhance CPSC's oversight, and may strengthen voluntary standards.

Manufacturers that fail to comply with voluntary standards can face consequences when CPSC has determined that noncompliance poses a significant risk of injury or death to consumers. CPSC can take corrective action against the manufacturer, including recalls, or take longer term action to ban the hazardous product. CPSC has focused much of its surveillance and compliance work on imported products. For fiscal years 2008 through 2011, 80 percent of CPSC recalls have been of imported products that may be subject to voluntary standards, highlighting challenges CPSC faces in helping to ensure the safety of consumer products.