



October 20, 2023

TO: Alexander Hoehn-Saric, Chairman
Peter A. Feldman, Commissioner
Richard Trumka Jr., Commissioner
Mary T. Boyle, Commissioner

FROM: Christopher W. Dentel, Inspector General

THE CPSC MUST COMPLETE REQUIRED ANNUAL REPORTS TO THE PRESIDENT AND CONGRESS

This management alert notifies you of an urgent issue that requires immediate attention and action. A Management Alert is an Office of Inspector General (OIG) independent assessment that provides timely and useful information to Consumer Product Safety Commission (CPSC) stakeholders. The CPSC did not complete its statutorily required annual report on the administration of the Consumer Product Safety Act (CPSA) to the President and Congress for fiscal years 2020, 2021, or 2022. We recommend the CPSC immediately act to comply with the law and timely provide the President and Congress with this report for fiscal year (FY) 2023.

Background

The CPSA requires the CPSC to furnish a comprehensive report on agency actions for the preceding fiscal year to the President and the Congress at the beginning of each regular session of Congress, which occurs in January of every year.¹ According to statute, these reports must provide information on a number of CPSC activities, including: injuries from consumer products,² new consumer product safety rules,³ voluntary consumer product safety standards,⁴ enforcement actions,⁵ outstanding problems,⁶ consumer product recalls,⁷ consumer product research activities,⁸ Commission meetings,⁹ and

¹ See 15 U.S.C. 2076(j).

² See 15 U.S.C. 2076(j)(1).

³ See 15 U.S.C. 2076(j)(2).

⁴ See 15 U.S.C. 2076(j)(12).

⁵ See 15 U.S.C. 2076(j)(3).

⁶ See 15 U.S.C. 2076(j)(4).

⁷ See 15 U.S.C. 2076(j)(5).

⁸ See 15 U.S.C. 2076(j)(7).

⁹ See 15 U.S.C. 2076(j)(10).

recommendations for consumer product legislation.¹⁰ However, the CPSC has not completed such a report since FY 2019. Furthermore, the most recent reports published on the CPSC website denote publication dates of August, June, and September¹¹ – months after the new session of Congress began.

The CPSC Must Provide the President and Congress with the Annual Reports as Required by Law

The CPSC must complete its annual reports to the President and Congress on the preceding fiscal year at the beginning of each new session of Congress. For the past three fiscal years, the President and Congress have been without this vital information about the CPSC's activities. A CPSC official admitted the CPSC had failed to produce the required annual reports for FY 2020, FY 2021, and FY 2022 but pledged to restart this process to bring the agency back into compliance. Indeed, the CPSC must complete the annual report for FY 2023 in timely fashion at the beginning of the next regular session of Congress, which will be January 2024.

Conclusion

The CPSC has not complied with this aspect of the CPSA for several years, depriving the President and Congress of key information about CPSC's actions. The CPSC must comply with the law and timely produce the forthcoming annual report on FY 2023.

¹⁰ See 15 U.S.C. 2076(j)(13).

¹¹ See <https://www.cpsc.gov/About-CPSC/Agency-Reports/Annual-Reports>, Last visited September 26, 2023.

Appendix A. Objective, Scope, and Methodology

A.1 Objective & Scope

The objective of this Management Alert is to immediately notify the CPSC of an area of non-compliance that requires urgent attention. Specifically, the CPSC has not submitted to the President and Congress annual reports for the past three fiscal years (2020 – 2022) required by the CPSA, 15 USC 2076(j). We gathered information for this matter in September 2023.

A.2 Methodology

We performed the work for this matter in September 2023 and conducted this management alert in accordance with OIG Management Alert procedures and not generally accepted audit standards. Those procedures require we obtain sufficient evidence to provide a reasonable basis for our conclusions. We reviewed responses to written questions sent to key CPSC personnel, interviewed a CPSC official, and reviewed supporting documentation to determine the status of the CPSC's non-compliance with the annual report requirement of the CPSA.

We are issuing this management alert under the authority conferred by the Inspector General Act of 1978, as amended, Section 2(2), "to promote economy, efficiency, and effectiveness in the administration of, and...to prevent and detect fraud and abuse in, [CPSC] programs and operations."¹²

¹² See 5 U.S.C. § 402(b)(2).

APPENDIX B. Management Response



United States
Consumer Product Safety Commission
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Memorandum

TO: Christopher W. Dentel, Inspector General **DATE:** October 17, 2023
FROM: Jason K. Levine, Executive Director Jason Levine Digitally signed by Jason Levine
Date: 2023.10.17 16:56:49
+0400
SUBJECT: Management Alert Regarding Annual Reports to the President and Congress

Management concurs with the Office of the Inspector General that the Consumer Product Safety Commission (CPSC) did not complete the annual report on the administration of the Consumer Product Safety Act (CPSA) to the President and Congress (annual report) for fiscal years 2020, 2021, or 2022. Staff is in the process of preparing the annual report for fiscal year 2023 and will submit it to the President and Congress in a timely fashion.

**U.S. Consumer Product
Safety Commission**
4330 East-West Highway
Bethesda, MD 20814

**National Product Testing
and Evaluation Center**
5 Research Place
Rockville, MD 20850

This memorandum was prepared by the CPSC staff. It has not been reviewed or approved by, and may not necessarily reflect the views of, the Commission.

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