

FROM INNOVATION- INCUBATOR TO FORCE-MULTIPLIER:

The key roles voluntary standards
play in achieving mission-critical
public health and safety
objectives

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Overview

- About the Consumer Product Safety Commission
- CPSC's Relationship with Voluntary Standards
- Standards as Innovation-Incubators
- Standards as Force-Multipliers
- Future of Standards



About Me

- Only non-lawyer, only MBA on Commission
 - Familiar with supply chains
- 1999 – 2002: New Mexico State Legislature
- 2002 – 2006: Chief of Staff
CPSC Chairman Hal Stratton
- 2006 – 2013: Vice President
Intertek



About Me

- Only non-lawyer, only MBA on Commission
 - Familiar with supply chains
- 2002 – 2006: Chief of Staff
CPSC Chairman Hal Stratton
 - Raised profile of Voluntary Standards office by making the coordinator a direct report.
 - No layers of bureaucracy in between
 - Know the importance of standards in fulfilling CPSC's mission



About CPSC: Background

- Formed in 1972 in response to high-profile product failures



- Independent regulatory agency – 5 Commissioners from diverse backgrounds
- Special focus on children's products



About CPSC: Our Mechanics

- FY 2016 Budget Request: \$129 million total
 - FDA FY 2016 Budget Request: \$147.7 million *increase*
- ~550 employees responsible for safety of products that touch every person in America
 - More than 15,000 product categories
- Intended to be data-driven and highly technical



About CPSC: Our Mandate

- Voluntary standards can serve all 4 parts of our mandate:
 - To protect the public against unreasonable risks of injury associated with consumer products;
 - To assist consumers in evaluating the comparative safety of consumer products;
 - To develop uniform safety standards for consumer products and to minimize conflicting State and local regulations; and
 - To promote research and investigation into the causes and prevention of product-related deaths, illnesses, and injuries



CPSC's Relationship with Voluntary Standards

- Original CPSC process for mandatory rules:
 - Commission identifies unreasonable risk, publishes notice that includes invitation to submit or develop a voluntary standard
 - Commission must accept offer to develop if offeror competent and likely to succeed within 5 months
 - If offer accepted, Commission cannot publish or develop its own rule while standard in progress





CPSC's Relationship with Voluntary Standards

- Current CPSA gives agency much more flexibility, but still embodies a preference for voluntary standards
- CPSC can't issue rules if voluntary standards are adequate and compliance is likely
- CPSC has tools to turn voluntary standards into mandatory regulations (more later)





Active Relationships

- CPSC engages formally and informally through **Voluntary Standards Coordinator**
- Engagement largely governed by rules establishing boundaries and protocols to preserve objectivity





Active Relationships

- Semi-annual public report available online
 - <http://www.cpsc.gov/en/Regulations-Laws--Standards/Voluntary-Standards/>
- In FY 15: 41 staffers devoting 78 staff months to standards in 81 product areas
 - Most active with ANSI, ASTM, & UL





A Professional Forum

- Allows staff to engage directly with other experts, unfiltered by political functions of CPSC
- Peer-to-peer conversations





A Professional Forum

- Voluntary standards activities bring industry, government, and consumer groups together to discuss emerging hazards





A Professional Forum

- Relationship-building – working relationships foster trust & dialog that extends to issues beyond standards-setting





Voluntary Standards as Innovation-Incubators

- Stated preference for performance criteria
 - Allows for product innovation unrestricted by design criteria
- Diverse membership
 - Experience of product-specific experts combined with insights from non-industry actors
- Innovation means making products better, cheaper, and *safer*



Voluntary Standards as Force-Multipliers

- CPSC can only work on a handful of rules a year
 - Statutes & headlines drive rulemaking agenda, “small” projects left behind





Voluntary Standards as Force-Multipliers

- CPSC can only work on a handful of rules a year
 - Standards groups can advance safety in many more areas





Voluntary Standards as Force-Multipliers

- Voluntary consensus standards, developed in the private sector, can stand in for federal rules
- Formally rely on voluntary standards
 - Reporting obligation: If product does not comply with voluntary standard, must report that to CPSC
 - No compliance requirement
 - Only done twice in our history





Voluntary Standards as Force-Multipliers

- 2008 legislation: Opportunity to leverage voluntary standards for enforcement (“15(j) rule”)
 - Non-compliance automatic “substantial product hazard”
 - Must be “readily observable,” widespread compliance
 - Gives inspectors tool for quick, reliable safety decisions





Future of CPSC & Standards

- Pending rule on voluntary standards removes prohibitions against CPSC career staff:
 - Serving in leadership positions on voluntary standards committees &
 - Voting on balloted consensus voluntary standards
- Agency thrives on public engagement, and that includes voluntary standards work



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