

**SECTION-BY-SECTION SUMMARY OF H.R. \_\_\_\_\_,  
THE “CONSUMER PRODUCT SAFETY MODERNIZATION ACT OF 2007”**

**Section 1: *Short Title; Table of Contents.***

Section 1 states that the short title of this Act is the “Consumer Product Safety Modernization Act of 2007” and sets forth the table of contents.

**Section 2: *References.***

Section 2 states that all references to the “Commission” mean the Consumer Product Safety Commission and all references to “Act” mean the Consumer Product Safety Act.

**TITLE I – CHILDREN’S PRODUCT SAFETY**

**Section 101: *Ban on Children’s Products Containing Lead; Lead Paint Rule.***

Section 101 bans any children’s product – intended for or marketed to children under 12 years of age – that contains more than trace amounts of lead, which are specified as not more than 600 ppm effective in 60 days; 250 ppm effective in two years; and 100 ppm effective in four years, unless the Consumer Product Safety Commission (CPSC) in a rulemaking finds that 100 ppm is not feasible. The section excepts from these limits physically inaccessible component parts of such products, such as electronic devices or other parts encased or sealed in a container. The section continues to allow States that have a *higher* degree of protection to apply for a waiver from these limits, as specified in section 18(b)(3) of the Federal Hazardous Substances Act. This section also lowers the paint standard from 600 ppm to 90 ppm.

**Section 102: *Mandatory Third-Party Testing for Certain Children’s Products.***

Section 102 promotes the safety of toys and other children’s products by mandating independent third-party testing and certification of all products, domestic or imported, intended for children six years of age or younger. It mandates third-party testing for lead in products intended for children 12 and under.

**Section 103: *Tracking Labels for Children’s Products.***

Section 103 aids recalls by requiring manufacturers of children’s products to place distinguishing marks on *both* the product and its packaging, to the extent feasible, to identify the specific products at issue.

**Section 104: *Standards and Consumer Registration of Durable Nursery Products.***

Section 104 promotes the safety of durable nursery products, such as cribs and high chairs, the products that parents buy to protect babies and toddlers. It also enhances the effectiveness of any recalls of these products. Section 104 contains the text of H.R. 1699, the “Danny Keysar Child Product Safety Notification Act”, as passed by the House on October 9, 2007, which requires that manufacturers of 12 specified durable nursery products provide postage-paid, privacy-protected registration cards with the product to allow for direct notification to consumers in the event of a recall. In addition, the section requires the CPSC to promulgate mandatory safety standards for the same 12 nursery products to ensure rigorous safety standards and mandatory third-party testing of these products.

**Section 105: *Labeling Requirement for Certain Internet and Catalogue Advertising of Toys and Games.***

Section 105 ensures parents are warned about choking and other hazards before they buy balloons, small balls, marbles, and the like. This section requires manufacturers of children's products specified in section 24 of the Federal Hazardous Substances Act to include clear and conspicuous warnings about hazards involved with such products in those advertisements (e.g., catalogues, Internet) that provide for a direct means of sale of the product.

**TITLE II – CONSUMER PRODUCT SAFETY COMMISSION REFORM**

**Section 201: *Reauthorization of the Commission.***

Section 201 strengthens the Commission by authorizing significant increases in funding levels over the next three years. It provides for \$80 million for FY2009, \$90 million for FY2010, and \$100 million for FY2011. It also authorizes an additional \$20 million for Fiscal Years 2009-2011 for the renovation of the Commission's test laboratory. Finally, it requires the CPSC to report within six months on the agency's plans for employment of inspectors; risk assessment and inspection of imported consumer goods; and outreach to informal sellers (thrift shops and yard sales) to prevent the resale of unsafe or recalled goods, especially nursery products.

**Section 202: *Structure and Quorum.***

Section 202 restores the Commission to its full panel of five Commissioners at the conclusion of FY2010. It also extends the CPSC's temporary quorum through August 3, 2008.

**Section 203: *Submission of Copy of Certain Documents to Congress.***

Section 203 reinstates the previous requirement that the CPSC provide to Congress all of its budget submissions by directing the agency to submit budget recommendations, legislative recommendations, testimony, and comments on legislation submitted by the Commission to the President or the Office of Management and Budget.

**Section 204: *Expedited Rulemaking.***

Section 204 allows the CPSC to respond more quickly to product safety concerns. It allows speedier rulemaking by giving the CPSC the option to employ either two-part or three-part rulemaking under all of the statutes it enforces.

**Section 205: *Public Disclosure of Information.***

Section 205 enhances public disclosure of product information, primarily by cutting in half the notification period from 30 days to 15 days that the CPSC must provide to companies before the CPSC may release information from any source that concerns the products of those companies. It also allows the CPSC to avoid the notice period in more circumstances by strengthening the health and safety exception through elimination of the requirement to publish a finding in the Federal Register and permitting more direct publication, such as on its Web site. Finally, the CPSC may bypass the notification period to publish information provided in company reports when public health and safety require.

**Section 206: *Prohibition on Stockpiling Under Other Commission-Enforced Statutes.***

Section 206 prohibits companies from stockpiling products that do not conform to new safety standards prior to the effective date of such standards. The section clarifies that stockpiling prohibitions apply to all statutes that the CPSC enforces.

**Section 207: *Notification of Noncompliance with Any Commission-Enforced Statutes.***

Section 207 expands the circumstances in which a manufacturer must inform the CPSC about a non-compliant or defective product. Manufacturers must report any failure to comply with all health and safety rules under all the statutes that the CPSC enforces.

**Section 208: *Corrective Action Plans.***

Section 208 provides more authority to the CPSC to oversee corrective action plans involved in a mandatory recall. This section amends section 15(d) of the Act to provide that the CPSC may require the prompt submission of a corrective action plan or the amendment of any such plan that is not effective. The CPSC also may revoke approval of any plan if the manufacturer (including an importer), retailer, or distributor is not complying with the terms of the plan.

**Section 209: *Website Notice, Notice to Third Party Internet Sellers, and Radio and Television Notice.***

Section 209 promotes greater public awareness of recalls to get recalled products out of consumer homes. It allows the CPSC to require a manufacturer, as appropriate, to provide notices of recalled products on Web sites and to make radio and television announcements in languages other than English.

**Section 210: *Identification of Manufacturer, Importers, Retailers, and Distributors.***

Section 210 requires that manufacturers, importers, retailers, and distributors to identify the manufacturer of that product, by name, address, or other identifying information, where known, upon request by the CPSC. Similarly, it requires every manufacturer to identify each retailer, or distributor, to which it supplied a given consumer product by name, address, or such other identifying information, as well as the identifying information of each subcontractor involved in the manufacturing.

**Section 211: *Export of Recalled and Non-Conforming Products.***

Section 211 permits the CPSC to prohibit the export of consumer products that cannot be sold in the United States. A manufacturer may not export products that are not in conformity with consumer product safety rules, are subject to mandatory or voluntary recalls, are designated an imminent hazard to public health and safety, or are designated as a banned hazardous substance, unless the importing country is first notified.

**Section 212: *Prohibition on Sale of Recalled Products.***

Section 212 prohibits the sale, resale, manufacture, or importation of any consumer product that has been recalled, is a banned hazardous substance, or does not conform to safety standards. A knowing violation of this prohibition would subject a person to civil penalties.

**Section 213: *Increased Civil Penalty.***

Section 213 promotes product safety by increasing monetary penalties. It contains the text of H.R. 2474, as passed by the House on October 9, 2007, which increases the cap on civil penalties from \$1.83 million to \$10 million and provides that the increase applies to not only the Consumer Product Safety Act, but also the Flammable Fabrics Act and the Federal Hazardous Substances Act. H.R. 2474 broadened the list of factors considered by the CPSC in assessing fines, such as whether the violator is a first-time offender or a recidivist.

**Section 214: *Criminal Penalties to include Asset Forfeiture.***

Section 214 provides that criminal penalties for violations of any statutes enforced by the CPSC may include asset forfeiture.

**Section 215: *Sharing of Information with Federal, State, Local, and Foreign Government Agencies.***

Section 215 authorizes the CPSC to make information available to other law enforcement agencies with prior assurance that the information will be maintained in confidence and will be used only for official law enforcement or consumer protection purposes.