

# INFORMATION COLLECTION REQUEST

## Supporting Statement

### Publicly Available Consumer Product Safety Information Database Notice of Proposed Rulemaking

RIN 3041-AC87

#### A. Justification

##### 1. Circumstances Necessitating Information Collection

Section 212 of the Consumer Product Safety Improvement Act of 2008 (CPSIA) (Public Law 110-314), codified at section 6A of the Consumer Product Safety Act (CPSA), requires the Consumer Product Safety Commission (CPSC or Commission) to “establish and maintain a database on the safety of consumer products, and other products or substances regulated by the Commission, that is (A) publicly available; (B) searchable; and (C) accessible through the Internet website of the Commission.” The CPSA mandates that the database include “reports of harm relating to the use of consumer products, and other products or substances regulated by the Commission” from, among others, consumers. Section 6A(a)(1) of the CPSA. The CPSC must transmit a report of harm to the manufacturer (or private labeler) identified in the report. Section 6A(c)(1) of the CPSA. The manufacturer then has the opportunity to submit comments to the Commission and may request the comments be included in the database. Section 6A(c)(2) of the CPSA. Manufacturers may also request that information in the report of harm be treated as confidential. Section 6A(c)(2)(C) of the CPSA. The Commission must exclude or correct information in a report or comment that is determined to be materially inaccurate. Section 6A(c)(4) of the CPSA.

The Publicly Available Consumer Product Safety Information Database Notice of Proposed Rulemaking (Public Database NPR) proposes the regulations that will implement section 6A of the CPSA. Proposed § 1102.12 would address the reports of harm; proposed § 1102.12 would discuss the comments from manufacturers; proposed § 1102.24 would address manufacturer requests that information be designated confidential; and proposed § 1102.26 would address requests that information in a report or comment be designated materially inaccurate.

##### 2. How, by Whom, and for What Purpose Information Used

The purpose of this information collection is to populate the public database of consumer product safety information mandated by section 6A of the CPSA. There are two main

components to the information collection: reports of harm, and manufacturer comments. Both components will be submitted to the CPSC and the submitter may consent to the content being posted to the public database.

Reports of harm communicate information regarding an injury, illness, or death, or any risk (as determined by the Commission) of injury, illness, or death, relating to the use of a consumer product. Section 6A(g) of the CPSA; proposed 16 CFR § 1102.6(b)(8). Reports can be submitted to the CPSC by consumers; local, State, or Federal government agencies; health care professionals; child service providers; public safety entities; and others. Section 6A(b)(1)(A) of the CPSA; proposed 16 CFR § 1102.10(a). Reports may be submitted one of three ways: electronically (internet submissions using an incident report form that will be available on the CPSC website, or by email), telephonically via a CPSC call center, or paper submissions of the incident report form (which will be available for download or printing via the CPSC website). Section 6A(b)(2) of the CPSA; proposed 16 CFR § 1102.10(b).

A manufacturer or private labeler may submit a comment related to a report of harm if the report of harm identifies the manufacturer or private labeler and the CPSC transmits such report of harm to the manufacturer. Section 6A(c)(1) of the CPSA; proposed 16 CFR § 1102.12(a). Manufacturer comments may be submitted electronically (by email or through the use of a manufacturer portal that will be part of the CPSC website) or on paper. Proposed § 1102.12(b).

A manufacturer may request that the Commission designate information in a report of harm as confidential. Section 6A(c)(2)(C) of the CPSA; proposed § 1102.24. Such a request may be made electronically or on paper. Proposed § 1102.24(c). Any person or entity reviewing a report of harm or manufacturer comment, either before or after publication in the database, may request that the report or comment, or portions of the report or comment, be excluded from the database because it contains materially inaccurate information. Section 6A(c)(4) of the CPSA; proposed § 1102.26(b). Such a request may be made by manufacturers using the manufacturer portal, by email, or on paper, and may be submitted by anyone else by email or on paper.

### 3. Consideration of Information Technology

All collections contained in the public database NPR may be submitted electronically through either the use of email or the CPSC website. The public database will be available through the CPSC website.

### 4. Efforts to Identify Duplication and Similar Information Already Available

The CPSC currently accepts incident reports from consumers and others that describe harm or risks of harm related to consumer products (OMB Approval No. 3041-0029).

The current incident report forms are sometimes forwarded to manufacturers and manufacturers may submit comments to the CPSC in response. Those information collection reports will be replaced by updated/similar information collection reports associated with the public database (once the database is fully operational). The CPSC expects to complete this effort in March 2011.

The CPSC is still working on the updated/similar report forms that will be used for the public database. The updated/similar forms for the reports of harm are likely to be very similar to the incident report forms already in use. Staff will be developing new, additional report forms for this system directed toward manufacturers that will be a new collection of information. We do not presently have a system for obtaining this information directly from manufacturers, so no duplication exists.

There will be some differences in use of the information. Currently, neither incident reports nor manufacturer comments are generally made available to the public. As the explicit purpose of the database mandated by the CPSIA is for a database on the safety of consumer products that is publicly available, searchable, and accessible through the CPSC website, the information collected for the database will be made public.

The CPSC expects to transition from the current use of incident report forms to use of updated/similar report forms that will populate the database starting in March 2011. The updated/similar forms will not be duplicative; they will replace the currently used and approved reports. Therefore, although the CPSC calculated the entire burden associated with the database rule, not all of that burden will be new – some of this burden has already been counted in association with the incident report forms approved under 3041-0029. The only duplication anticipated will be limited to the actual transition to use of the database and the CPSC will strive to streamline that transition to minimize duplication.

5. Impact on Small Business

The Small Business Administration generally considers a manufacturer of consumer product to be a small business if it has fewer than 500 employees; this definition applies to over 94 percent of manufacturing firms in the United States. However, the only small businesses that may submit comments under this information collection are those to which the CPSC forwards a report of harm. Because of their smaller sales volumes, small manufacturers are less likely to receive an incident report and, hence, experience any impacts. Therefore, it is unlikely that this collection of information will affect a substantial number of small businesses.

6. Consequences of Less Frequent Information Collection and Technical or Legal Obstacles

Failure to provide the information would prevent the CPSC from being able to establish

and maintain the public database that is required by the CPSIA.

7. Consistency with the guidelines in 5 CFR 1320.5(d)(2)

The Publicly Available Consumer Product Safety Information Database Notice of Proposed Rulemaking is consistent with the guidelines in 5 CFR 1320.5(d)(2).

8. Publication and Consultation Outside the Agency

Given the nature of the information being collected, the CPSC's experience with information collections similar to reports of harm and manufacturer comments, and the fact that the information collection is mandated by the CPSA, no consultation outside the agency was necessary.

The Commission is inviting comments on this information collection via a notice of proposed rulemaking.

9. Payment or Gift to Respondents

The CPSC did not and will not provide any payment or gifts to respondents.

10. Confidentiality of Information

In the case of both reports of harm and manufacturer comments, the submitter must consent to the use of the information in the database before the CPSC posts it to the internet database. Otherwise, the information submitted will be subject to the Freedom of Information Act and its exemptions to public disclosure.

In addition, a manufacturer that receives a report of harm may review that report for information containing or relating to a trade secret or other matter referred to in 18 USC § 1905 or that is subject to 5 USC § 552(b)(4). The manufacturer may request that a portion(s) of the report of harm be designated as confidential information. If the CPSC determines that information in a report of harm is confidential, the CPSC will notify the manufacturer, will redact the confidential information from the report of harm, and then will publish the altered report of harm in the database. Section 6A(9)(2)(C) of the CPSA; Proposed 16 CFR § 1102.24.

11. Sensitive Questions

No questions of a sensitive nature are asked.

12. Estimates of Burden Hours and Explanation

We estimate the burden of this collection of information as follows:

Table 1 – Estimated Annual Reporting Burden

16 CFR Section	Number of Respondents	Frequency of Responses	Total Annual Responses	Minutes per Response	Total Burden, in Hours
16 CFR 1102.10(b)(1), (3) Reports of harm – electronic	11,534	1	11,534	12	2,307
16 CFR 1102.10(b)(2) Reports of harm – telephone	3,329	1	3,329	10	555
16 CFR 1102.10(b)(4) Reports of harm – paper	277	1	277	20	92
16 CFR 1102.12(b)(1), (2) Manufacturer comments – electronic	5,753	1	5,753	255	24,450
16 CFR 1102.12(b)(3) Manufacturer comments – paper	1,817	1	1,817	270	8,177
16 CFR 1102.24 Requests to treat information as confidential – electronic	345	1	345	15	86
16 CFR 1102.24 Requests to	109	1	109	30	54

treat information as confidential – paper					
16 CFR 1102.26 Requests to treat information as materially inaccurate - electronic	1726	1	1726	30	863
16 CFR 1102.26 Requests to treat information as materially inaccurate – paper	545	1	545	60	545
				Total	37,129

There are no capital costs or operating and maintenance costs associated with this collection of information.

Our estimates are based on the following information:

For present purposes, we assume that the public database will receive the same number of reports of harm as the CPSC received of incident reports in fiscal year 2009 and that the numbers by manner of submission to the CPSC (i.e., electronic, telephone, paper) will be the same. Thus, using the data from fiscal year 2009, we estimate that we will receive a total of 15,140 reports of harm (11,534 by electronic means, 3,329 by telephone, and 277 by paper submissions). We had already estimated the time associated with the electronic and telephone submission of incident reports at 12 and 10 minutes respectively and so used those figures for present purposes as well. We estimate that the time associated with a paper form would be 20 minutes on average. Thus, we estimate the total burden hours associated with the submission of reports of harm to be 2,954 hours ((11,534 electronic report x 12 minutes per report) + (3,329 telephone reports x 10 minutes per report) + (277 paper reports x 20 minutes per report) = 177,238 minutes or approximately 2,954 hours)).

In 2008, manufacturers submitted comments to the CPSC in response to a consumer

complaint forwarded to the manufacturer about 40% of the time. We estimate that the response rate will increase in the case of the public database; currently, neither the incident reports nor manufacturer comments are routinely made publicly available. We estimate that the manufacturer response rate will increase 25%, up to a 50% response rate. Therefore we expect to receive half as many total manufacturer comments as reports of harm (15,140 reports of harm x 0.5 manufacturer comments per report of harm = 7,570 manufacturer comments). In terms of the manner of commenting, we do not currently keep track of how many manufacturer comments are submitted electronically versus in paper form. Because the public database will be online, we will assume that most manufacturers will utilize electronic options for participating in the database, especially when the public database (unlike the current incident reporting system) will not give manufacturers the option of submitting their comments by phone. However, to ensure that we avoid inadvertently underestimating the burden, we will assume that manufacturers would submit electronically at the same rate. That equates to an estimate of 5,753 manufacturer comments submitted electronically and 1,817 submitted on paper.

We also will assume that there are two actions involved in a manufacturer comment: first, the research and preparation necessary to comment, and second, the act of providing the comment. To estimate how much time manufacturers will spend researching and preparing to comment, we contacted three manufacturers that have experience submitting comments in response to incident reports. The manufacturers each reported a range of time, because time required in preparing a comment can vary greatly. The three ranges were 15 minutes to 4 hours, 10 minutes to 5 hours, and 10 minutes to 3 hours. For purposes of estimating the burden, we used the average high end of these ranges, 4 hours, for that portion of the burden estimate. Based on our experience with the current manufacturing comment process, we estimate that manufacturers will spend between 5 and 30 minutes actually providing the comment, depending on the length and complexity of their comment. For the purposes of this estimate, we use the high end of that range for paper submissions (30 minutes) and the midpoint for electronic (15). Thus, the estimated burden associated with manufacturer comments is approximately 32,607 hours  $((5,753 \text{ electronic comments} \times 255 \text{ minutes per comment}) + (1,817 \text{ paper comments} \times 270 \text{ minutes per comment}) = 1,957,605 \text{ minutes or approximately } 32,627 \text{ hours})$ .

Regarding requests to designate information confidential, we anticipate that there are very limited circumstances under which confidential information will be included in a report of harm; by its very nature, such information is not available to the public. Accordingly we assign a value of 3% to our estimation of the rarity with which we expect to receive such requests. Three percent of the total number of reports of harm estimated (15,140) results in an estimate of 454 requests to designate information as confidential. The proposed rule would specify what must be included in such a request (§ 1102.24(b)); it is concrete information that we expect will be known or readily attainable by the entity filing the request. We estimate that it will take 15 minutes to submit such a request electronically. Because it would take longer to convey the

necessary information on paper, and to avoid inadvertently underestimating the burden, we estimate that it will take twice as much time, or 30 minutes, to submit the request on paper. We employed the same assumptions as used above to predict how many requests will be submitted electronically (454 requests x 76% electronic submission) to arrive at an estimate of 345 electronic requests and 109 paper requests. We multiplied 345 electronic requests by 15 minutes, resulting in 5,175 minutes, or about 86 burden hours for the electronic requests. Similarly, we multiplied 109 paper requests by 30 minutes, resulting in 3,270 minutes, or about 54 burden hours for the paper requests.

Regarding requests to designate information materially inaccurate, roughly 10% of the manufacturer comments that we currently receive contain a claim that the incident report contained inaccurate information. We used that figure to estimate that the number of requests to treat information as materially inaccurate will be 10% of the total number of reports of harm and manufacturer comments that we expect, or 2,271 ([15,140 reports + 7,570 comments] x 10%). The proposed rule would specify what must be included in such a request (§ 1102.26(b)); most of the information will be known or readily attainable by the person or entity filing the request, but we estimate it will take longer to file a request to treat information as materially inaccurate than to file a request to treat information as confidential because with a request related to material inaccuracy one must provide evidence of the inaccuracy (§ 1102.26(b)(4)). We anticipate this will double the amount of time it takes to file the request, or 30 minutes for an electronic request and 60 minutes for a paper request. Employing the same assumptions concerning the method of submission, we estimate that there will be 1,726 electronic requests to treat information as materially inaccurate (2,271 total requests x 76% electronic = 1,726). As each electronic request is estimated to take 30 minutes, we estimate the resulting burden to be 863 hours (1,726 requests x 30 minutes = 51,780 minutes, or 863 burden hours). Similarly, 545 paper requests (2,271 requests x 24% paper = 545), at 60 minutes each to complete, results in a burden of 545 hours (545 paper requests x 60 minutes = 32,700 minutes, or 545 hours).

The total estimated burden, therefore, is 37,129 hours.

### 13. Annual Cost to Respondents

There are no total capital or start-up costs or service costs projected.

The annual reporting cost is estimated to be \$1,999,242. This estimate is based on the sum of two estimated figures.

First, we estimated the cost for submission of a report of harm. To estimate that cost we multiplied the estimated total burden hours associated with reports of harm (2307 electronic + 555 phone = 92 paper = 2954 hours) by an estimated total compensation for all workers in private industry of \$27.42 per hour (U.S. Department of Labor, Bureau of



Labor Statistics, Table 9 of the Employer Costs for Employee Compensation (ECEC), Private Industry, goods-producing and service-providing industries, by occupational group (data extracted on 04/14/10 from <http://www.bls.gov/news.release/ecec.t09a/>), which results in an estimated cost of \$80,999 (2954 hours x \$27.42/hr = \$80,999).

Next, we estimated the cost for the remainder of the submissions. The manufacturer comments and requests to designate information confidential will necessarily be submitted by manufacturers. In addition, we tentatively estimate that the majority of requests to designate information as materially inaccurate will originate with manufacturers. Because we do not have experience with allowing anyone to submit such a request, we are not assured of the accuracy of our estimate that manufacturers will submit most of these requests. However, to avoid underestimating the cost associated with these requests, we assigned the higher hourly wage associated with a manager or professional in the private sector for all material inaccuracy requests. So, to estimate these costs we multiplied the estimated total burden hours associated with manufacturer comments, requests to designate information confidential, and requests to designate information materially inaccurate (32,627 hours for comments + 140 hours for confidentiality requests + 1,408 hours for material inaccuracy requests = 34,175 hours) by an estimated total compensation for all workers in private industry of \$56.13 per hour (U.S. Department of Labor, Bureau of Labor Statistics, Table 9 of the Employer Costs for Employee Compensation (ECEC), Private Industry, goods-producing and service-providing industries, by occupational group (data extracted on 04/14/10 from <http://www.bls.gov/news.release/ecec.t09a/>), which results in an estimated cost of \$1,918,243 (34,175 hours x \$56.13/hr = \$1,918,243).

Therefore, the total annual cost to respondents is \$1,999,242 (\$80,999 + \$1,918,243 = \$1,999,242).

#### 14. Annual Cost to the Government

The annualized cost to the CPSC is estimated to be \$1,001,668.94. This figure is based on the following calculations and assumptions.

There will be staff interventions related to incoming reports of harm:

Electronically received reports of harm will be initially reviewed for sufficiency (e.g., whether all required data fields contain data) and basic compliance (e.g., are the contents actually a report of harm, are the attachments appropriate, etc.). (a) The employee reviewing the forms will be a GS-5 level employee; (b) the total compensation, including benefits, for a mid-level GS-5 employee in the Washington, DC metropolitan area (effective as of January 2010) is \$ 26.39/hr (GS-5 step 5); (c) we estimate that such an employee will spend an average of 0.333 hours reviewing each incoming electronic report of harm, and we estimated above that there will be 11,534 such reports annually,

which results in a total of 3840.82 hours per year; therefore, (d) we estimate that the annual cost associated with reviewing incoming electronic reports of harm will be \$101,359.24 (3840.82 hours x \$26.39 per hour = \$101,359.24).

The same initial review will be applied to reports of harm submitted by phone or on paper, but CPSC staff will also need to manually add to those reports to the database. (a) The employee reviewing the forms will be a GS-5 level employee; (b) the total compensation, including benefits, for a mid-level GS-5 employee in the Washington, DC metropolitan area (effective as of January 2010) is \$ 26.39/hr (GS-5 step 5); (c) we estimate that such an employee will spend an average of 2.1 hours reviewing each phone or paper electronic report of harm and entering its information into the database, and we estimated above that there will be 3606 such reports annually, which results in a total of 7572.60 hours per year; therefore, (d) we estimate that the annual cost associated with reviewing and entering incoming phone and paper reports of harm will be \$199,840.91 (7572.60 hours x \$26.39 per hour = \$199,840.91).

All incoming reports of harm will be reviewed for proper coding (e.g., to ensure that a report concerning a fire hazards is coded as relating to fire hazards) and to verify the basic information in the report (e.g., an actual manufacturer's name is in the space provided for manufacturer). (a) The employee reviewing the forms will be a GS-5 level employee; (b) the total compensation, including benefits, for a mid-level GS-5 employee in the Washington, DC metropolitan area (effective as of January 2010) is \$ 26.39/hr (GS-5 step 5); (c) we estimate that such an employee will spend an average of 0.253 hours reviewing each report of harm for proper coding and verifying its basic information, and we estimated above that there will be 15,140 such reports annually, which results in a total of 3830.42 hours per year; therefore, (d) we estimate that the annual cost associated with coding and verifying incoming reports of harm will be \$101,084.78 (3830.42 hours x \$26.39 per hour = \$101,084.78).

All incoming reports of harm will also be reviewed for "triage" purposes. That is, the reports will be reviewed to determine whether a CPSC response or action is appropriate. (a) The employee performing the triage function will be a GS-11 level employee; (b) the total compensation, including benefits, for a mid-level GS-11 employee in the Washington, DC metropolitan area (effective as of January 2010) is \$ 48.39/hr (GS-11 step 5); (c) we estimate that such an employee will spend an average of 0.633 hours reviewing each report of harm for triage purposes, and we estimated above that there will be 15,140 such reports annually, which results in a total of 9583.62 hours per year; therefore, (d) we estimate that the annual cost associated with reviewing reports of harm for triage purposes will be \$463,751.37 ( 9583.62 hours x \$48.39 per hour = \$463,751.37).

CPSC staff will also review manufacturer comments.

CPSC staff will review each electronically-submitted manufacturer comment to ensure that the comment meets minimal requirements and to determine whether the comment contains a request to designate information in the report of harm confidential and/or materially inaccurate. (a) The employee reviewing the comments will be a GS-5 level employee; (b) the total compensation, including benefits, for a mid-level GS-5 employee in the Washington, DC metropolitan area (effective as of January 2010) is \$26.39/hr (GS-5 step 5); (c) we estimate that such an employee will spend an average of 0.083 hours reviewing each electronic comment, and we estimated above that there will be 5,753 such comments annually, which results in a total of 477.50 hours per year; therefore, (d) we estimate that the annual cost associated with reviewing electronically-submitted manufacturer comments will be \$12,601.23 (477.50 hours x \$26.39 per hour = \$12,601.23).

CPSC staff will also review each manufacturer comment submitted on paper, to ensure that the comment meets minimal requirements, to determine whether the comment contains a request to designate information in the report of harm confidential and/or materially inaccurate, and to enter the comment into the database. (a) The employee performing this function will be a GS-5 level employee; (b) the total compensation, including benefits, for a mid-level GS-5 employee in the Washington, DC metropolitan area (effective as of January 2010) is \$26.39/hr (GS-5 step 5); (c) we estimate that such an employee will spend an average of 0.25 hours reviewing and entering each paper comment, and we estimated above that there will be 1,817 such comments annually, which results in a total of 454.25 hours per year; therefore, (d) we estimate that the annual cost associated with reviewing and entering manufacturer comments submitted on paper will be \$11,987.66 (454.25 hours x \$26.39 per hour = \$11,987.66).

CPSC staff will review requests to designate information confidential (we estimate that the amount of time to review these requests will not vary by method of submission as such requests will not be entered into the database). (a) The employee reviewing the requests will be a GS-14 level employee; (b) the total compensation, including benefits, for a mid-level GS-14 employee in the Washington, DC metropolitan area (effective as of January 2010) is \$ 81.50/hr (GS-14 step 5); (c) we estimate that such an employee will spend an average of 0.5 hours reviewing each request, and we estimated above that there will be 454 such requests annually, which results in a total of 227 hours per year; therefore, (d) we estimate that the annual cost associated with reviewing requests to designate information confidential will be \$18,500.50 (227 hours x \$81.5 per hour = \$18,500.50).

CPSC staff will review requests to designate information materially inaccurate (we estimate that the amount of time to review these requests will not vary by method of submission as such requests will not be entered into the database). (a) The employee reviewing the requests will be a GS-14 level employee; (b) the total compensation, including benefits, for a mid-level GS-14 employee in the Washington, DC metropolitan

area (effective as of January 2010) is \$ 81.50/hr (GS-14 step 5); (c) we estimate that such an employee will spend an average of 0.5 hours reviewing each request, and we estimated above that there will be 2271 such requests annually, which results in a total of 1135.5 hours per year; therefore, (d) we estimate that the annual cost associated with reviewing requests to designate information materially inaccurate will be \$92,543.25 (1135.5 hours x \$81.5 per hour = \$92,543.25).

Therefore, the total annual cost to the government is \$1,001,668.94 (\$101,359.24 + \$199,840.91 + \$101,084.78 + \$463,751.37 + \$12,601.23 + \$11,987.66 + \$18,500.50 + \$92,543.25 = \$1,001,668.94).

15. Changes in Burden

The collection of information contained in the Publicly Available Consumer Product Safety Information Database Notice of Proposed Rulemaking includes a report of harm which will essentially replace the current use of incident report forms (approved by OMB under control number 3041-0029). The most recent estimate of the annual burden associated with the incident report forms is 2,451 hours. To calculate the change in total governmental burden associated with this rule, the 2,451 hours should be subtracted from the 37,129 hours estimated in item 12. Accordingly, the overall information collection burden increases as a result of this rule by 34,678 hours.

16. Publication of Information Being Collected

The purpose of this information collection is to populate the public database of consumer product safety information mandated by the section 6A of the CPSA. Submitters of both reports of harm and manufacturer comments provide their information to the CPSC, and must consent before the CPSC will post the information to the publicly available database. Once posted to the database, the information will be searchable by the public.

17. Exemption for Display of Expiration Date

The agency does not seek an exemption from displaying the expiration date.

18. Exemption to Certification Statement

N/A.

**B. Statistical Methods**

The information collection requirements do not employ statistical methods.