Information Collection Request (ICR) Safety Standard for Stationary Activity Centers Supporting Statement

A. Justification

1. Information to be collected and circumstances that make the collection of information necessary

Section 104(b) of the Consumer Product Safety Improvement Act of 2008 (CPSIA), Public Law 110-314, 122 Stat. 3016 (August 14, 2008), requires the Consumer Product Safety Commission ("Commission" or "CPSC") to promulgate consumer product safety standards for durable infant or toddler products. These standards are to be "substantially the same as" applicable voluntary standards or more stringent than the voluntary standard if the Commission concludes that more stringent requirements would further reduce the risk of injury associated with the product. The Commission is proposing a safety standard for stationary activity centers incorporating by reference the voluntary standard for stationary activity centers issued by ASTM International, ASTM F2012-18, with specific modifications to improve and strengthen the requirements for on-product warnings and instructional materials.

Sections 8 and 9 of ASTM F2012-18 contain requirements for marking, labeling, and instructional literature that are disclosure requirements, thus falling within the definition of "collections of information" at 5 C.F.R. § 1320.3(c).

Section 8.1.1 of ASTM F2012-18 requires that the name and either the place of business (city, state, and mailing address, including zip code) or the telephone number of the manufacturer, distributor, or seller appear on each stationary activity center and its retail package. Section 8.1.2 of ASTM F2012-18 requires a code mark or other means on each product and retail package that indicates the date (month and year as a minimum) of manufacture.

Section 9.1 of ASTM F2012-18 requires easy-to-read and understandable instructions to be supplied with stationary activity centers. The instructions should deal with assembly, maintenance, cleaning, use, and adjustments, where applicable.

2. Use and sharing of collected information

The information required in sections 8 and 9 of ASTM F2012-18 is intended to address safety issues that might arise with the product. The information required in section 8 of ASTM F2012-18 is intended to help the CPSC and the consumer identify the firm and the product, should a safety issue arise. The instructional literature required by section 9 of ASTM F2012-18 is meant to prevent safety problems by providing assembly, maintenance, cleaning, and use information to consumers.

3. Use of information technology (IT) in information collection

Information technology will not be used in these requirements. In the proposed rule, manufacturers are required to provide labeling, marking, and instructional literature according to ASTM F2012-18. This disclosure is provided with the purchase of the product.

4. Efforts to identify duplication

Information being disclosed is manufacturer and product specific. To the extent that firms do not already comply with the voluntary standard, information provided by these requirements is not available through any other agency, organization, or individual.

5. Impact on small businesses

The costs of marking, labeling, and instructional literature associated with the standard for stationary activity centers are expected to impact small firms. However, the statute requiring this action does not contain an exemption for small firms.

As described in section 12 below, there are 11 U.S. manufacturers known currently to be marketing stationary activity centers in the United States. Based on U.S. Small Business Administration guidelines, 7 are small. There were no small importers of stationary activity centers identified.

In regard to the burden associated with sections 8 and 9 of ASTM F2012-18, even those firms already in compliance with the voluntary standard (6 small manufacturers of stationary activity centers) would require modifications to their labels, markings, and instructional literature given the modifications proposed by the Commission. However, developing updated labeling, marking, and instructional literature does not typically impose a large time requirement.

6. Consequences to federal program or policy activities if collection is not conducted or is conducted less frequently

Without the marking, labeling, and instructional literature requirements, the level of noncompliance and consumer misuse could increase significantly, resulting in an increase in the number of product-related deaths and injuries.

The lack of marking and labeling could complicate CPSC efforts to locate and recall noncomplying products and result in an increase in the number of product-related deaths and injuries.

7. Special circumstances requiring respondents to report information more often than quarterly or to prepare responses in fewer than 30 days

There are no special circumstances that will require respondents to produce labels or instructional material more often than quarterly or in fewer than 30 days.

8. Consultation outside the agency

The CPSC consulted several manufacturers to obtain their views on the information collection burden associated with the marking and label requirements. Additionally, the preamble to the proposed rule published on June 19, 2018 (83 FR 118) discussed the information collection burden and invited public comment on the CPSC's estimates. The public comment period closed on September 4, 2018. No comments related to the information collection burden were received.

9. Decision to provide payment or gift

There is no payment or gift provided to respondents.

10. Assurance of confidentiality

There is no assurance of confidentiality. The information in the mark, label, and instructional literature is not confidential.

11. Questions of a sensitive nature

There are no questions of a sensitive nature.

12. Estimate of hour burden to respondents

Section 8.1.1 of ASTM F2012-18 requires that the name and place of business (city, state, and mailing address, including zip code) or the telephone number of the manufacturer, distributor, or seller appear on each stationary activity center and its retail package. Section 8.1.2 of ASTM F2012-18 requires a code mark or other product identification on each product and retail package that indicates the date (month and year as a minimum) of manufacture.

11 known entities supply stationary activity centers to the U.S. market and may need to modify their existing labels to comply with ASTM F2012-18 and CPSC's proposed modifications. CPSC estimates that the time required to make these modifications is about 1 hour per model. Based on an evaluation of supplier product lines, each entity supplies an average of four models of stationary activity centers.

Therefore, the estimated burden associated with labels is 1 hour per model \times 11 entities \times 4 models per entity = 44 hours. CPSC estimates the hourly compensation for the time required to create and update labels is \$34.21 (U.S. Bureau of Labor Statistics, "Employer Costs for Employee Compensation," Sep. 2017, Table 9, total compensation for all sales and office

Comment [CSK1]: To be updated after the comment period ends.

workers in goods-producing private industries: http://www.bls.gov/ncs/). Therefore, the estimated annual cost associated with the proposed labeling requirements is \$1,505 (\$34.21 per hour \times 44 hours = \$1,505). No operating, maintenance, or capital costs are associated with the collection.

Section 9.1 of ASTM F2012-18 requires instructions to be supplied with stationary activity centers. Stationary activity centers generally require use and assembly instructions. As such, products sold without use and assembly instructions would not compete successfully with those that supply this information. Under OMB's regulations, the time, effort, and financial resources necessary to comply with a collection of information incurred by parties in the "normal course of their activities" are excluded from a burden estimate when an agency demonstrates that the disclosure activities required are "usual and customary." 5 CFR 1320.3(b)(2). CPSC is unaware of stationary activity centers that generally require use or assembly instructions but lack such instructions. Therefore, CPSC estimates that no burden hours are associated with section 9.1 of ASTM F2012-18 because any burden associated with supplying instructions with stationary activity centers would be "usual and customary," and thus, excluded from "burden" estimates under OMB's regulations. Based on this analysis, the proposed standard for stationary activity centers would impose a burden to industry of 44 hours at a cost of \$1,505 annually.

13. Estimates of Other Total Annual Cost Burden to Respondents or Record Keepers

There are no costs to respondents beyond those presented in Section A.12. There are no further operating, maintenance, or capital costs associated with the collection.

14. Estimate of annualized costs to the federal government

The estimated annual cost of the information collection requirements to the federal government is approximately \$3,944, which includes 60 staff hours to examine and evaluate the information as needed for Compliance activities. This is based on a GS-12 level salaried employee. The average wage rate for a mid-level salaried GS-12 employee in the Washington, DC metropolitan area (effective as of January 2015) is \$92,421 (GS-12, step 5). This represents 67.6 percent of total compensation (U.S. Bureau of Labor Statistics, "Employer Costs for Employee Compensation," Sept 2017, Table 1, percentage of wages and salaries for all civilian management, professional, and related employees: <u>http://www.bls.gov/ncs/</u>). Adding an additional 32.4 percent for benefits brings average annual compensation for a mid-level salaried GS-12 employee to \$136,717 or \$65.73 per hour. Assuming that approximately 60 hours will be required annually, this results in an annual cost of \$3,944.

15. Program changes or adjustments

This is a new information request.

16. Plans for tabulation and publication

Not applicable.

- *Rationale for not displaying the expiration date for OMB approval* Not applicable.
- B. Collection of Information Employing Statistical Methods
 Not applicable.