

Paperwork Reduction Act

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

The Final Rule (the rule), authorized by sections 14(a) and (g) of the Consumer Product Safety Act (CPSA) (15 U.S.C. 2063(a) and (g)), revises 16 C.F.R. part 1110, and contains information collection requirements that are subject to public comment and review by the Office of Management and Budget (OMB) under the PRA 44 U.S.C. 3501–3521.

The PRA requires an agency to publish the following information:

- a title for the collection of information;
- a summary of the collection of information;
- a brief description of the need for the information and the proposed use of the information;
- a description of the likely respondents and proposed frequency of response to the collection of information;
- an estimate of the burden that will result from the collection of information; and
- notice that comments may be submitted to OMB.

44 U.S.C. 3507(a)(1)(D).

This rule revising part 1110 creates a new collection of information for certificates for non-children's products (General Certificates of Conformity or GCCs) and expands the existing collection for children's product certificates (CPCs), as stated in OMB Control No. 3041-0159 Third Party Testing of Children's Products. The Children's Product OMB control number would expand to include eFiling of certificates (as described in No. 2 below) for imported children's products that are subject to a CPSC rule requiring certification. Staff updates and summarizes the corresponding information here.

Information to be collected

Under part 1110, CPSC collects Certificates of Compliance (certificates or COCs) for products subject to a consumer product safety rule, or a similar rule, ban, standard, or regulation under any other statute enforced by the Commission and which are imported for consumption or warehousing, or distributed in commerce (CPSC regulated products). Since November 2008, as stated in section 14 of the CPSA and the existing part 1110 CPSC requires certificates and for them to either accompany the product or shipment, or to be provided electronically to CPSC within 24 hours of a request. This rule adds a new reporting requirement, which consists of

electronically filing (eFiling) certificates for imported products with U.S. Customs and Border Protection (CBP) at the time of entry. For GCCs, section 14 of the CPSA and part 1110 include requirements for recordkeeping, disclosure to third parties, and reporting. Section 14 of the CPSA requires firms to create COCs, recordkeep information supporting certificates, and disclose the certificates to third parties. Part 1110's new requirements are an additional two years of recordkeeping (for a total of five years and an eFiling requirement for importers). For CPCs, the rule only adds eFiling as a reporting requirement, because the recordkeeping and disclosure requirements are covered under OMB Control No. 3041-0159. A brief description of the requested burden is as follows:

- *Certificates*: The burden associated with the creation of certificates (GCCs).
- *Disclosure*: The burden derived from disclosing certificate information and from furnishing the certificates to third parties (distributors and retailers) (GCCs).
- *Recordkeeping*: The burden associated with the initial storage and routine maintenance of records, including records of the certificates and any supporting and testing documentation, for a period of five years (GCCs).
- *eFiling*: The initial burden on importers from electronically filing the certificates using either the CPSC-maintained Product Registry or the systems provided by the brokers that support importers' activities, as well as the routine burden of submitting associated Full or Reference PGA Message Sets to CBP (GCCs and CPCs).

2. Indicate how, by whom, and for what purpose the information is to be used.

Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

Certificates and the information on them are required by section 14 of the CPSA and part 1110. Prior to the implementation of the rule, staff request certificates for a subset of targeted CPSC regulated products to determine compliance with testing and certification to CPSC statutes and regulations. The eFiling requirement in the rule requires eFiling certificates for every CPSC regulated product being imported, which allows CPSC to use algorithms for more precise targeting and enforcement of CPSC rules on imported regulated products, and aids in the prevention of importation and distribution of unsafe, violative products.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision to adopt this means of collection. Also describe any consideration of using information technology to reduce burden.

Electronic means will be used to create, keep records, and disclose certificates and the documentation supporting certificate creation. Certificates for imported CPSC regulated products must be eFiled to allow for an automated review of certificate requirements and for improved targeting of shipments.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

The information collected is not duplicative. Information found on a GCC is not collected anywhere before importation or domestic distribution of a CPSC regulated product. The information collection related to eFiling for CPCs and GCCs is needed to aid in the interdiction of violative products at import before they enter United States commerce. For GCCs, the revised rule also adds two more years of recordkeeping (requiring records to be maintained for 5 years instead of 3).

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

The rule applies to domestic manufacturers of general-use (i.e. non-children's) products and all importers that are required to issue certificates for CPSC regulated products. Note that the eFiling requirements only apply to importers. CPSC estimates that there are as many as 273,061 small businesses subject to the rule (see Table A). Small manufacturers are already subject to certificate and disclosure requirements for product safety rules and the additional recordkeeping is not burdensome. Small importers will have the option of using the Product Registry to store, disclose, and eFile certificates. The Product Registry is maintained by CPSC and free for importers to access. This should reduce technology burden on small importers.

Table A. Estimated Number of Small Businesses Impacted by the Rule

Small Business	Non-children Products	Children Products	Total
Manufacturers	7,771	18,852	26,623
Importers	35,290	211,148	246,438
Number of Small Business	43,061	230,000	273,061

6. Describe the consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

If the collection is not conducted, CPSC will be unable to use certificates and certificate data to aid in the interdiction of consumer products that violate CPSC statutes and regulations at ports of entry. This would hinder CPSC's risk assessment methodology (RAM) targeting of non-complying products and increase delays for otherwise compliant products. In the case that a violative product enters commerce, CPSC will have more difficulty investigating and recalling these products without the automated collection of certificate data.

7. Explain any special circumstances that would cause an information collection to be conducted more often than quarterly or to prepare responses in fewer than 30 days.

The information may be collected more than quarterly if a firm manufactures or imports goods more often than quarterly. Pursuant to section 14 of the CPSA, GCCs must be created, based on a reasonable testing program or a test of each product, for newly manufactured CPSC regulated products, and when a material change to the product occurs. CPCs must be created, based on testing by a CPSC-accepted third party laboratory, for newly manufactured CPSC regulated products, periodically, and when a material change to the product occurs (covered by OMB Control No. 3041-0159). For imported CPSC regulated products, a certificate must be eFiled each time the product is imported for consumption or warehousing. Accordingly, if the firm imports more often than every 30 days, then the firm would be required to eFile i.e. report, more often than every 30 days.

8. If applicable, provide a copy and identify the data and page number of publications in the Federal Register, summarize public comments received, and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden. Also describe efforts to consult with people outside of the agency on the PRA.

A supplemental notice of proposed rulemaking (SNPR) was published in the Federal Register (88 FR 85760) December 8, 2023. CPSC received numerous comments on the SNPR. The comments primarily concerned eFiling, in particular the burden cost associated with eFiling including staffing, training, technology, startup costs, filing fees, and burden to small importers. The comments were thoroughly addressed in the final rule notice published in the Federal Register (90 FR 1800) on January 8, 2025.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

There are no plans to provide any payment or gift to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

The certificate data provided is secured by CPSC and neither the Product Registry nor RAM are publicly searchable databases. The Product Registry has industry-standard security features like encryption and token authorization. When a FOIA request is filed, importers, domestic manufacturers, and private labelers who are required to issue certificates are first given the opportunity to assert confidentiality before such information is released. Manufacturer information on a certificate would not be released pursuant to a FOIA request as long as the certifier makes out that the information is confidential under section 6(a) of the CPSA. For more information see 90 FR 1800, 1811 (comment response 19), and 1811 (comment response 49).

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

There are no questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information.

Table B shows the annual burden estimates for the revised part 1110. CPSC estimates that there may be 49,364 general-use products firms subject to the Final Rule. On average, these firms are expected to create 27 certificates per year, for a total of 1,333,982 certificates. CPSC assumes each certificate will require 5 minutes of labor per certificate, which equates to 111,165 hours spent on their creation.

These same firms must keep the records supporting the certificates for a period of five years. CPSC assumes recordkeeping will take, on average, 1 minute for record creation and initial storage and an additional 15 seconds for the routine annual maintenance of the certificate record. This annual burden comes to 27,791 hours ($1.25 \text{ minutes} / 60 \times 1,333,982 \text{ certificates}$).

The firms must also disclose each certificate to retailers and distributors of the product upon request; thus, staff estimates an additional 0.25 hours (15 minutes) burden for third-party disclosure. This sums to 333,495 hours ($15 \text{ minutes} / 60 \times 1,333,982 \text{ certificates}$).¹

CPSC estimates the number of responses for eFiling as 23,491,168. The average filing takes roughly 22 seconds across filing modes. This adds to an estimated eFiling burden of 144,487 hours ($22 \text{ seconds} / 3,600 \times 23,491,168$).²

The aggregate burden of the Final Rule for suppliers of general-use products is 616,939 hours and has a total cost of \$26,102,580. This estimate includes the burden imposed by statute, which non-children's products suppliers would bear in absence of the Final Rule. The net burden from the Final Rule – excluding the statutory burden – is 146,710 hours³ and the net cost is \$5,217,007.

Note that importers of children product's need only comply with the rule's eFiling requirement for CPCs, as certificate creation, recordkeeping, and disclosure are covered by OMB 3041-0159. Table C displays the burden to importers of children's products. Staff estimate that there are 224,000 importers supplying children's products. These firms will have an average of 152 certificate filings per firm based on assumptions supported on data from the Division of Import Surveillance and the Beta Pilot. This means that 34,055,116 shipments related to imported children's products would be annually required to eFile certificates, with an estimated eFiling burden of 209,462 hours. This number only includes burden imposed by the Final Rule, so the net burden from the Final Rule is also 209,462 hours, and the cost of this additional burden from the Final Rule is \$7,448,474.

¹ Totals shown may not exactly match the product of component parts due to rounding.

² The estimates from the equation may not match the total number of hours due to rounding.

³ This includes the entire eFiling burden of 144,487 hours and 2,223 hours of additional hours of recordkeeping due to the increase in the recordkeeping period of GCCs from 3 to 5 years.

Table B: Total Burden on Non-Children Products Covered by Part 1110

Total Burden	Respondent s	Frequenc y of Response	Response s	Respons e Time	Burden Hours	Cost per Burden Hour⁴	Total Cost of Burden
<u>Total</u>							
Certificates	49,364	27.0	1,333,982	0.0833	111,165	\$73.02	\$8,117,279
Disclosure	49,364	27.0	1,333,982	0.2500	333,495	\$35.56	\$11,859,097
Recordkeepin g	49,364	27.0	1,333,982	0.0208	27,791	\$35.56	\$988,258
eFiling	40,665	577.7	23,491,168	0.0062	144,487	\$35.56	\$5,137,946
Total	49,364	557.0	27,493,113	0.0224	616,939	\$42.31	\$26,102,580
<u>Additional Burden from the Rule</u>							
Total	49,364	475.9	23,491,168	0.006245	146,710	\$35.56	\$5,217,007
<u>Manufacturers</u>							
Certificates	8,699	44.2	384,095	0.0833	32,008	\$73.02	\$2,337,219
Disclosure	8,699	44.2	384,095	0.2500	96,024	\$35.56	\$3,414,607
Recordkeepin g	8,699	44.2	384,095	0.0208	8,002	\$35.56	\$284,551
eFiling	0	0.0	0	0.0000	0	\$0.00	\$0
Total	8,699	132.5	1,152,286	0.1181	136,034	\$44.37	\$6,036,377
<u>Additional Burden to Manufacturers</u>							
Total	8,699	0.0	0	0.0000	640	\$35.56	\$22,764
<u>Importers</u>							
Certificates	40,665	23.4	949,886	0.0833	79,157	\$73.02	\$5,780,059
Disclosure	40,665	23.4	949,886	0.2500	237,472	\$35.56	\$8,444,491
Recordkeepin g	40,665	23.4	949,886	0.0208	19,789	\$35.56	\$703,708
eFiling	40,665	577.7	23,491,168	0.0062	144,487	\$35.56	\$5,137,946
Total	40,665	647.8	26,340,828	0.0183	480,905	\$41.73	\$20,066,203
<u>Additional Burden to Importers</u>							
Total	40,665	577.7	23,491,168	0.0062	146,070	\$35.56	\$5,194,243

⁴ To estimate the cost of the hourly burden, CPSC staff used the hourly compensation (benefits plus wage) of management, professional, and related occupations in goods-producing industries for the production of certificates (\$73.02), and the hourly compensation of office and administrative support occupations in good-producing industries for the disclosure, recordkeeping, and eFiling of certificates (\$35.56). These hourly compensation estimates were obtained from the report on "Employer Cost for Employee Compensation" prepared by the U.S. Bureau of Labor Statistics as of June 2024. <https://www.bls.gov/news.release/ecec.t04.htm>.

Table C: eFiling Children’s Product Certificates (CPC)

Total Burden	Respondents	Frequency of Response	Responses	Response Time	Burden Hours	Cost per Burden Hour ⁵	Total Cost of Burden
eFiling	224,000	152.0	34,055,116	0.0062	209,462	\$35.56	\$7,448,474
Additional Burden from the Rule							
Total	224,000	152.0	34,055,116	0.0062	209,462	\$35.56	\$7,448,474

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).

Additional Costs to Respond

Public comments stated there were additional eFiling costs not considered in the SNPR. Accordingly, staff considered the following additional annual cost burden categories: (1) startup costs to account for the burden of organizational meetings, staff training, and setting up accounts and a data storage system to house the certificate data; (2) fees charged by brokers to file message sets with CBP.⁶

Startup Burden Cost

eFiling of certificates may require some importers to invest in a combination of new technologies and training or hiring staff to conduct eFiling activities.⁷ Firms are also likely to train their staff in the use of these new technologies and the updated processes that support the eFiling of certificates, including participating in meetings with their brokers, reading guidance documents, and communicating and distributing information.

CPSC assumes that the average firm would invest 20 hours in all startup activities. More than 264,000 importers will be involved in eFiling, so ample room exists for learning and cost improvements.

⁵ To estimate the cost of the hourly burden of eFiling, staff used the hourly compensation (benefits plus wage) of office and administrative support occupations in good producing industries (\$35.56). This hourly compensation estimate was obtained from the report on “Employer Cost for Employee Compensation” prepared by the U.S. Bureau of Labor Statistics as of June 2024. <https://www.bls.gov/news.release/ecec.t04.htm>.

⁶ Note that although burden from de minimis filings was raised in the SNPR, CPSC has insufficient information for a substantive burden analysis involving de minimis filings impacted by the Final Rule. Therefore this section only includes startup costs and filing fees.

⁷ Technology investments may decrease the overall costs associated with managing certificate data, records, or entering products into the Product Registry or into a broker's database. Importers are not required to invest in this technology so technology costs are excluded from the burden estimates.

The 20 hours of startup time converts to an average cost per firm of \$1,086 using the average wage rate of management and administrative occupations.⁸ Annualizing the average startup cost per firm at a 2% discount rate over 30 years, the estimated annualized cost equivalent per firm is \$48.48. Table D presents a summary of estimated startup costs.

Table D eFiling Startup Costs

Additional Costs of Response	Importers	Frequency of Response	Responses	Cost per Response	Total Additional Costs
GCC Startup Burden	40,665	1	40,665	\$48.48	\$1,971,475
CPC Startup Burden	224,000	1	224,000	\$48.48	\$10,859,718
Total	264,665	1	264,665	\$48.48	\$12,831,194

Note: Totals made not sum due to rounding.

Filing Fees

Many importers use import brokers to facilitate customs filings and reporting with the government. Brokers typically charge a fee per entry or per entry line that is filed, and each entry line may contain one or more product certificates. The fees that brokers charge vary with the complexity of the Message Set and with the number of Message Sets filed.

Table E presents an estimate of filing fees. CPSC estimates importers of non-children's products will file 19,697,612 annual message sets (Full and Reference Message Sets) for a fee. At the average filing fee per certificate of \$0.77, the expected fees for all GCCs are \$15,167,162 in total. CPSC also estimate that importers of children's products will file 28,555,603, annual message sets and expect filing fees for CPCs to total \$21,987,815 annually. The estimated annual total filing fees paid by all filers is \$37,154,976.⁹

Table E: Estimated Annual Filing Fees

Additional Cost	Importers	Filings with a Fee	Responses	Cost per Response	Total Filing
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⁸ As of June 2024, the hourly rate for management, professional, and related occupations at good producing industries was \$73.02, while the hourly rate for office and administrative support occupations was \$35.56. CPSC assumes that the hours invested in startup activities are one-half managerial and one-half support staff at an average hourly rate of \$54.29.

⁹ These totals exclude de minimis filings.

					Fees
GCC Filing Fees	40,665	484	19,697,612	\$0.77	\$15,167,162
CPC Filings Fees	224,000	127	28,555,603	\$0.77	\$21,987,815
All Importer Filings	264,665	182	48,253,216	\$0.77	\$37,154,976

14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expenses that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.

The estimated annual cost of the information collection requirements to the federal government in Fiscal Year 2026 (October 1, 2025, through September 30, 2026) is approximately \$1.2 million in 2024 dollars, which includes 2,080 staff hours to manage the eFiling program and \$1 million in contracting costs. This estimate for Fiscal Year 2026 is based in part on the annual salary for a mid-level salaried GS-13-5 employee in the Washington, DC metropolitan area (effective as of January 2024) which is \$64.28 per hour.¹⁰ This represents 67.7 percent of total compensation (U.S. Bureau of Labor Statistics, “Employer Costs for Employee Compensation,” March 2024, Table 2, percentage of wages and salaries for all civilian management, professional, and related employees.¹¹ Adding an additional 32.3 percent for benefits brings the average annual compensation for a mid-level salaried GS-13-5 employee to \$94.94 per hour ($\$64.28 \div 0.677$). Assuming that approximately 2,080 hours will be required annually, this results in an annual labor cost of \$197,477.10 ($\$94.98 \text{ per hour} \times 2,080 \text{ hours} = \$197,477$) plus an annual contracting cost of \$1,000,000 in IT development for an annual cost to the government of \$1.2 million in Fiscal Year 2026. Contracting costs are expected to decrease substantially thereafter. Because eFiling will be fully functional and firms will be experienced with it, contractor support should only be required for ongoing operations and maintenance.

15. Explain the reasons for any program changes or adjustments reporting in Items 13 or 14 of OMB Form 83-I.

There are no program changes or adjustments; this is a new collection of information.

¹⁰ \$64.28 comes from rounding $\$64.275 = 133,692 \text{ a year} / 2,080 \text{ hours per year}$. See <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2024/DCB.pdf>.

¹¹ <https://www.bls.gov/news.release/ecec.t02.htm>

16. For collections of information whose results will be published, outline plans for tabulation, and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

The final rule (90 FR 1800) was published in the federal register January 8, 2025.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

Not applicable.

18. Explain each exception to the certification statement identified in “Certification for Paperwork Reduction Act Submission,” of OMB 83-I.

Not applicable.

B. Collections of Information Employing Statistical Methods.

CPSC will not employ a statistical methodology to collect this information.