

SUBCHAPTER A—GENERAL

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AUTHORITY: 5 U.S.C. 552(a).

SOURCE: 71 FR 5165, Feb. 1, 2006, unless otherwise noted.

§ 1000.1 The Commission.

(a) The Consumer Product Safety Commission is an independent regulatory agency formed on May 14, 1973, under the provisions of the Consumer Product Safety Act (Pub. L. 92-573, 86 Stat. 1207, as amended (15 U.S.C. 2051, *et seq.*)). The purposes of the Commission under the CPSA are:

(1) To protect the public against unreasonable risks of injury associated with consumer products;

(2) To assist consumers in evaluating the comparative safety of consumer products;

(3) To develop uniform safety standards for consumer products and to minimize conflicting State and local regulations; and

(4) To promote research and investigation into the causes and prevention of product-related deaths, illnesses, and injuries.

(b) The Commission is authorized to consist of five members appointed by the President, by and with the advice and consent of the Senate, for terms of seven years. However, the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993, Public Law 102-389, limited funding to that for three Commissioners for fiscal year 1993 and thereafter.

§ 1000.2 Laws administered.

The Commission administers five acts:

(a) The Consumer Product Safety Act (Pub. L. 92-573, 86 Stat. 1207, as amended (15 U.S.C. 2051, *et seq.*)).

(b) The Flammable Fabrics Act (Pub. L. 90-189, 67 Stat. 111, as amended (15 U.S.C. 1191, *et seq.*)).

(c) The Federal Hazardous Substances Act (Pub. L. 86-613, 74 Stat. 380, as amended (15 U.S.C. 1261, *et seq.*)).

(d) The Poison Prevention Packaging Act of 1970 (Pub. L. 91-601, 84 Stat. 1670, as amended (15 U.S.C. 1471, *et seq.*)).

(e) The Refrigerator Safety Act of 1956 (Pub. L. 84-930, 70 Stat. 953, (15 U.S.C. 1211, *et seq.*)).

§ 1000.3 Hotline.

(a) The Commission operates a toll-free telephone Hotline by which the public can communicate with the Commission. The number for use in all 50 states is 1-800-638-CPSC (1-800-638-2772).

(b) The Commission also operates a toll-free Hotline by which hearing or speech-impaired persons can communicate with the Commission by teletypewriter. The teletypewriter number for use in all states is 1-800-638-8270.

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(c) The Commission also makes available to the public product recall information, its public calendar, and other information through its worldwide Web site at <http://www.cpsc.gov>. The public may also report product hazards or other information to the Commission at its e-mail address: info@cpsc.gov.

§ 1000.4 Commission address.

The principal Offices of the Commission are at 4330 East West Highway, Bethesda, Maryland 20814. All written communications with the Commission, including those sent by U.S. Postal Service, private express and messenger should be addressed to the Consumer Product Safety Commission at that address, unless otherwise specifically directed.

§ 1000.5 Petitions.

Any interested person may petition the Commission to issue, amend, or revoke a rule or regulation by submitting a written request to the Secretary, Consumer Product Safety Commission, 4330 East West Highway, Bethesda, Maryland 20814. Petitions must comply with the Commission's procedure for petitioning for rulemaking at 16 CFR part 1051.

§ 1000.6 Commission decisions and records.

(a) Each decision of the Commission, acting in an official capacity as a collegial body, is recorded in Minutes of Commission meetings or as a separate Record of Commission Action. Copies of Minutes or of a Record of Commission Action may be obtained by e-mail (cpsc-os@cpsc.gov) or written request to the Secretary, Consumer Product Safety Commission, 4330 East West Highway, Bethesda, Maryland 20814, or may be examined at Commission headquarters. Requests should identify the subject matter of the Commission action and the approximate date of the Commission action, if known.

(b) Other records in the custody of the Commission may be requested by e-mail (cpsc-os@cpsc.gov) or in writing from the Office of the Secretary pursuant to the Commission's Procedures for Disclosure or Production of Informa-

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tion under the Freedom of Information Act (16 CFR part 1015).

§ 1000.7 Advisory opinions and interpretations of regulations.

(a) *Advisory opinions.* Upon written request, the General Counsel provides written advisory opinions interpreting the acts and administrative regulations (*e.g.*, Freedom of Information Act regulations) the Commission administers, provided the request contains sufficient specific factual information upon which to base an opinion. Advisory opinions represent the legal opinions of the General Counsel and may be changed or superseded by the Commission. Requests for advisory opinions should be sent to the General Counsel, Consumer Product Safety Commission, 4330 East West Highway, Bethesda, Maryland 20814. Previously issued advisory opinions are available on the CPSC Web site at <http://www.cpsc.gov/library/foia/advisory/advisory.html>. A copy of a particular previously issued advisory opinion or a copy of an index of such opinions may also be obtained by written request to the Office of the Secretary, Consumer Product Safety Commission, 4330 East West Highway, Bethesda, Maryland 20814.

(b) *Interpretations of regulations.* Upon written request, the Assistant Executive Director for Compliance will issue written interpretations of Commission regulations pertaining to the safety standards and the enforcement of those standards, provided the request contains sufficient specific factual information upon which to base an interpretation. Interpretations of regulations represent the interpretations of the staff and may be changed or superseded by the Commission. Requests for such interpretations should be sent to the Assistant Executive Director for Compliance, Consumer Product Safety Commission, 4330 East West Highway, Bethesda, Maryland 20814.

§ 1000.8 Meetings and hearings; public notice.

(a) The Commission may meet and exercise all its powers in any place.

(b) Meetings of the Commission are held as ordered by the Commission and, unless otherwise ordered, are held at the principal office of the Commission

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at 4330 East West Highway, Bethesda, Maryland. Meetings of the Commission for the purpose of jointly conducting the formal business of the agency, including the rendering of official decisions, are generally announced in advance and open to the public, as provided by the Government in the Sunshine Act (5 U.S.C. 552b) and the Commission's Meetings Policy (16 CFR part 1012).

(c) The Commission may conduct any hearing or other inquiry necessary or appropriate to its functions anywhere in the United States. It will publish a notice of any proposed hearing in the FEDERAL REGISTER and will afford a reasonable opportunity for interested persons to present relevant testimony and data.

(d) Notices of Commission meetings, Commission hearings, and other Commission activities are published in a Public Calendar, as provided in the Commission's Meetings Policy (16 CFR part 1012). The Public Calendar is available on the Commission Web site at <http://www.cpsc.gov>.

§ 1000.9 Quorum.

Three members of the Commission constitute a quorum for the transaction of business. If there are only three members serving on the Commission, two members constitute a quorum. If there are only two members serving on the Commission because of vacancies, two members constitute a quorum, but only for six months from the time the number of members was reduced to two.

NOTE: The Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993, Pub. L. 102-389, limited funding to that for three Commissioners for fiscal year 1993 and thereafter.

§ 1000.10 The Chairman and Vice Chairman.

(a) The Chairman is the principal executive officer of the Commission and, subject to the general policies of the Commission and to such regulatory decisions, findings, and determinations as the Commission is by law authorized to make, he or she exercises all of the executive and administrative functions of the Commission.

(b) The Commission shall annually elect a Vice Chairman for a term beginning on June 1. The Vice Chairman shall serve until the election of his or her successor. The Vice Chairman acts in the absence or disability of the Chairman or in case of a vacancy in the Office of the Chairman.

§ 1000.11 Delegation of functions.

Section 27(b)(9) of the Consumer Product Safety Act (15 U.S.C. 2076(b)(9)) authorizes the Commission to delegate any of its functions and powers, other than the power to issue subpoenas, to any officer or employee of the Commission. Delegations are documented in the Commission's Directives System.

§ 1000.12 Organizational structure.

The Consumer Product Safety Commission is composed of the principal units listed in this section.

(a) The following units report directly to the Chairman of the Commission:

- (1) Office of the General Counsel;
- (2) Office of Congressional Relations;
- (3) Office of the Inspector General;
- (4) Office of Equal Employment Opportunity and Minority Enterprise;
- (5) Office of the Executive Director.

(b) The following units report directly to the Executive Director of the Commission:

- (1) Office of Financial Management, Planning and Evaluation;
- (2) Office of Hazard Identification and Reduction;
- (3) Office of Information and Public Affairs;
- (4) Office of Compliance and Field Operations;
- (5) Office of Human Resources Management;
- (6) Office of Information and Technology Services;
- (7) Office of International Programs and Intergovernmental Affairs.

(c) The following units report directly to the Assistant Executive Director for Hazard Identification and Reduction:

- (1) Directorate for Economic Analysis;
- (2) Directorate for Epidemiology;
- (3) Directorate for Health Sciences;

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(4) Directorate for Engineering Sciences;

(5) Directorate for Laboratory Sciences.

§ 1000.13 Directives System.

The Commission maintains a Directives System which contains delegations of authority and descriptions of Commission programs, policies, and procedures. A complete set of directives is available for inspection in the public reading room at Commission headquarters.

§ 1000.14 Office of the General Counsel.

The Office of the General Counsel provides advice and counsel to the Commissioners and organizational components of the Commission on matters of law arising from operations of the Commission. It prepares the legal analysis of Commission legislative proposals and comments on relevant legislative proposals originating elsewhere. The Office, in conjunction with the Department of Justice, is responsible for the conduct of all Federal court litigation to which the Commission is a party. The Office also advises the Commission on administrative litigation matters. The Office provides final legal review of and makes recommendations to the Commission on proposed product safety standards, rules, regulations, petition actions, and substantial hazard actions. It also provides legal review of certain procurement, personnel, and administrative actions and drafts documents for publication in the FEDERAL REGISTER.

§ 1000.15 Office of Congressional Relations.

The Office of Congressional Relations is the principal contact with the committees and members of Congress and state legislative bodies. It performs liaison duties for the Commission, provides information and assistance to Congress on matters of Commission policy, and coordinates testimony and appearances by Commissioners and agency personnel before Congress.

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§ 1000.16 Office of the Inspector General.

The Office of the Inspector General is an independent office established under the provisions of the Inspector General Act of 1978, 5 U.S.C. appendix, as amended. This Office independently initiates, conducts, supervises, and coordinates audits, operations reviews, and investigations of Commission programs, activities, and operations. The Office also makes recommendations to promote economy, efficiency, and effectiveness within the Commission's programs and operations. The Office receives and investigates complaints or information concerning possible violations of law, rules, or regulations, mismanagement, abuse of authority, and waste of funds. It reviews existing and proposed legislation concerning the economy, efficiency, and effectiveness of such legislation on Commission operations.

§ 1000.17 Office of Equal Employment Opportunity and Minority Enterprise.

The Office of Equal Employment Opportunity and Minority Enterprise is responsible for assuring compliance with all laws and regulations relating to equal employment opportunity. The Office provides advice and assistance to the Chairman and Commission staff on all EEO related issues including the agency Small and Disadvantaged Business Utilization Program. The Office develops agency EEO program policies. The Office manages the discrimination complaint process, including the adjudication of discrimination complaints, and facilitates Affirmative Employment Program (AEP) planning for women, minorities, individuals with disabilities and disabled veterans. The Office plans and executes special emphasis programs and special programs with minority colleges, and EEO, diversity, prevention of sexual harassment and related training. The Office identifies trends, personnel policies and practices that have an impact on EEO and makes recommendations to the Chairman on the effectiveness and efficiency of EEO programs and methods to enhance equal opportunity.

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§ 1000.18 Office of Executive Director.

The Executive Director with the assistance of the Deputy Executive Director, under the broad direction of the Chairman and in accordance with Commission policy, acts as the chief operating manager of the agency, supporting the development of the agency's budget and operating plan before and after Commission approval, and managing the execution of those plans. The Executive Director has direct line authority over the following directorates and offices: the Office of Financial Management, Planning and Evaluation, the Office of Hazard Identification and Reduction, the Office of Information and Public Affairs, the Office of Compliance and Field Operations, the Office of Human Resources Management, the Office of Information and Technology Services, and the Office of International Programs and Intergovernmental Affairs.

§ 1000.19 Office of Financial Management, Planning and Evaluation.

The Office of Financial Management, Planning and Evaluation is responsible for developing the Commission's funds control system, long-range strategic plans, annual performance budgets and operating plans; analysis of major policy and operational issues; performing evaluations and management studies of Commission programs and activities; ensuring that Commission resources are procured and expended as planned and according to purchasing regulations; the review, control, and payment of Commission financial obligations; and, reporting on the use and performance of Commission resources. The Office recommends actions to the Executive Director to enhance the effectiveness of Commission programs and the management of budget, planning and evaluation, financial, and procurement activities. The Office serves as the staff support to the Commission Chief Financial Officer.

§ 1000.20 Office of Information and Public Affairs.

The Office of Information and Public Affairs, which is managed by the Director of the Office, is responsible for the development, implementation, and evaluation of a comprehensive national

information and public affairs program designed to promote product safety. This includes responsibility for developing and maintaining relations with a wide range of national groups such as consumer organizations; business groups; trade associations; state and local government entities; labor organizations; medical, legal, scientific and other professional associations; and other Federal health, safety and consumer agencies. The Office also is responsible for implementing the Commission's media relations program nationwide. The Office serves as the Commission's spokesperson to the national print and broadcast media, develops and disseminates the Commission's news releases, and organizes Commission news conferences.

§ 1000.21 Office of Compliance and Field Operations.

The Office of Compliance and Field Operations conducts compliance and administrative enforcement activities under all administered acts, provides advice and guidance on complying with all administered acts and reviews proposed standards and rules with respect to their enforceability. The Office's responsibilities also include identifying and addressing safety hazards in consumer products already in distribution, promoting industry compliance with existing safety rules, and conducting administrative litigation. It conducts field enforcement efforts, including providing program guidance, advice, and case guidance to field staff. It enforces the Consumer Product Safety Act reporting requirements. It reviews consumer complaints, conducts inspections and in-depth investigations, and analyzes available data to identify those consumer products containing defects posing a substantial risk of injury or which do not comply with existing safety requirements. The Office negotiates and monitors corrective action plans for products that are defective or fail to comply with specific regulations. It gathers information on product hazards that may be addressed through rulemaking or voluntary standards. The Office develops surveillance strategies and programs designed to assure compliance with Commission standards and regulations. The Office

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of Compliance and Field Operations also assists the Office of Information and Public Affairs in implementing consumer information activities nationwide, including wide-ranging public information and education programs designed to reduce consumer product injuries and deaths, and maintaining liaison with, and providing support to, other components of the Commission and appropriate State and local government offices.

§ 1000.22 Office of Human Resources Management.

The Office of Human Resources Management, which is managed by the Director of the Office, provides human resources management support to the Commission in the areas of recruitment and placement, position classification, training and executive development, employee and labor relations, employee benefits and retirement assistance, employee assistance programs, drug testing, leave administration, disciplinary and adverse actions, grievances and appeals, and performance management.

§ 1000.23 Office of Information and Technology Services.

The Office of Information and Technology Services houses the Commission's Secretariat, which facilitates the preparation of the Commission's agenda; coordinates Commission business at official meetings; maintains the dockets and other materials for the Commission's public and non-public administrative and adjudicative meetings and hearings; prepares and publishes the Public Calendar; maintains the Commission's Injury Information Clearinghouse; issues Commission Orders; provides legal notice of Commission decisions through publication in the FEDERAL REGISTER; processes all filings that the Commission receives in paper, electronic and alternative media formats; exercises joint responsibility with the Office of the General Counsel for interpretation and application of the Privacy Act, Freedom of Information Act, and the Government in the Sunshine Act; prepares reports required by these acts; and maintains and manages all official Commission records including those pertaining to

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continuing guarantees of compliance with applicable standards of flammability under the Flammable Fabrics Act filed with the Commission. The Secretary is the agency's Chief Freedom of Information Act Officer. The Office of Information and Technology Services is also responsible for the general policy and planning issues related to the dissemination of information by the Commission including, but not limited to, OMB Circular A-130, the Federal Information Security Management Act, the Government Paperwork Elimination Act, Section 508 of the Americans with Disabilities Act, and the E-Government Act under the President's Management Agenda; the design, implementation and support of the Commission's information technology system needs; maintaining and/or providing access to administrative applications for the Commission's business processes such as payroll, accounting, personnel, budget, information management and work tracking; administration of the network, telephone systems, and Help Desk. The Office of Information and Technology Services also is responsible for providing the Commission with printing, mail, and copy services, library services, logistical, real and personal property management services; and addressing safety and ergonomic issues in the work place.

§ 1000.24 Office of International Programs and Intergovernmental Affairs.

The Office of International Programs and Intergovernmental Affairs provides a comprehensive and coordinated effort in consumer product safety standards development and implementation at the international, Federal, State and local level. The office conducts activities and creates strategies aimed at ensuring greater import compliance with recognized American safety standards and exportation of CPSC regulatory policies, technologies and methodologies into other jurisdictions. The office also works to harmonize the use of standards worldwide.

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§ 1000.25 Office of Hazard Identification and Reduction.

The Office of Hazard Identification and Reduction, under the direction of the Assistant Executive Director for Hazard Identification and Reduction, is responsible for managing the Commission's Hazard Identification and Analysis Program and its Hazard Assessment and Reduction Program. The Office reports to the Executive Director, and has line authority over the Directorates for Epidemiology and Health Sciences, Economic Analysis, Engineering Sciences, and Laboratory Sciences. The Office develops strategies for and implements the agency's operating plans for these two hazard programs. This includes the collection and analysis of data to identify hazards and hazard patterns, the implementation of the Commission's safety standards development projects, the coordination of voluntary standards activities, and providing overall direction and evaluation of projects involving hazard analysis, data collection, emerging hazards, mandatory and voluntary standards, petitions, and labeling rules. The Office assures that relevant technical, environmental, economic, and social impacts of projects are comprehensively and objectively presented to the Commission for decision.

§ 1000.26 Directorate for Epidemiology.

The Directorate for Epidemiology, managed by the Associate Executive Director for Epidemiology, is responsible for the collection and analysis of data on injuries and deaths associated with consumer products. The Directorate has two divisions: the Data Systems Division and the Hazard Analysis Division. The Data Systems Division operates the national data collection systems which provide the data that serve as the basis for the Commission's estimates of the numbers of deaths and injuries associated with consumer products. These data systems include the National Electronic Injury Surveillance System, a nationally representative sample of hospital emergency departments; a death certificate file, which contains data obtained from death certificates on deaths associated

with consumer products; and the Injury and Potential Injury Incident file, which contains information on, among other things, incidents associated with consumer products, based on news clips, medical examiner reports, hotline reports, Internet complaints, and referrals. The Hazard Analysis Division conducts statistical analysis of these data and conducts epidemiologic studies to estimate the numbers of injuries and deaths associated with various consumer products and to examine factors associated with these injuries and deaths. In addition, staff in the Hazard Analysis Division design special studies, design and analyze data from experiments for testing of consumer products, and provide statistical expertise and advice to Commission staff in support of regulation development.

§ 1000.27 Directorate for Health Sciences.

The Directorate for Health Sciences is managed by the Associate Executive Director for Health Sciences and is responsible for reviewing and evaluating the human health effects and hazards related to consumer products and assessing exposure, uptake and metabolism, including information on population segments at risk. Directorate staff conducts health studies and research in the field of consumer product-related injuries. The Directorate performs risk assessments for chemical, physiological and physical hazards based on methods such as medical injury modeling, and on injury and incident data for mechanical, thermal, chemical and electrical hazards in consumer products. It provides the Commission's primary source of scientific expertise for implementation of the Poison Prevention Packaging Act and the Federal Hazardous Substances Act. The Directorate assists in the development and evaluation of product safety standards and test methods based on scientific and public health principles. It provides support to the Commission's regulatory development and enforcement activities. It manages hazard identification and analysis, and hazard assessment and reduction projects as assigned. The Directorate provides liaison with the National Toxicology Program, the Department

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of Health and Human Services (including the Food and Drug Administration, the Centers for Disease Control and Prevention, the National Institutes of Health), the Occupational Health and Safety Administration, the Environmental Protection Agency, other Federal agencies and programs, and other organizations concerned with reducing the risk to consumers from exposure to consumer product hazards.

§ 1000.28 Directorate for Economic Analysis.

The Directorate for Economic Analysis, which is managed by the Associate Executive Director for Economic Analysis, is responsible for providing the Commission with advice and information on economic and environmental matters and on the economic, social and environmental effects of Commission actions. It analyzes the potential effects of CPSC actions on consumers and on industries, including effects on competitive structure and commercial practices. The Directorate acquires, compiles, and maintains economic data on movements and trends in the general economy and on the production, distribution, and sales of consumer products and their components to assist in the analysis of CPSC priorities, policies, actions, and rules. It plans and carries out economic surveys of consumers and industries. It studies the costs of accidents and injuries. It evaluates the economic, societal, and environmental impact of product safety rules and standards. It performs regulatory analyses and studies of costs and benefits of CPSC actions as required by the Consumer Product Safety Act, The National Environmental Policy Act, the Regulatory Flexibility Act and other Acts, and by policies established by the Consumer Product Safety Commission. The Directorate manages hazard assessment and reduction projects as assigned.

§ 1000.29 Directorate for Engineering Sciences.

The Directorate for Engineering Sciences, which is managed by the Associate Executive Director for Engineering Sciences, is responsible for developing technical policy for and implementing the Commission's engineer-

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ing programs. The Directorate manages hazard assessment and reduction projects as assigned by the Office of Hazard Identification and Reduction; provides engineering technical support and product safety assessments for the Office of Compliance and Field Operations; provides engineering, scientific, and technical expertise to the Commission and Commission staff as requested; and provides engineering technical support to other Commission organizations, activities, and programs as needed. The Directorate develops and evaluates product safety standards, product safety tests and test methods, performance criteria, design specifications, and quality control standards for consumer products, based on engineering and scientific methods. It conducts engineering analysis and testing of the safety of consumer products, and evaluates and participates in the development of mandatory and voluntary standards for consumer products including engineering and human factors analyses in support of standards development and product compliance testing. The Directorate performs or monitors research for consumer products in a broad array of engineering disciplines including chemical, electrical, fire protection, human factors, and mechanical engineering. It conducts and coordinates engineering research, testing, and evaluation activities with other Federal agencies, private industry, and consumer interest groups. The Directorate conducts human factors studies and research of consumer product related injuries, including evaluations of labels, signs and symbols, instructions, and other measures intended to address the human component of injury prevention. The Directorate provides technical supervision and direction of engineering activities including tests and analyses conducted in the field.

§ 1000.30 Directorate for Laboratory Sciences.

The Directorate for Laboratory Sciences, which is managed by the Associate Executive Director for Laboratory Sciences, is responsible for conducting engineering analyses and testing of consumer products, supporting

the development of voluntary and mandatory standards, and supporting the Agency's compliance activities through product safety assessments. A wide variety of products are tested and evaluated to determine the causes of failure and the hazards presented. Product safety tests involve mechanical, electrical, and combustion engineering, as well as thermal and chemical analyses. Test protocols are developed, test fixtures and setups are designed and fabricated, and tests are conducted following the requirements and guidance of voluntary and mandatory standards and/or using sound engineering and scientific judgment. The Laboratory participates with and supports other agency directorates on multi-disciplinary teams in the development of voluntary and mandatory standards. The Laboratory coordinates and cooperates with other Federal agencies, private industry, and consumer interest groups by sharing engineering and scientific research, test, and evaluation expertise. Additionally, Corrective Action Plans, proposed by manufacturers to correct a product defect, are tested and evaluated to assure that the proposed changes adequately resolve the problem. Regulated products, such as children's products, sleepwear, and bicycle helmets, are routinely tested and evaluated for compliance with the Consumer Product Safety Act, the Federal Hazardous Substances Act, the Flammable Fabrics Act, and the Poison Prevention Packaging Act. The Directorate is composed of the Mechanical Engineering Division, the Electrical Engineering Division (which includes flammable fabrics), and the Chemical Division. Overall, the directorate provides engineering, scientific, and other technical expertise to all entities within the Consumer Product Safety Commission.

PART 1009—GENERAL STATEMENTS OF POLICY OR INTERPRETATION

Sec.

- 1009.3 Policy on imported products, importers, and foreign manufacturers.
 1009.8 Policy on establishing priorities for Commission action.
 1009.9 Policy regarding the granting of emergency exemptions from Commission regulations.

§ 1009.3 Policy on imported products, importers, and foreign manufacturers.

(a) This policy states the Commission's views as to imported products subject to the Consumer Product Safety Act (15 U.S.C. 2051) and the other Acts the Commission administers: The Federal Hazardous Substances Act (15 U.S.C. 1261), the Flammable Fabrics Act (15 U.S.C. 1191), the Poison Prevention Packaging Act (15 U.S.C. 1471), and the Refrigerator Safety Act (15 U.S.C. 1211). Basically, the Policy states that in order to fully protect the American consumer from hazardous consumer products the Commission will seek to ensure that importers and foreign manufacturers, as well as domestic manufacturers, distributors, and retailers, carry out their obligations and responsibilities under the five Acts. The Commission will also seek to establish, to the maximum extent possible, uniform import procedures for products subject to the Acts the Commission administers.

(b) The Consumer Product Safety Act recognizes the critical position of importers in protecting American consumers from unreasonably hazardous products made abroad and accordingly, under that Act, importers are made subject to the same responsibilities as domestic manufacturers. This is explicitly stated in the definition of "manufacturer" as any person who manufactures or imports a consumer product (Section 3(a)(4); 15 U.S.C. 2052(a)(4)).

(c) The Federal Hazardous Substances Act (15 U.S.C. 1261 *et seq.*), the Flammable Fabrics Act (15 U.S.C. 1191 *et seq.*), the Poison Prevention Packaging Act (15 U.S.C. 1471 *et seq.*), which were transferred to the jurisdiction of the Consumer Product Safety Commission under its enabling act, all assign responsibilities to importers comparable to those of manufacturers and distributors.

(d) Historically, foreign-made products entering the United States were "cleared" by those agencies with particular jurisdiction over them. Products so cleared were limited in number relative to total imports. The Consumer Product Safety Commission has jurisdiction over a far larger number of products entering the United States

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through over 300 ports of entry. In addition, the total number of imports has dramatically increased over the years and modern technology has brought air transport and containerized freight for rapid handling and distribution of consumer and other products. For the Commission to effectively “clear” such products through ports of entry could seriously impede and delay the transport of consumer products and impose additional costs to both the consumer and the importer.

(e) The Consumer Product Safety Act provides alternative means to both assure the consumer safe products and facilitate the free movement of consumer products in commerce. For example, it requires certification by manufacturers (foreign and domestic), importers and private labelers of products that are subject to a consumer product safety standard. Such certification must be based on a test of each product or upon a reasonable testing program. The other acts enforced by the Commission do not specifically require certificates; however, both the Flammable Fabrics Act and the Federal Hazardous Substances Act encourage guarantees of compliance by protecting from criminal prosecution persons who have in good faith received such guarantees (15 U.S.C. 1197(a); 16 CFR 302.11; 15 U.S.C. 1264(b)).

(f) In the interest of giving the American consumer the full measure of protection from hazardous products anticipated by the Congress, it is the Commission’s policy to assure that importers and foreign manufacturers carry out their responsibilities under all laws administered by this Commission. Specifically:

(1) Importers have responsibilities and obligations comparable to those of domestic manufacturers. Rules and regulations promulgated by the Commission will reflect these responsibilities and obligations.

(2) In promulgating its rules and regulations, the Commission encourages the participation and comments of the import community, including importers and foreign manufacturers.

(3) All imported products under the jurisdiction of the Consumer Product Safety Commission shall, to the maximum extent possible, be subject to

uniform import procedures. The Commission recognizes the need to establish and implement procedures that minimize delay and expense involved in inspecting cargo at a port of entry. The Commission encourages cooperation between importers, foreign manufacturers and foreign governments, which increases the safety of the consumer and facilitates the free movement of goods between countries.

(4) When enforcement actions are appropriate, they will be directed toward the responsible officials of any import organization and will not be restricted to action solely against the product.

(5) Legal actions sought by the Commission will usually be primarily directed toward the owner or consignee of imported goods rather than against the customs broker even though his or her name may appear as the importer of record. However, the Commissioner believes it will not serve the public interest to impede the Commission’s rights of investigation and enforcement by exempting a customs broker from the coverage of the law merely because of his or her title or usual form of business. It may be relevant that a customs broker, who does not have an ownership interest in the goods but who is acting as an agent for the actual owner or consignee, signs the entry documents as importer of record. What effect and possible need for inclusion this will have in a particular case can be judged by the Commission on a case-by-case basis.

(6) Commission procedures on imports shall be developed in the context of the overall responsibilities, authorities, priorities, resources, and compliance philosophy of this Commission. Any existing procedures which have been inherited from predecessor agencies will be reviewed and revised, if necessary, to be consistent with the authority and philosophy of this Commission.

(g) The Commission recognizes that the importer may not be the only person to be held responsible for protecting American Consumers from unreasonably hazardous products made abroad, but the importer is, at least, in a strategic position to guarantee the safety of imported products.

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(h) Whenever, in the application of this policy, it appears that barriers to free trade may arise, the Commission may consider exceptions to this policy insofar as it can be done without compromising the Commission's responsibilities to assure safe products to the consumer.

(i) Whenever, in the application of this policy, it appears that administrative or procedural aspects of the Commission's regulations are unduly burdening the free flow of goods, the Commission may consider modifications which alleviate such burdens. However, the Commission cannot consider any modifications which do not assure the consumer the same protection from unsafe foreign goods as from unsafe domestic goods.

(Sec. 9, 15 U.S.C. 1198, 67 Stat. 114; Sec. 14, 15 U.S.C. 1273, 74 Stat. 379; 80 Stat. 1304, 1305; Sec. 17, 15 U.S.C. 2066, 86 Stat. 1223)

[40 FR 47486, Oct. 9, 1975, as amended at 41 FR 47915, Nov. 1, 1976]

§ 1009.8 Policy on establishing priorities for Commission action.

(a) This document states the Consumer Product Safety Commission's policy on establishing priorities for action under the five acts the Commission administers. The policy is issued pursuant to sections 4(f)(2) and 4(f)(3) of the Consumer Product Safety Act, as amended, and in further implementation of the Commission's statement of policy dated September 21, 1973.

(b) It is the general policy of the Commission that priorities for Commission action will be established by a majority vote of its members. The policy will be reflected by votes on all requests for appropriations, an annual operating plan, and any revisions thereof. Recognizing that these documents are the result of a lengthy planning process, during which many decisions are made that substantially determine the content of the final documents, the Chairman shall continually keep the Commission apprised of, and seek its guidance concerning, significant problems, policy questions and alternative solutions throughout the planning cycle leading to the development of budget requests and operating plans.

(1) *Requests for appropriations.* Requests for appropriations are submitted concurrently to the President or the Office of Management and Budget and to the Congress pursuant to section 27(k)(1) of the Consumer Product Safety Act.

(2) *Annual operating plan.* The operating plan shall be as specific as possible with regard to products, groups of products, or generic hazards to be addressed. It shall be submitted to the Commission for approval at least 30 days prior to the beginning of the fiscal year.

(c) In establishing and revising its priorities, the Commission will endeavor to fulfill each of its purposes as set forth in section 2(b) of the Consumer Product Safety Act. In so doing, it will apply the following general criteria:

(1) *Frequency and severity of injuries.* Two major criteria in determining priorities are the frequency and severity of injuries associated with consumer products. All available data including the NEISS hazard index and supplementary data collection systems, such as fire surveys and death certificate collection, shall be used to attempt to identify the frequency and severity of injuries. Consideration shall also be given to areas known to be undercounted by NEISS and a judgment reached as to the probable frequency and severity of injuries in such areas. The judgment as to severity shall include an evaluation of the seriousness of the injury.

(2) *Causality of injuries.* Consideration shall then be given to the amenability of a product hazard to injury reduction through standard setting, information and education, or other Commission action. This step involves an analysis of the extent to which the product and other factors such as consumer behavior are causally related to the injury pattern. Priority shall be assigned to products according to the extent of product causality involvement and the extent of injuries that can reasonably be expected to be reduced or eliminated through commission action.

(3) *Chronic illness and future injuries.* Certain products, although not presently associated with large numbers of

frequent or severe injuries, deserve priority attention if there is reason to believe that the products will in the future be associated with many such injuries. Although not as susceptible to measurements as other product related injuries and illnesses, these risks shall be evaluated on the basis of the best information available and given priority on the basis of the predicted future illnesses and injuries and the effectiveness of Commission action in reducing or eliminating them.

(4) *Cost and benefit of CPSC action.* Consideration shall be given on a preliminary basis to the prospective cost of Commission action to consumers and producers, and to the benefits expected to accrue to society from the resulting reduction of injuries. Consideration of product cost increases will be supplemented to the extent feasible and necessary by assessments of effects on utility or convenience of the product; product sales and shifts to substitutes; and industry supply factors, competitive structure, or employment. While all these facets of potential social “cost” cannot be subsumed in a single, quantitative cost measure, they will be weighed, to the extent they are available, against injury reduction benefits. The benefit estimates will be based on (i) explicitly stated expectations as to the effectiveness of regulatory options (derived from criterion (2), “causality of injuries”); (ii) costs of injuries and deaths based on the latest injury cost data and analyses available to the Commission; (iii) explicit estimates or assumptions as to average product lives; and (iv) such other factors as may be relevant in particular cases. The Commission recognizes that in analyzing benefits as well as costs there will frequently be modifying factors—e.g., criteria (5) and (6)—or analytical uncertainties that complicate matters and militate against reliance on single numerical expressions. Hence the Commission cannot commit itself to priorities based solely on the preliminary cost/benefit comparisons that will be available at the stage of priority setting, nor to any one form of comparison such as net benefits or cost-benefit ratios. Commission costs will also be considered. The Commission has a responsibility to insure that

its resources are utilized efficiently. Assuming other factors to be equal, a higher priority will be assigned to those products which can be addressed using fewer Commission resources.

(5) *Unforeseen nature of the risk.* Other things being equal, consideration should be to the degree of consumer awareness both of the hazard and of its consequences. Priority could then be given to unforeseen and unforeseeable risks arising from the ordinary use of a product.

(6) *Vulnerability of the population at risk.* Children, the elderly, and the handicapped are often less able to judge or escape certain dangers in a consumer product or in the home environment. Because these consumers are, therefore, more vulnerable to danger in products designed for their special use or frequently used by them, the Commission will usually place a higher priority, assuming other factors are equal, on preventing product related injury to children, the handicapped, and senior citizens.

(7) *Probability of exposure to hazard.* The Commission may also consider several other things which can help to determine the likelihood that a consumer would be injured by a product thought to be hazardous. These are the number of units of the product that are being used by consumers, the frequency with which such use occurs, and the likelihood that in the course of typical use the consumer would be exposed to the identified risk of injury.

(8) *Additional criteria.* Additional criteria may arise that the staff believes warrant the Commission’s attention. The Commission encourages the inclusion of such criteria for its consideration in establishing priorities. The Commission recognizes that incontrovertible data related to the criteria identified in this policy statement may be difficult to locate or develop on a timely basis. Therefore, the Commission may not require extensive documentation on each and every criterion before making a decision. In addition, the Commission emphasizes that the order of listing of the criteria in this policy is not intended to indicate either the order in which they are to be considered or their relative importance. The Commission will consider

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all the criteria to the extent feasible in each case, and as interactively or jointly as possible.

(Sec. 4, 15 U.S.C. 2053, 86 Stat. 1210; as amended by sec. 4, Pub. L. 94-284)

[42 FR 53953, Oct. 4, 1977]

§ 1009.9 Policy regarding the granting of emergency exemptions from Commission regulations.

(a) This document states the Consumer Product Safety Commission's policy with respect to emergency requests for exemptions for companies which inadvertently produce products that do not conform to Commission regulations issued under the five acts the Commission administers. These acts are the Consumer Product Safety Act, the Federal Hazardous Substances Act, the Flammable Fabrics Act, the Poison Prevention Packaging Act of 1970 and the Refrigerator Safety Act. While the Commission is reluctant to grant such requests, it believes that the public should be apprised of the manner in which it rules on exemption requests and therefore is publishing the policy to provide guidance to industry and others making such requests. The publication of the policy will also serve to inform the public of the criteria that the Commission uses in ruling upon such requests. This policy is intended to cover emergency requests for exemptions and, while relevant, is not intended to limit the discretion of CPSC staff to close or not to open cases in the routine enforcement of CPSC regulations.

(b) The policy governs requests for exemption from any regulation under any act the Commission administers. The policy lists criteria the Commission considers in deciding whether to grant or deny an exemption request and therefore, should provide guidance to companies on the types of information to be submitted with requests. In addition, published Commission procedures regarding petitioning for amendments to regulations may assist companies in determining what supporting data to submit with a request. (See, for example, existing Commission procedures at 16 CFR 1110, 16 CFR 1607.14, 16 CFR 1500.82 and 16 CFR 1500.201). The exemption requests themselves should

be filed with the Office of the Secretary of the Commission.

(c) It is the general policy of the Commission that when a particular exemption request is made and granted, all similarly situated persons are accorded the same relief as the person who requested the exemption. Therefore, when any amendment to a Commission regulation is proposed or a statement of enforcement policy is issued, the document to the extent practicable will be phrased in objective terms so that all similarly situated persons will be able to determine whether their products would fall within the relief.

(d) In deciding whether to grant or deny an exemption request, the Commission considers the following general criteria:

(1) *The degree to which the exemption if granted would expose consumers to an increased risk of injury:* The Commission does not believe it should exempt products which would present a significantly greater risk to consumers than complying products. Therefore, the Commission will not grant exemption requests in such cases.

(2) *The cost to the Commission of granting emergency requests:* Granting emergency exemption requests will in most cases require drafting a proposed and a final amendment or a statement of enforcement policy for publication in the FEDERAL REGISTER. Such action may also require the Commission to monitor the sale or distribution of the products. These activities consume scarce Commission resources. In some instances, the costs to the Commission may exceed the benefit to be derived by a company and similarly situated companies. If so, the Commission may deny the request on this ground.

(3) *The precedential effect of exempting some products:* The Commission recognizes that decisions to exempt some products set precedents in at least two ways. First, they indicate to companies that the CPSC will permit deviations to a given regulation. Second, they indicate to companies that the CPSC will permit deviations to regulations in general. Both precedents, if set carelessly by the CPSC, could result in many requests for exemption and could

undermine the stability and integrity of the Commission's regulations.

(e) In deciding whether to grant or deny an exemption request, the Commission also considers the following factors which relate specifically to the company making the request: (If the request is granted, all similarly situated companies, however, will be accorded the same relief).

(1) *The nature of the emergency exemption request:* The Commission will not reward bad quality control or faulty design work by permitting companies to market their mistakes. Although it is difficult to detail specific instances, the Commission is sympathetic to companies that produced noncomplying products due to factors beyond their immediate control or despite their best efforts.

(2) *The economic loss which a company will suffer if its emergency request is denied:* The greater the loss a company may suffer the more likely the Commission will favorably consider an exemption. However, the Commission does not believe economic loss alone should be determinative of an emergency exemption request.

(3) *The fairness to competitors:* The Commission is reluctant to grant relief if it could place the company at an unfair competitive advantage over other companies which have successfully complied with the same regulation. Therefore, the Commission will afford the same relief to similarly situated companies, and will decline to grant a request where unfair competitive advantage may result.

(15 U.S.C. 1191, 1261, 1471, 2051, 2111)

[44 FR 40639, July 12, 1979]

PART 1010 [RESERVED]

PART 1011—NOTICE OF AGENCY ACTIVITIES

Sec.

1011.1 General policy considerations; scope.

1011.2 Definitions.

1011.3 General requirements for various kinds of meetings.

1011.4 Forms of advance public notice of meetings; Public Calendar/Master Calendar and FEDERAL REGISTER.

AUTHORITY: 5 U.S.C. 552b(g); Pub. L. 92–573, 86 Stat. 1207 (15 U.S.C. 2051–81) as amended by Pub. L. 94–284, 90 Stat. 503, Pub. L. 95–319, 92 Stat. 386, Pub. L. 95–631, 92 Stat. 3742; Pub. L. 90–189, 81 Stat. 568 (15 U.S.C. 1191–1204); Pub. L. 86–613, 74 Stat. 372, as amended by Pub. L. 89–756, 80 Stat. 1303, and Pub. L. 91–113, 83 Stat. 187 (15 U.S.C. 1261–74); Pub. L. 91–601, 84 Stat. 1670 (15 U.S.C. 1471–76) and the Act of Aug. 7, 1956, 70 Stat. 953 (15 U.S.C. 1211–14).

SOURCE: 46 FR 38322, July 24, 1981, unless otherwise noted.

§ 1011.1 General policy considerations; scope.

(a) In order for the Consumer Product Safety Commission to properly carry out its mandate to protect the public from unreasonable risks of injury associated with consumer products, the Commission has determined that it must involve the public in its activities to the fullest possible extent.

(b) To ensure public confidence in the integrity of Commission decision-making, the Agency, to the fullest possible extent, will conduct its business in an open manner free from any actual or apparent impropriety.

(c) This part 1011 presents general provisions concerning public notice for various types of Agency activities.

§ 1011.2 Definitions.

As used in this part 1011, the following terms shall have the meanings set forth:

(a) *Agency.* The entire organization which bears the title Consumer Product Safety Commission (CPSC).

(b) *Agency staff.* Employees of the Agency other than the five Commissioners.

(c) *Commissioner.* An individual who belongs to the collegial body heading the CPSC.

(d) *Commission.* The Commissioners of the Consumer Product Safety Commission acting in an official capacity.

(e) *Commission Meeting.* A meeting of the Commissioners subject to the Government in the Sunshine Act, 5 U.S.C. 552b. This term is more fully defined in the Commission's regulations under the Government in the Sunshine Act, 16 CFR part 1013.

(f) *Agency meeting.* A meeting between Agency personnel, including individual Commissioners, and outside

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parties. This term and the term “outside party” are more fully defined in the Commission’s Meeting Policy, 16 CFR part 1012.

§ 1011.3 General requirements for various kinds of meetings.

Meetings which involve Agency staff or the Commissioners, other than Commission meetings, are classified in the following categories and shall be held according to the procedures outlined within each category.

(a) *Hearings.* Hearings are public inquiries held by direction of the Commission for the purpose of fact finding or to comply with statutory requirements. The Office of the Secretary is responsible for providing transcription services at the hearings. Where possible, notice of forthcoming hearings will be published in the Public Calendar and the FEDERAL REGISTER at least 30 days before the date of the hearings.

(b) *Meetings between Commissioners or Agency staff and outside parties.* The requirements for Agency meetings between Commissioners or Agency staff and outside parties involving substantial interest matters are contained in 16 CFR part 1012.

(c) *Commission meetings.* The requirements for Commission meetings under the Government in the Sunshine Act, 5 U.S.C. 552b are contained in 16 CFR part 1013.

(d) *Staff meetings.* As a general rule, only Agency employees attend staff meetings. At the discretion of the participants, Staff meetings may be listed on the Public Calendar and attendance by the public may be permitted. Recordkeeping is at the discretion of the participants.

(e) *Advisory committee meetings.* Meetings of the Agency’s advisory committees are scheduled by the Commission. Advance notice will be given in both the Public Calendar and the FEDERAL REGISTER. Advisory committee meetings serve as a forum for discussion of matters relevant to the Agency’s statutory responsibilities with the objective of providing advice and recommendations to the Commission. The Agency’s advisory committees are the National Advisory Committee for the Flammable Fabrics Act, the Product

Safety Advisory Council, the Technical Advisory Committee on Poison Prevention Packaging and the Toxicological Advisory Board. The Office of the Secretary is responsible for the recordkeeping for such meetings. The Commission’s regulation for the management of its advisory committees is set out in 16 CFR part 1018.

§ 1011.4 Forms of advance public notice of meetings; Public Calendar/Master Calendar and Federal Register.

Advance notice of Agency activities is provided so that members of the public may know of and participate in these activities to the fullest extent possible. Where appropriate, the Commission uses the following types of notice for both Agency meetings subject to 16 CFR part 1012 and Commission meetings subject to 16 CFR part 1013:

(a) *Public Calendar/Master Calendar.* (1) The printed Public Calendar and the Master Calendar maintained in the Office of the Secretary are the principal means by which the Agency notifies the public of its day-to-day activities. The Public Calendar and/or Master Calendar provide advance notice of public hearings, Commission meetings, Agency meetings with outside parties involving substantial interest matters, other Agency meetings, selected staff meetings, advisory committee meetings, and other activities such as speeches and participation in panel discussions, regardless of the location. The Public Calendar also lists recent CPSC FEDERAL REGISTER issuances and Advisory Opinions of the Office of the General Counsel.

(2) Upon request in writing to the Office of the Secretary, Consumer Product Safety Commission, Washington, D.C. 20207, any person or organization will be sent the Public Calendar on a regular basis free of charge. In addition, interested persons may contact the Office of the Secretary to obtain information from the Master Calendar which is kept current on a daily basis.

(3) The Public Calendar and the Master Calendar, supplemented by meeting summaries, are intended to serve the requirements of section 27(j)(8) of the Consumer Product Safety Act (15 U.S.C. 2076(j)(8)).

(b) *Federal Register*. FEDERAL REGISTER is the publication through which official notifications, including formal rules and regulations of the Agency, are made. Because the Public Calendar and/or Master Calendar are the primary devices through which the Agency notifies the public of its routine, daily activities, the FEDERAL REGISTER will be utilized only when required by the Government in the Sunshine Act (as provided in 16 CFR part 1013) or other applicable law, or when the Agency believes that the additional coverage which the FEDERAL REGISTER can provide is necessary to assist in notification to the public of important meetings.

PART 1012—MEETINGS POLICY— MEETINGS BETWEEN AGENCY PERSONNEL AND OUTSIDE PAR- TIES

Sec.

1012.1 General policy considerations; scope.

1012.2 Definitions.

1012.3 Advance public notice of agency meetings.

1012.4 Public attendance at agency meetings.

1012.5 Recordkeeping for agency meetings.

1012.6 The news media.

1012.7 Telephone conversations.

AUTHORITY: Pub. L. 92-573, 86 Stat. 1207 (15 U.S.C. 2051-81) as amended by Pub. L. 94-284, 90 Stat. 503, Pub. L. 95-319, 92 Stat. 386, Pub. L. 95-631, 92 Stat. 3742; Pub. L. 90-189, 81 Stat. 568 (15 U.S.C. 1191-1204); Pub. L. 86-613, 74 Stat. 372, as amended by Pub. L. 89-756, 80 Stat. 1303, and Pub. L. 91-113, 83 Stat. 187 (15 U.S.C. 1261-74); Pub. L. 91-601, 84 Stat. 1670 (15 U.S.C. 1471-76) and the Act of Aug. 7, 1956, 70 Stat. 953 (15 U.S.C. 1211-14).

SOURCE: 46 FR 38323, July 24, 1981, unless otherwise noted.

§ 1012.1 General policy considerations; scope.

(a) To achieve its goals of involving the public in its activities and conducting its business in an open manner, the Agency, whenever practicable, shall notify the public in advance of all meetings involving matters of substantial interest held or attended by its personnel, and shall permit the public to attend such meetings. Furthermore, to ensure the widest possible exposure of the details of such meetings, the

Agency will keep records of them freely available for inspection by the public.

(b) This part 1012, the Agency's Meetings Policy, sets forth requirements for advance public notice, public attendance, and recordkeeping for Agency meetings.

§ 1012.2 Definitions.

(a) As used in this part 1012, the following terms have the respective meanings set forth in paragraphs (a)-(d) of §1011.2 of this subchapter: "Agency," "Agency staff," "Commissioner," "Commission."

(b) *Agency meeting*. Any face-to-face encounter, other than a Commission meeting subject to the Government in the Sunshine Act, 5 U.S.C. 552b, and part 1013, in which one or more employees, including Commissioners, discusses with an outside party any subject relating to the Agency or any subject under its jurisdiction. The term Agency meeting does not include telephone conversations, but see §1012.8 which relates to telephone conversations.

(c) *Outside party*. Any person not an employee, not under contract to do work for the Agency, or not acting in an official capacity as a consultant to the Consumer Product Safety Commission, such as advisory committee members or offeror personnel. Examples of persons falling within this definition are representatives from industry and consumer groups. Members of the news media when acting in a newsgathering capacity are not outside parties. (See also §1012.7.) Officers and employees of the Federal Government when acting in their official capacities (except when advocating a particular course of action on behalf of an outside party) are not outside parties.

(d) *Substantial interest matter*. Any matter, other than that of a trivial nature, that pertains in whole or in part to any issue that is likely to be the subject of a regulatory or policy decision by the Commission. Pending matters, i.e., matters before the Agency in which the Agency is legally obligated to make a decision, automatically constitute substantial interest matters. Examples of pending matters are: Scheduled administrative hearings;

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matters published for public comments; petitions under consideration; and mandatory standard development activities. The following are some examples of matters that do not constitute substantial interest matters: Inquiries concerning the status of a pending matter; discussions relative to general interpretations of existing laws, rules, and regulations; inspection of nonconfidential CPSC documents by the public; negotiations for contractual services; and routine CPSC activities such as recruitment, training, meetings involving consumer deputies, or meetings with hospital staff and other personnel involved in the National Electronic Injury Surveillance System.

§ 1012.3 Advance public notice of agency meetings.

(a) Commissioners and Agency employees are responsible for reporting meeting arrangements for Agency meetings to the Office of the Secretary so that they may be published in the Public Calendar or entered on the Master Calendar at least seven days before a meeting, except as provided in paragraph (d) of this section. These reports shall include the following information:

- (1) Probable participants and their affiliations;
- (2) Date, time and place of the meeting;
- (3) Subject of the meeting (as fully and precisely described as possible);
- (4) Who requested the meeting;
- (5) Whether the meeting involves matters of substantial interest;
- (6) Notice that the meeting is open or reason why the meeting or any portion of the meeting is closed (e.g., discussion of trade secrets); and
- (7) Names and telephone number of the CPSC host or CPSC contact person.

(b) Once a report has been made to the Office of the Secretary, Agency employees subsequently desiring to attend the meeting need not notify the Office of the Secretary.

(c) When there is no opportunity to give seven days advance notice of a meeting, Agency employees (other than the Commissioners or their personal staff) who desire to hold or attend such a meeting must obtain the approval of the General Counsel or his

or her designee. Requests for waiver of the seven-day advance notice requirement by members of the staff who report to the Executive Director may only be submitted to the General Counsel or his or her designee in writing by the Executive Director or his or her designee. Personal staff of Commissioners must obtain the approval of their respective Commissioners. If the short notice is approved, the Agency employee must notify the Office of the Secretary in advance of the meeting to record the meeting on the Master Calendar. The Office of the Secretary shall publish notice of the meeting as an addendum to the next Public Calendar.

(d) Exceptions. The notice requirement shall not apply to:

(1) Meetings with outside parties not involving substantial interest matters (although such meetings should be limited where the public interest would be served);

(2) Meetings with outside parties held during the normal course of surveillance, inspection, or investigation under any of the Acts administered by the Commission, including informal citation hearings under the Federal Hazardous Substance Act or the Poison Prevention Packaging Act;

(3) Meetings with outside parties concerning the settlement or negotiation of an individual case, including proposed remedial action, or meetings concerning any administrative or judicial action in which the outside party is a participant, party, or *amicus curiae*;

(4) Routine speeches given by CPSC personnel before outside parties. However, for information purposes, personnel are encouraged to submit advance notice of these speeches to the Office of the Secretary for inclusion in the Public Calendar;

(5) Meetings with other Federal personnel that are also attended by outside parties except where a specific matter to be discussed is also pending before the Commission or its staff;

(6) Meetings with state, local or foreign government personnel concerning intergovernmental cooperative efforts and not the advocacy of a particular course of action on behalf of a constituency of the governmental entity;

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(7) Meetings or discussions with or at the request of either members of Congress and their staffs relating to legislation, appropriation or oversight matters, or Management and Budget personnel relating to legislation or appropriation matters;

(8) Pre-proposal conferences involving confidential contracts made pursuant to 41 U.S.C. 252(c)(12) in connection with potential litigation matters.

§ 1012.4 Public attendance at agency meetings.

(a) Any person may attend any meeting involving a substantial interest matter unless that meeting has been listed as a closed meeting. For meetings not involving substantial interest matters, the chairperson of the meeting may exercise his or her discretion to allow attendance by a member of the public.

(b) When meetings between Agency employees and outside parties are open to the public, attendance may be limited by space. When feasible, a person or organization desiring to attend such a meeting should give at least one day advance notice to one of the employees holding or attending the meeting so that sufficient space can be arranged for all those wishing to attend.

(c) Members of the public attending Agency meetings generally may observe only. The chairperson of the meeting may exercise his or her discretion to permit members of the public to participate as well.

(d) The following Agency meetings are not open to the public:

(1) Meetings, or, if possible, portions of meetings where the General Counsel or his or her designee has determined that proprietary data are to be discussed in such a manner as to imperil their confidentiality;

(2) Meetings held by outside parties at which limits on attendance are imposed by lack of space, provided that such meetings are open to the news media;

(3) Meetings with outside parties held during the normal course of surveillance, inspection, or investigation under any of the Acts administered by the Commission, including informal citation hearings under the Federal Haz-

ardous Substances Act or the Poison Prevention Packaging Act;

(4) Meetings with outside parties concerning the settlement or negotiation of an individual case, including proposed remedial action, or meetings concerning any administrative or judicial action in which the outside party is a participant, party, or *amicus curiae*;

(5) Meetings with other Federal personnel that are attended by outside parties except where a specific matter to be discussed is also pending before the Commission or its staff;

(6) Meetings with state, local or foreign government personnel concerning intergovernmental cooperative efforts and not the advocacy of a particular course of action on behalf of a constituency of the governmental entity;

(7)(i) Meetings between Agency staff (other than Commissioners and their personal staff) and an outside party when the General Counsel or his or her designee determines that extraordinary circumstances require that the meeting be closed. Requests for exemption by members of the staff who report to the Executive Director may be submitted to the General Counsel or his or her designee in writing only by the Executive Director or his or her designee. In such a case, the reasons for closing the meeting or a portion of the meeting shall be stated in the Public Calendar notice announcing the meeting;

(ii) Meetings between a Commissioner (or his or her personal staff) and an outside party when, in the opinion of the Commissioner, extraordinary circumstances require that the meeting be closed. In such a case, the reasons for closing the meeting or a portion of the meeting must be stated in the Public Calendar notice announcing the meeting;

(8) Meetings or discussions with or at the request of either members of Congress and their staffs relating to legislation, appropriation or oversight matters, or Management and Budget personnel relating to legislation or appropriation matters; and

(9) Pre-proposal conferences involving confidential contracts made pursuant to 41 U.S.C. 252(c)(12), in connection with the potential litigation matters.

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§ 1012.5 Recordkeeping for agency meetings.

(a) This section describes and establishes requirements for the two types of records maintained for Agency meetings, Agency meeting summaries and transcripts.

(b) *Agency meeting summaries.* Agency meeting summaries are written records settling forth the issues discussed at all Agency meetings with outside parties involving substantial interest matters. Any Commission employee who holds or attends an Agency meeting involving a substantial interest matter must prepare a meeting summary. However, only one agency meeting summary is required for each meeting even if more than one CPSC employee holds or attends the meeting. Agency meeting summaries are generally available to the public in the Agency's Public Reading Room in the Office of the Secretary as described in paragraph (b)(2) of this section.

(1) An agency meeting summary should state the essence of all substantive matters relevant to the Agency, especially any matter discussed which was not listed on the Public Calendar, and should describe any decisions made or conclusions reached regarding substantial interest matters. An agency meeting summary should also indicate the date of the meeting and the identity of persons who attended.

(2) An agency meeting summary or a notice of cancellation of the meeting must be submitted to the Office of the Secretary within twenty (20) calendar days after the meeting for which the summary is required. The Office of the Secretary shall maintain a file of the meeting summaries in chronological order, which shall be available to the public to the extent permitted by law.

(c) *Transcripts.* Transcripts are generally taken at public hearings and certain Agency meetings when complex subjects indicate *verbatim* records are desirable. The transcript may also include exhibits submitted to be part of the formal record of an Agency meeting. Copies of such transcripts are placed on file for public inspection in the Office of the Secretary.

§ 1012.6 The news media.

The Agency recognizes that the news media occupy a unique position in informing the public of the Agency's activities. The Commission believes that the inherently public nature of the news media allows their activities to be exempt from the requirements of this part whenever Agency meetings are held with the news media for the purpose of informing them about Agency activities. Such Agency meetings are not exempt in the event that any representative of the news media attempts to influence any Agency employee on a substantial interest matter.

§ 1012.7 Telephone conversations.

(a) Telephone conversations present special problems regarding Agency meetings. The Commission recognizes that persons outside the Agency have a legitimate right to receive information and to present their views regarding Agency activities. The Commission also recognizes that such persons may not have the financial means to travel to meet with Agency employees. However, because telephone conversations, by their very nature, are not susceptible to public attendance, or participation, Agency employees must take care to ensure that telephone conversations are not utilized to circumvent the provisions of this part.

(b) Two basic rules apply to telephone conversations:

(1) Any Agency employee holding a telephone conversation in which substantial interest matters are discussed with an outside party must prepare a telephone call summary of the conversation. The summary must meet the requirements of § 1012.5(b), and must be submitted to the Office of the Secretary within twenty (20) calendar days of the conversation. The Office of the Secretary shall maintain file of telephone call summaries in chronological order which shall be available to the public to the extent permitted by law.

(2) All Agency employees must exercise sound judgment in discussing substantial interest matters during a telephone conversation. In the exercise of such discretion Agency employees should not hesitate to terminate a telephone conversation and insist that the

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matters being discussed be postponed until an Agency meeting with appropriate advance public notice may be scheduled, or, if the outside party is financially or otherwise unable to meet with the Agency employee, until the matter is presented to the Agency in writing.

PART 1013—GOVERNMENT IN THE SUNSHINE ACT, RULES FOR COMMISSION MEETINGS

Sec.

1013.1 General policy considerations; scope.

1013.2 Definitions.

1013.3 Announcement of Commission meetings and changes after announcement.

1013.4 Public attendance at Commission meetings.

1013.5 Recordkeeping requirements.

1013.6 Public availability of transcripts, recordings and minutes of Commission meetings.

AUTHORITY: 5 U.S.C. 552b(g).

SOURCE: 46 FR 38326, July 24, 1981, unless otherwise noted.

§ 1013.1 General policy considerations; scope.

(a) In enacting the Government in the Sunshine Act, 5 U.S.C. 552b, the Congress stated the policy that, to the fullest practicable extent, the public is entitled to information regarding the decisionmaking processes of the Federal Government. The purpose of the Government in the Sunshine Act is to provide the public with such information while protecting both the rights of individuals and the ability of the Government to carry out its responsibilities. When the Commissioners of the Consumer Product Safety Commission hold meetings for the purpose of jointly conducting or disposing of Commission business they will conduct these meetings in accordance with the provisions of the Government in the Sunshine Act.

(b) This part 1013 prescribes rules the Commission follows in carrying out the Government in the Sunshine Act.

§ 1013.2 Definitions.

(a) As used in this part 1013, the following terms shall have the respective meanings set forth in paragraphs (a), (c) and (d) of § 1011.2 of this subchapter:

“Agency,” “Commissioner,” “Commission.”

(b) *Majority of the Commission.* Three or more of the Commissioners.

(c) *Commission meeting.* The joint deliberations of at least a majority of the Commission where such deliberations determine or result in the joint conduct or disposition of official Agency business. This term does not include meetings required or permitted by § 1013.4(b) (to determine whether a meeting will be open or closed), meetings required or permitted by § 1013.3(e) (to change the subject matter of a meeting or the determination to open or close a meeting after the public announcement) or meetings required or permitted by 1013.3(c) (to dispense with the one week advance notice of a meeting).

§ 1013.3 Announcement of Commission meetings and changes after announcement.

(a) The Secretary of the Commission is responsible for preparing and making public the announcements and notices relating to Commission meetings that are required in this part.

(b) The Agency shall announce each Commission meeting in the Public Calendar or Master Calendar at least one week (seven calendar days) before the meeting. The Agency shall concurrently submit the announcement for publication in the FEDERAL REGISTER. The announcement and the FEDERAL REGISTER notice shall contain the following information:

(1) The date, time, and place of the meeting;

(2) The subject matter of the meeting;

(3) Whether the meeting will be open or closed to the public;

(4) The name and phone number of the official who responds to requests for information about the meeting.

(c) If a majority of the Commission determines by recorded vote that Agency business requires calling a meeting without seven calendar days advance public notice, the Office of the Secretary shall announce this determination in the Public Calendar or Master Calendar at the earliest practicable time and shall concurrently transmit

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the announcement for publication in the FEDERAL REGISTER.

(d) When necessary and at the direction of the Chairman, the Secretary shall change the time of a Commission meeting after the announcement in the Public Calendar or Master Calendar. Any such change shall be entered on the Master Calendar and such other notice shall be given as is practicable.

(e) After announcement of a Commission meeting in the Public Calendar or Master Calendar, the Commission may change the subject matter of a Commission meeting or the decision to open or close a Commission meeting or portion thereof to the public, only if a majority of the Commission determines by recorded vote that Agency business so requires, and only if a majority of the Commission determines by recorded vote that no earlier announcement of the change was possible. The Commission shall announce the change in the Public Calendar or Master Calendar at the earliest practicable time before the meeting and shall concurrently transmit the announcement for publication in the FEDERAL REGISTER. Announcement of the change shall include the vote of each Commissioner upon the change. (See also §1013.4(d) for requirements for Commission reconsideration of a decision to open or close a meeting to the public.)

§ 1013.4 Public attendance at Commission meetings.

(a) *Attendance by the public.* Every portion of every Commission meeting shall be open to public observation except as provided in paragraph (b) of this section. Notwithstanding the applicability of the exemptions contained in paragraph (b) of this section, a Commission meeting or portions thereof shall be open to public observation when the Commission determines that the public interest so requires. The Commission shall take into account in all cases the relative advantages and disadvantages to the public of conducting the Commission meeting in open session. The number of public observers shall be limited only by availability of space. Attendance by the public shall usually be limited to observation and shall not include partici-

pation except where, by majority vote, the Commission determines that data or views from certain members of the public will be permitted. To the extent their use does not interfere with the conduct of open meetings, cameras and sound-recording equipment may be used at open Commission meetings. The Chairman or presiding Commissioner shall insure that use of such equipment does not disrupt the meeting.

(b) *Exemptions to the requirement of openness.* The requirement in paragraph (a) of this section that all Commission meetings be open to public observation shall not apply to any Commission meeting or portion thereof for which the Commission has determined in accordance with the procedures for closing meetings set forth in paragraph (c) of this section, that such meeting or portion thereof is likely to:

(1) Disclose matters that are specifically authorized under criteria established by an Executive Order to be kept secret in the interest of national defense or foreign policy and in fact are properly classified pursuant to such Executive Order;

(2) Relate solely to the internal personnel rules and practices of the Agency;

(3) Disclose matters specifically exempted from disclosure by statute (other than 5 U.S.C. 552): *Provided*, That such statute (i) requires that the matters be withheld from the public in such a manner as to leave no discretion on the issue, or (ii) establishes particular criteria for withholding or refers to particular types of matters to be withheld;

(4) Disclose trade secrets and commercial or financial information obtained from a person and privileged or confidential;

(5) Involve accusing any person of a crime, or formally censuring any person;

(6) Disclose information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy;

(7) Disclose investigatory records compiled for law enforcement purposes or information which if written would be contained in such records, but only

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to the extent that the production of such records or information would,

(i) Interfere with enforcement proceedings,

(ii) Deprive a person of a right to a fair trial or an impartial adjudication,

(iii) Constitute an unwarranted invasion of personal privacy,

(iv) Disclose the identity of a confidential source and, in the case of a record compiled by a criminal law enforcement authority in the course of a criminal investigation, or by an agency conducting a lawful national security intelligence investigation, confidential information furnished only by the confidential source,

(v) Disclose investigative techniques and procedures or,

(vi) Endanger the life or physical safety of law enforcement personnel;

(8) Disclose information contained in or related to examination, operating or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions;

(9) Disclose information the premature disclosure of which would be likely to significantly frustrate implementation of a proposed Agency action. This provision does not apply in any instance where the Agency has already disclosed to the public the content or nature of its proposed action, or where the Agency is required by law to make such disclosure on its own initiative prior to taking final agency action on such proposal; or

(10) Specifically concern the Agency's issuance of a subpoena, or the Agency's participation in a civil action or proceeding, an action in a foreign court or international tribunal, or an arbitration, or the initiation, conduct, or disposition by the Agency of a particular case of formal agency adjudication pursuant to the procedures in 5 U.S.C. 554 or otherwise involving a determination on the record after opportunity for a hearing.

(c) *Procedure for closing Commission Meetings.* The following procedure shall be followed in closing a Commission meeting or portion thereof to public observation:

(1) A majority of the Commission must vote to close a meeting or portion thereof to public observation pursuant

to paragraph (b) of this section. A separate vote of the Commission shall be taken for each matter with respect to which a Commission meeting is proposed to be closed to public observation. Each such vote may, at the discretion of the Commission, apply to that portion of any meeting held within the following thirty days in which such matter is to be discussed. The vote of each Commissioner participating in such vote shall be recorded and no proxies shall be allowed.

(2) Any person whose interest may be directly affected if a portion of a Commission meeting is open may request in writing to the Office of the Secretary that the Commission close that portion of the meeting on the basis of paragraph (b) (5), (6), or (7) of this section. The Commission shall vote on such requests if at least one Commissioner desires to do so.

(3) Before the Commission may hold a closed meeting the General Counsel must certify that in his or her opinion, the meeting may properly be closed to the public. Such certification shall be in writing and shall state each relevant exemptive provision.

(4) Within one day of a vote in accordance with paragraph (c) (1) or (2) of this section to close a Commission meeting or portion thereof, the Secretary shall make available to the public a notice setting forth:

(i) The results of the vote reflecting the vote of each Commissioner;

(ii) A full explanation of the action of the Commission closing the meeting or portion thereof, including reference to the specific basis for such closing (see paragraph (b) of this section) and an explanation, (without disclosing exempt information), of why the Commission concludes on balance, taking into account the relative advantages and disadvantages to the public of conducting the meeting in open or closed session, that the public interest would best be served by closing the meeting;

(iii) A list of all non-Agency personnel expected to attend the meeting and their affiliations; and

(iv) A certification by the General Counsel that in his or her opinion, the meeting may properly be closed to the public. If a vote to close a Commission meeting takes place on the same day as

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the meeting, the certification must be made available to the public before the meeting is convened.

(5) The public release of the portion of the written statement required by paragraph (c)(4)(ii) of this section may be delayed upon a determination by the Commission, by recorded vote, that such a notice, or portion thereof, would disclose information which may be withheld in accordance with paragraphs (b) (1) through (10) of this section.

(d) *Reconsideration of a decision to open or close a Commission meeting.* The Commission may, in accordance with the procedures in §1013.3(3) or paragraph (c)(2) of this section, reconsider its decision to open or close a Commission meeting when it finds that the public interest so requires.

[46 FR 38326, July 24, 1981, as amended at 48 FR 36566, Aug. 12, 1983]

§ 1013.5 Recordkeeping requirements.

(a) Commission meetings, transcripts, recordings, or minutes.

(1) The Agency shall maintain a complete transcript or electronic recording of each Commission meeting, whether open or closed, except that in the case of a Commission meeting or portion thereof closed to the public pursuant to paragraph (b)(10) of §1013.4, the Agency may elect to maintain a set of meeting minutes instead of a transcript or a recording. Minutes of such closed Commission meetings shall:

(i) Fully and clearly describe all matters discussed, and

(ii) Provide a full and accurate summary of any actions taken and the reasons therefor, including a description of each of the views expressed on any item and the record of any roll call vote (reflecting the vote of each Commissioner on the question). All documents considered in connection with any action shall be identified in the meeting minutes.

(2) The transcript, recording or minutes of closed Commission meetings shall include the certification by the General Counsel or by his or her designee, required by §1013.4(c)(3) and a statement by the presiding Commissioner setting forth the date, time and place of the meeting and the persons present.

(3) The transcript, recording, or minutes of any Commission meeting may include attachments such as Commission opinions, briefing papers, or other documents presented at the meeting.

(4) The transcript and accompanying material shall be maintained by the Secretary for a period of at least two years after the meeting, or until one year after the conclusion of any Agency proceeding with respect to which the meeting, or portion thereof, was held, whichever occurs later.

(b) Minutes of Commission Decisions. Minutes of Commission Decisions summarizing the issues presented to the Commission for decision and indicating the vote of each Commissioner document the decisions of the Commission, whether made at open or closed meetings or by ballot vote. The Commission's final Minutes of Commission Decisions, issued by the Office of the Secretary, constitute the official means of recording the decisions of the Commission and the votes of individual Commissioners.

§ 1013.6 Public availability of transcripts, recordings and minutes of Commission meetings.

(a) Availability of transcripts, recordings or minutes. The Agency shall make available to the public the transcript, recording or minutes of Commission meetings. However, unless the Commission finds that the public interest requires otherwise, any portion of the transcript, recording or minutes of a closed Commission meeting which is determined to contain information which may properly be withheld from the public on the basis of paragraphs (b) (1) through (10) of §1013.4 need not be made available to the public.

(b) Procedures for making available transcripts, recordings or meeting minutes. Meeting records will be made available for inspection, or copies will be furnished, as requested, in accordance with the following procedures.

(1) *Requests.* Requests for inspection or copies shall be in writing addressed to the Secretary, Consumer Product Safety Commission, Washington, D.C. 20207. A request must reasonably describe the Commission meeting, or portion thereof, including the date and

subject matter or any other information which may help to identify the requested material.

(2) *Responses to requests.* The responsibility for responding to requests for meeting records is vested in the Secretary of the Commission. In any case where the Secretary or his or her designee, in his or her discretion, determines that a request for an identifiable meeting record should be initially determined by the Commission, the Secretary or his or her designee may certify the matter to the Commission for decision. In that event, the Commission decision shall be made within the time limits set forth in paragraph (b)(5)(iii) of this section and shall be final.

(3) *Time limitations on responses to requests.* The Secretary or his or her designee shall respond to all written requests for copies of meeting records within ten (10) working days. The time limitations on responses to requests shall begin to run as of the time a request for records is received and date stamped by the Office of the Secretary.

(4) *Responses. Form and content.* When a requested meeting record has been identified and is available for disclosure the requester shall either be informed as to where and when the records will be made available for inspection or be supplied with a copy. A response denying a written request for a meeting record of a closed Commission meeting shall be in writing signed by the Secretary and shall include:

(i) A reference to the specific exemptions under the Government in the Sunshine Act (5 U.S.C. 552b(c)) authorizing the denial; and

(ii) A statement that the denial may be appealed to the Commission pursuant to paragraph (b)(5) of this section.

(5) *Appeals to the Commissioners.* (i) When the Secretary or his or her designee has denied a request for records in whole or in part, the requester may, within 30 days of its receipt, appeal the denial to the Commissioners of the Consumer Product Safety Commission by writing to the attention of the Chairman, Consumer Product Safety Commission, Washington, D.C. 20207.

(ii) The Commission will act upon an appeal within 20 working days of its receipt. The time limitations on an ap-

peal begin to run as of the time an appeal is received by the Office of the Chairman and date stamped.

(iii) The Commission's action on appeal shall be in writing, signed by the Chairman of the Commission if the appeal is denied and shall identify the Commissioners who voted for a denial. A denial in whole or in part of a request on appeal for records of a closed meeting shall set forth the exemption relied on and a brief explanation (without disclosing exempt information) of how the exemption applies to the records withheld. A denial in whole or in part shall also inform the requester of his or her right to seek judicial review as specified in 5 U.S.C. 552b(h).

(6) *Fees.* (i) Fees shall be charged for copies of transcriptions of recording or minutes in accordance with the schedule contained in paragraph (b)(6)(iii) of this section.

(ii) There shall be no fee charged for services rendered in connection with production or disclosure of meeting records unless the charges, calculated according to the schedule below, exceed the sum of \$25.00. Where the charges are calculated to be an amount in excess of \$25.00, the fee charged shall be the difference between \$25.00 and the calculated charges.

(iii) The schedule of charges for furnishing copies of meeting records is as follows:

(A) Reproduction, duplication or copying of transcripts or minutes: 10 cents per page.

(B) Reproduction of recordings: actual cost basis.

(C) Transcription (where meeting records are in the form of a recording only): actual cost basis.

(D) Postage: actual cost basis.

PART 1014—POLICIES AND PROCEDURES IMPLEMENTING THE PRIVACY ACT OF 1974

Sec.

1014.1 Purpose and scope.

1014.2 Definitions.

1014.3 Procedures for requests pertaining to individual records.

1014.4 Requirements for identification of individuals making requests.

1014.5 Disclosure of requested information to individuals.

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- 1014.6 Request for correction or amendment to a record.
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- 1014.8 Appeal of initial denial of access, correction or amendment.
- 1014.9 Disclosure of record to person other than the individual to whom it pertains.
- 1014.10 Fees.
- 1014.11 Penalties.
- 1014.12 Specific exemptions.

AUTHORITY: Privacy Act of 1974 (5 U.S.C. 552a).

SOURCE: 40 FR 53381, Nov. 18, 1975, unless otherwise noted.

§ 1014.1 Purpose and scope.

This part sets forth the regulations of the Consumer Product Safety Commission implementing the Privacy Act of 1974 (Pub. L. 93-579). The purpose of these regulations is to inform the public about records maintained by the Commission which contain personal information about individuals, and to inform those individuals how they may seek access to and correct records concerning themselves. These regulations do not apply to requests for information made pursuant to the Freedom of Information Act (except where such disclosures would constitute an invasion of privacy of an individual).

§ 1014.2 Definitions.

As used in this part:

(a) *Individual* means a person who is a citizen of the United States or an alien lawfully admitted for permanent residence.

(b) *Privacy Act* means the Privacy Act of 1974 (Pub. L. 93-579).

(c) *Record* means any item of personal information relating to an individual, such as educational, employment, financial or medical information.

(d) *Statistical record* means a record in a system of records maintained for statistical research or reporting purposes only and not used in whole or in part in making any determination about an identifiable individual.

(e) *System of records or records systems* means a group of records maintained by the Commission from which information may be retrieved by the name of an individual or some other individual identifier.

(f) *Maintain* includes the collection, use, storage, and dissemination of information.

§ 1014.3 Procedures for requests pertaining to individual records.

(a) Any individual may request the Commission to inform him or her whether a particular record system named by the individual contains a record pertaining to him or her. The request may be made by mail or in person during business hours (8:30 a.m. to 5 p.m.) to the Freedom of Information/Privacy Act Officer, Office of the Secretary, Consumer Product Safety Commission, 4330 East West Highway, Bethesda, Maryland (mailing address: Consumer Product Safety Commission, Washington, DC 20207).

(b) An individual who believes that the Commission maintains a record pertaining to him or her but who cannot determine which record system may contain the record, may request assistance by mail or in person at the Office of the Secretary during business hours.

(c) A Commission officer or employee or former employee who desires to review or obtain a copy of a personnel record pertaining to him or her may make a request by mail or in person at the Office of Human Resources Management, Room 523, 4330 East West Highway, Bethesda, Maryland (mailing address: Consumer Product Safety Commission, Washington, DC 20207).

(d) Each individual requesting the disclosure of a record or a copy of a record shall furnish the following information to the extent known with the request to the Freedom of Information/Privacy Act Officer or to the Division of Personnel's Processing Unit, as applicable:

(1) A description of the record sought;

(2) The approximate date of the record;

(3) The name or other description of the record system containing the record;

(4) Proof as required in §1014.4 that he or she is the individual to whom the requested record relates; and

(5) Any other information required by the notice describing the record system.

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(e) An individual personally inspecting his or her records may be accompanied by other persons of his or her own choosing. The individual shall sign a written statement authorizing disclosure of the record in the other person's presence.

(f) Any individual who desires to have a record concerning himself or herself disclosed to or mailed to another person may authorize that person to act as his or her agent for that specific purpose. The authorization shall be in writing, signed by the individual, and shall be notarized. An agent requesting the review or copy of another's record shall submit with the request the authorization and proof of his or her identity as required by § 1014.4(c).

(g) The parent of any minor individual or the legal guardian of any individual who has been declared by a court of competent jurisdiction to be incompetent, due to physical or mental incapacity or age, may act on behalf of that individual in any matter covered by this part. A parent or guardian who desires to act on behalf of such individual shall present suitable evidence of parentage or guardianship, by birth certificate, certified copy of a court order, or similar documents, and proof of the individual's identity in a form that complies with § 1014.4(c).

(h) An individual may request an accounting of all disclosures made to other persons or agencies of his or her record, except those disclosures made to law enforcement agencies pursuant to section (b)(7) of the Privacy Act (5 U.S.C. 552a(b)(7)). A request for accounting, whenever made, shall be treated as a request for disclosure of records.

[40 FR 53381, Nov. 18, 1975, as amended at 53 FR 52404, Dec. 28, 1988; 62 FR 46667, Sept. 4, 1997]

§ 1014.4 Requirements for identification of individuals making requests.

The following proof of identity is required for requests for records made pursuant to § 1014.3:

(a) An individual seeking a record about himself or herself in person may establish his or her identity by the presentation of a single document bearing a photograph (such as a passport or

driver's license) or by a presentation of two items of identification which do not bear a photograph but do bear both a name and address. An individual who cannot provide documentation of his or her identity may provide a written statement affirming his or her identity and the fact that he or she understands the penalties for making false statements (18 U.S.C. 1001 and 5 U.S.C. 552a(i)(3)).

(b) An individual seeking a record by mail shall include a statement signed by the individual and properly notarized, that he or she appeared before a notary public and submitted proof of identity acceptable to the notary public.

(c) Requests made by an agent, parent, or guardian shall, in addition to establishing the identity of the minor or other person he or she represents as required by paragraphs (a) and (b), establish his or her agency, parentage, or guardianship by documentation.

(d) In any case in which the Commission determines that the proof of identity is not adequate, it may request the individual to submit additional proof of identity.

§ 1014.5 Disclosure of requested information to individuals.

(a) Upon submission of proof of identity, the Office of the Secretary or the Director of Resource Utilization, as applicable, shall promptly forward the request to the system manager who will promptly allow the individual to see and/or have a copy of the requested record or send a copy of the record to the individual by mail, as requested by the individual. If the individual asks to see the record, the record should be made available for review and/or copying at the location where the record is maintained, in the Office of the Secretary, or the Director of Resource Utilization, or at the nearest Area Office.

(b) If the system manager should determine, for any reason, that the requested records are exempt from the right of access, a notice of denial shall be sent to the requester stating the reasons for denial, and the requester's right to appeal the denial in accordance with the procedures set forth in § 1014.8 of these regulations.

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§ 1014.6 Request for correction or amendment to a record.

(a) Any individual who has reviewed a record pertaining to himself or herself may request the Executive Director to correct or amend all or any part of the record.

(b) Each request for a correction or amendment of a record shall be in writing and shall contain the following information:

(1) The name of the individual requesting the correction or amendment;

(2) The name or other description of the system of records in which the record sought to be amended is maintained;

(3) The location of that record in the system of records to the extent that it is known;

(4) A copy of the record sought to be amended or a description of that record;

(5) A statement of the material in the record that should be corrected or amended;

(6) A statement of the specific wording of the correction or amendment sought; and

(7) A statement of the basis for the requested correction or amendment including any material that the individual can furnish to substantiate the reasons for the amendment sought.

[40 FR 53381, Nov. 18, 1975, as amended at 42 FR 22878, May 5, 1977]

§ 1014.7 Agency review of request for correction or amendment of a record.

(a) Not later than 10 working days after the receipt of the request for the correction or amendment of a record under § 1014.6, the responsible Commission official shall acknowledge receipt of the request and inform the individual whether further information is required before the correction or amendment can be considered.

(b) The responsible Commission official will promptly review the request and either make the requested correction or amendment or notify the individual of his or her refusal to do so, including in the notification the reasons for the refusal, and the appeal procedures provided by § 1014.8.

(c) The responsible Commission official will make each requested correc-

tion or amendment to a record if that correction or amendment will correct anything within the record that is not accurate, relevant, timely, or complete. A copy of each corrected or amended record shall be furnished to the individual who requested the action. If an accounting of disclosure has been kept, all previous recipients of the record shall be notified of the correction and its substance.

§ 1014.8 Appeal of initial denial of access, correction or amendment.

(a) Any individual whose request for access, correction or amendment to a record is denied, in whole or in part, may appeal that decision within 30 working days to the Chairman, Consumer Product Safety Commission, Washington, D.C. 20207.

(b) The appeal shall be in writing and shall:

(1) Name the individual making the appeal;

(2) Identify the record to which access is sought or which is sought to be corrected or amended;

(3) Name or describe the record system in which the record is contained;

(4) Contain a short statement describing the correction or amendment sought;

(5) State the name and location of the Commission official who initially denied the correction or amendment; and

(6) State the date of the initial denial.

(c) Not later than 30 working days after the date on which the appeal is received, the Chairman shall complete a review of the appeal and make a final decision thereon. However, for good cause shown, the Chairman of the Commission may extend the 30-day period. If the Chairman so extends the period, he or she shall promptly notify the individual requesting the review that the extension has been made.

(d) If after review of an appeal request, the Chairman also refuses to amend the record or grant access to the record in accordance with the request, he or she shall send a written notice to the requester containing the following information:

(1) The decision and the reasons for the decision;

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(2) The right of the requester to institute a civil action in a Federal District Court for judicial review of the decision; and

(3) The right of the requester to file with the Chairman a concise statement setting forth the reasons for his or her disagreement with the denial of the correction or amendment. A copy of the statement of disagreement shall be filed with the record in issue, and the record in issue shall be so marked as to indicate that there is a disagreement. The system manager shall make the statement of disagreement available to prior recipients of the disputed record to the extent that an accounting of disclosures was maintained, and to any person to whom the record is later disclosed, together with a brief statement, if deemed appropriate, of the reasons for denying the requested correction or amendment.

[40 FR 53381, Nov. 18, 1975, as amended at 42 FR 22878, May 5, 1977]

§ 1014.9 Disclosure of record to person other than the individual to whom it pertains.

(a) Any person or agency (other than an officer or employee of the Commission who has a need for individual records in the performance of his or her duty) seeking disclosure of personal records of another individual which are contained in a system of records shall submit a request in accordance with the Commission's Procedures for Disclosure of Production of Information under the Freedom of Information Act (16 CFR part 1015, subpart A).

(b) The determination of whether or not the requested disclosure is proper will be made in accordance with the provisions of the Freedom of Information Act, as amended (5 U.S.C. 552) and the Commission's policies and procedures issued thereunder (16 CFR part 1015).

[41 FR 30324, July 23, 1976]

§ 1014.10 Fees.

The Commission shall not charge an individual for the costs of making a search for a record, the costs of reviewing or copying a record, or the cost of correcting or amending a record.

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§ 1014.11 Penalties.

Any person who makes a false statement in connection with any request for a record, or an amendment thereto, under this part, is subject to the penalties prescribed in 18 U.S.C. 494, 495, and 1001; and 5 U.S.C. 552a(i)(3).

§ 1014.12 Specific exemptions.

(a) *Injury information.* (1) The Bureau of Epidemiology maintains a file of Accident Reports (In-Depth Investigations) which are conducted on a sample of product related injuries reported to the Commission by selected hospital emergency rooms, by consumers through the Commission's "Hot-Line" telephone service and through written consumer complaints and by other means such as newspaper reports. The purpose of this record system is to compile accident statistics for analyzing the incidence and severity of product related injuries.

(2) Inasmuch as the maintenance of the record system listed in paragraph (a)(1) of this section is authorized by section 5 of the Consumer Product Safety Act (15 U.S.C. 2054) and the data are used solely as statistical records, the system is exempted from the requirements of the Privacy Act relating to making available the accounting of disclosures, correction or amendment of the record and the application of these rules to the system of records. Specifically, the system is exempt from 5 U.S.C. 552a(c)(3); (d) (2) and (3); (e)(1); (e)(4) (G), (H) and (I); and (f). However, Accident Reports made by Commission employees are disclosable in accordance with paragraph (a)(3) of this section.

(3) Section 25(c) of the Consumer Product Safety Act (15 U.S.C. 2074(c)) provides that accident or investigation reports made by an officer or employee of the Commission shall be made available to the public in a manner which will not identify any injured person or any person treating him or her, without the consent of the person identified. Consequently, an accident or investigation report which identifies individuals is available to the injured party or the person treating him or her

but would not be available for disclosure to a third party without the consent of the injured party or person treating him or her.

(4) Since accident or investigation reports are compiled only for statistical purposes and are not used in whole or in part in making any determination about an individual, they are exempted from the requirement to correct or amend a record as provided by subsection (d)(2) of the Privacy Act (5 U.S.C. 552a (d)(2)). Exceptions from this paragraph, insofar as they relate to amendments or additions, may be allowed by the Executive Director.

(b) *Inspector General Investigative Files—CPSC-6.* All portions of this system of records which fall within 5 U.S.C. 552a(k)(2) (investigatory materials compiled for law enforcement purposes) and 5 U.S.C. 552a(k)(5) (investigatory materials solely compiled for suitability determinations) are exempt from 5 U.S.C. 552a(c)(3) (mandatory accounting of disclosures); 5 U.S.C. 552a(d) (access by individuals to records that pertain to them); 5 U.S.C. 552a(e)(1) (requirement to maintain only such information as is relevant and necessary to accomplish an authorized agency purpose); 5 U.S.C. 552a(e)(4)(G) (mandatory procedures to notify individuals of the existence of records pertaining to them); 5 U.S.C. 552a(e)(4)(H) (mandatory procedures to notify individuals how they can obtain access to and contest records pertaining to them); 5 U.S.C. 552a(e)(4)(I) (mandatory disclosure of records source categories); and the Commission's regulations in 16 CFR part 1014 which implement these statutory provisions.

(c) *Enforcement and Litigation Files—CPSC-7.* All portions of this system of records that fall within 5 U.S.C. 552a(k)(2) (investigatory materials compiled for law enforcement purposes) are exempt from 5 U.S.C. 552a(c)(3) (mandatory accounting of disclosures); 5 U.S.C. 552a(d) (access by individuals to records that pertain to them); 5 U.S.C. 552a(e)(1) (requirement to maintain only such information as is relevant and necessary to accomplish an authorized agency purpose); 5 U.S.C. 552a(e)(4)(G) (mandatory procedures to notify individuals of the exist-

ence of records pertaining to them); 5 U.S.C. 552a(e)(4)(H) (mandatory procedures to notify individuals how they can obtain access to and contest records pertaining to them); 5 U.S.C. 552a(e)(4)(I) (mandatory disclosure of records source categories); and the Commission's regulations in 16 CFR part 1014 that implement these statutory provisions.

[40 FR 53381, Nov. 18, 1975, as amended at 42 FR 9161, Feb. 15, 1977; 59 FR 32078, June 22, 1994; 62 FR 48756, Sept. 17, 1997]

PART 1015—PROCEDURES FOR DISCLOSURE OR PRODUCTION OF INFORMATION UNDER THE FREEDOM OF INFORMATION ACT

Subpart A—Production or Disclosure Under 5 U.S.C. 552(a)

Sec.

- 1015.1 Purpose and scope.
- 1015.2 Public reference facilities.
- 1015.3 Requests for records and copies.
- 1015.4 Responses to requests for records; responsibility.
- 1015.5 Time limitation on responses to requests for records and requests for expedited processing.
- 1015.6 Responses: Form and content.
- 1015.7 Appeals from initial denials; reconsideration by the Secretary.
- 1015.8 Requests received during the course of administrative hearings. [Reserved]
- 1015.9 Fees for production of records.
- 1015.10 Commission report of actions to Congress.
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Subpart B—Exemptions From Production and Disclosure Under 5 U.S.C. 552(b)

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Subpart C—Disclosure of Commission Accident or Investigation Reports Under 15 U.S.C. 2074(c)

- 1015.20 Public availability of accident or investigation reports.

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AUTHORITY: 15 U.S.C. 2051–2084; 15 U.S.C. 1261–1278; 15 U.S.C. 1471–1476; 15 U.S.C. 1211–1214; 15 U.S.C. 1191–1204; 5 U.S.C. 552.

SOURCE: 42 FR 10490, Feb. 22, 1977, unless otherwise noted.

Subpart A—Production or Disclosure Under 5 U.S.C. 552(a)

§ 1015.1 Purpose and scope.

(a) The regulations of this subpart provide information concerning the procedures by which Consumer Product Safety Commission records may be made available for inspection and the procedures for obtaining copies of records from the Consumer Product Safety Commission. Official records of the Consumer Product Safety Commission consist of all documentary material maintained by the Commission in any format, including an electronic format. These records include those maintained in connection with the Commission's responsibilities and functions under the Consumer Product Safety Act, as well as those responsibilities and functions transferred to the Commission under the Federal Hazardous Substances Act, Poison Prevention Packaging Act of 1970, Refrigerator Safety Act, and Flammable Fabrics Act, and those maintained under any other authorized activity. Official records do not, however, include objects or articles such as tangible exhibits, samples, models, equipment, or other items of valuable property; books, magazines, or other reference material; or documents routinely distributed by the Commission in the normal course of business such as copies of FEDERAL REGISTER notices, pamphlets, and laws. Official records include only existing records. Official records of the Commission made available under the requirements of the Freedom of Information Act (5 U.S.C. 552) shall be furnished to the public as prescribed by this part 1015. A request by an individual for records about himself or herself that are contained in the Commission's system of records under the Privacy Act (5 U.S.C. 552a) will be processed under the Privacy Act. A request by a third party for records that are contained in the Commission's system of records under the Privacy Act will be processed administratively under

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these regulations with respect to the time limits and appeals rights (§§ 1015.5 and 1015.7), but substantively under the applicable provisions of first the Freedom of Information Act and then the Privacy Act. Documents routinely distributed to the public in the normal course of business will continue to be furnished to the public by employees of the Commission informally and without compliance with the procedures prescribed herein.

(b) The Commission's policy with respect to requests for records is that disclosure is the rule and withholding is the exception. All records not exempt from disclosure will be made available. Moreover, records which may be exempted from disclosure will be made available as a matter of discretion when disclosure is not prohibited by law or is not against the public interest. See, § 1015.15(b). Section 6(a)(2) of the Consumer Product Safety Act, 15 U.S.C. 2055(a)(2), prohibits the disclosure of trade secrets or other matters referred to in 18 U.S.C. 1905.

(c) The Attorney General's Memorandum on the 1974 Amendments to the Freedom of Information Act published in February, 1975 is available from the Superintendent of Documents and may be consulted in considering questions arising under the Freedom of Information Act.

[42 FR 10490, Feb. 22, 1977, as amended at 62 FR 46196, Sept. 2, 1997]

§ 1015.2 Public reference facilities.

(a) The Consumer Product Safety Commission will maintain in a public reference room or area the materials relating to the Consumer Product Safety Commission that are required by 5 U.S.C. 552(a)(2) and 552(a)(5) to be made available for public inspection and copying. The principal location will be in the Office of the Secretary of the Commission. The address of this office is:

Office of the Secretary, Consumer Product Safety Commission, Room 502, 4330 East West Highway, Bethesda, MD 20814.

(b) This public reference facility will maintain and make available for public inspection and copying a current index of the materials available at that facility which are required to be indexed by 5 U.S.C. 552(a)(2). For the purpose of

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providing the opportunity for greater public access to records of the Consumer Product Safety Commission, the Commission may establish additional public reference facilities. Each such additional reference facility will also maintain and make available for public inspection and copying a current index of the materials available at that facility which are required to be indexed by 5 U.S.C. 552(a)(2).

(c) The Consumer Product Safety Commission will maintain an "electronic reading room" on the World-Wide Web for those records that are required by 5 U.S.C. 552(a)(2) to be available by "computer telecommunications."

[42 FR 10490, Feb. 22, 1997, as amended at 62 FR 46197, Sept. 2, 1997]

§ 1015.3 Requests for records and copies.

(a) A request for access to records of the Commission shall be in writing addressed to the Secretary, Consumer Product Safety Commission, Washington, DC 20207. Any written request for records covered by this part shall be deemed to be a request for records pursuant to the Freedom of Information Act, whether or not the Freedom of Information Act is mentioned in the request. An oral request for records will not be considered a request for records pursuant to the Freedom of Information Act. Responses to oral requests for records shall be made as promptly as resources and time restraints permit.

(b) A request for access to records must reasonably describe the records requested. Where possible, specific information regarding dates, title, file designations, and other information which may help identify the records should be supplied by the requester. If the request relates to a matter in pending litigation, where the Commission is a party, the court and its location should be identified. Where the information supplied by the requester is not sufficient to permit identification and location of the records by Commission personnel without an unreasonable amount of effort, the requester will be contacted and asked to supply the necessary information. Every reasonable effort shall be made by Commission

personnel to assist in the identification and location of requested records.

(c) If it is determined that a request would unduly burden or interfere with the operations of the Commission, the response shall so state and shall extend to the requester an opportunity to confer with appropriate Commission personnel in an attempt to reduce the request to manageable proportions by reformulation and by agreeing on an orderly procedure for the production of the records.

(d) If a requested record cannot be located from the information supplied, or is known to have been destroyed or otherwise disposed of, the requester shall be so notified by the Secretary or delegate of the Secretary.

(e) The Consumer Product Safety Commission uses a multitrack system to process requests under the Freedom of Information Act that is based on the amount of work and/or time involved in processing requests. Requests for records are processed in the order they are received within each track. Upon receipt of a request for records, the Secretary or delegate of the Secretary will determine which track is appropriate for the request. The Secretary or delegate of the Secretary may contact requesters whose requests do not appear to qualify for the fastest tracks and provide such requesters the opportunity to limit their requests so as to qualify for a faster track. Requesters who believe that their requests qualify for the fastest tracks and who wish to be notified if the Secretary or delegate of the Secretary disagrees may so indicate in the request and, where appropriate and feasible, will also be given an opportunity to limit their requests.

[42 FR 10490, Feb. 22, 1997, as amended at 62 FR 46197, Sept. 2, 1997]

§ 1015.4 Responses to requests for records; responsibility.

The ultimate responsibility for responding to requests for records is vested in the Secretary of the Consumer Product Safety Commission. The Secretary or delegate of the Secretary may respond directly or forward the request to any other office of the Commission for response. In any case where the Secretary or delegate of the

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Secretary in his/her discretion determines that a request for an identifiable record should be initially determined by the Commission, the Secretary, or the delegate of the Secretary, may certify the matter to the Commission for a decision. In that event the Commission decision shall be made within the time limits set forth in §1015.5 and shall be final. The Commission response shall be in the form set forth in §1015.7(d) for action on appeal. If no response is made by the Commission within twenty working days, or any extension thereof, the requester and the Commission may take the action specified in §1015.7(e).

[42 FR 10490, Feb. 22, 1997, as amended at 62 FR 46197, Sept. 2, 1997]

§ 1015.5 Time limitation on responses to requests for records and requests for expedited processing.

(a) The Secretary or delegate of the Secretary shall respond to all written requests for records within twenty (20) working days (excepting Saturdays, Sundays, and legal public holidays). The time limitations on responses to requests for records shall begin to run as of the time a request for records is received by the Office of the Secretary and a date stamp notation placed directly on the request.

(b) The time for responding to requests for records may be extended by the Secretary at the initial stage or by the General Counsel of the Commission at the appellate stage up to an additional ten (10) working days under the following unusual circumstances:

(1) The need to search for and collect the requested records from field facilities or other establishments that are separate from the Office of the Secretary.

(2) The need to search for, collect and appropriately examine a voluminous amount of separate and distinct records which are demanded in a single request.

(3) The need for consultation, which shall be conducted with all practicable speed, with another agency having a substantial interest in the determination of the request or among two or more components of the Commission having substantial subject matter interest therein.

(c) Any extension of time must be accompanied by written notice to the person making the request setting forth the reason(s) for such extension and the time within which a response is expected to be made.

(d) If the Secretary at the initial stage or the General Counsel at the appellate stage determines that an extension of time greater than ten (10) working days is necessary to respond to a request satisfying the “unusual circumstances” specified in paragraph (b) of this section, the Secretary or the General Counsel shall so notify the requester and give the requester the opportunity to:

(1) Limit the scope of the request so that it may be processed within the time limit prescribed in paragraph (b); or

(2) Arrange with the Secretary or the General Counsel an alternative time frame for processing the request or a modified request.

(e) The Secretary or delegate of the Secretary may aggregate and process as a single request requests by the same requester, or a group of requesters acting in concert, if the Secretary or delegate reasonably believes that the requests actually constitute a single request which would otherwise satisfy the unusual circumstances specified in paragraph (b) of this section, and the requests involve clearly related matters.

(f) The Secretary or delegate of the Secretary will provide expedited processing of requests in cases where the requester demonstrates a compelling need for such processing.

(1) The term “compelling need” means:

(i) That a failure to obtain requested records on an expedited basis could reasonably be expected to pose an imminent threat to the life or physical safety of an individual; or

(ii) With respect to a request made by a person primarily engaged in disseminating information, that there is an urgency to inform the public concerning actual or alleged Federal Government activity.

(2) Requesters for expedited processing must include in their requests a statement setting forth the basis for

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the claim that a “compelling need” exists for the requested information, certified by the requester to be true and correct to the best of his or her knowledge and belief.

(3) The Secretary or delegate of the Secretary will determine whether to grant a request for expedited processing and will notify the requester of such determination within ten (10) days of receipt of the request.

(4) Denials of requests for expedited processing may be appealed to the Office of the General Counsel as set forth in §1015.7 of this part. The General Counsel will expeditiously determine any such appeal.

(5) The Secretary or delegate of the Secretary will process as soon as practicable the documents responsive to a request for which expedited processing is granted.

(g) The Secretary may be unable to comply with the time limits set forth in this §1015.5 when disclosure of documents responsive to a request under this part is subject to the requirements of section 6(b) of the Consumer Product Safety Act, 15 U.S.C. 2055(b), and the regulations implementing that section, 16 CFR part 1101. The Secretary or delegate of the Secretary will notify requesters whose requests will be delayed for this reason.

[42 FR 10490, Feb. 22, 1997, as amended at 62 FR 46197, Sept. 2, 1997]

§ 1015.6 Responses: Form and content.

(a) When a requested record has been identified and is available for disclosure, the requester shall either be supplied with a copy or notified as to where and when the record will be made available for inspection. If a requester desires to inspect records at one of the regional offices of the Commission, the Secretary will ordinarily make the records available at the requested regional office. If the payment of fees is required the requester shall be advised by the Secretary in writing of any applicable fees under §1015.9 hereof.

(b) A response denying a written request for a record shall be in writing signed by the Secretary or delegate of the Secretary and shall include:

(1) The identity of each person responsible for the denial.

(2) A reference to the specific exemption or exemptions under the Freedom of Information Act authorizing the withholding of the record with a brief explanation of how the exemption applies to the record withheld; and

(3) An estimation of the volume of requested material withheld. When only a portion or portions of a document are withheld, the amount of information deleted shall be indicated on the released portion(s) of the record. When technically feasible, the indication of the amount of material withheld will appear at the place in the document where any deletion is made. Neither an estimation of the volume of requested material nor an indication of the amount of information deleted shall be included in a response if doing so would harm an interest protected by the exemption in 5 U.S.C. 552(b) pursuant to which the material is withheld.

(4) A statement that the denial may be appealed to the Commissioners of the Consumer Product Safety Commission. Any such appeal must be made within 30 calendar days of receipt of the denial by the requester.

(c) If no response is made within twenty (20) working days or any extension thereof, the requester can consider his or her administrative remedies exhausted and seek judicial relief in a United States District Court as specified in 5 U.S.C. 552(a)(4)(B). When it appears that no response can be made to the requester within the applicable time limit, the Secretary or delegate of the Secretary may ask the requester to forego judicial relief until a response can be made. The Secretary or delegate of the Secretary shall inform the requester of the reason for the delay, of the date on which a response may be expected and of his/her right to seek judicial review as specified in 5 U.S.C. 552(a)(4)(B).

[42 FR 10490, Feb. 22, 1997, as amended at 62 FR 46197, Sept. 2, 1997]

§ 1015.7 Appeals from initial denials; reconsideration by the Secretary.

(a) When the Secretary or delegate of the Secretary has denied a request for records in whole or in part, the requester may, within 30 days of its receipt, appeal the denial to the General

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Counsel of the Consumer Product Safety Commission, attention of the Secretary, Washington, DC 20207.

(b) The General Counsel, or the Secretary upon reconsideration, will act upon an appeal within 20 working days of its receipt. The time limitations on an appeal begin to run as of the time an appeal is received by the Office of the Secretary and date stamped.

(c) After reviewing the appeal, the Secretary will reconsider his/her initial denial. If the Secretary upon reconsideration decides to release any or all of the information requested on appeal, an appeal as to the information released will be considered moot; and the Secretary will so inform the requester and submitter of the information in accordance with §§1015.6(a) and 1015.18(b). If the Secretary decides to affirm the initial denial, in whole or in part, the General Counsel will decide the appeal within the 20-day time limit or any extension thereof in accordance with §1015.5.

(d) The General Counsel shall have the authority to grant or deny all appeals and, as an exercise of discretion, to disclose records exempt from mandatory disclosure under 5 U.S.C. 552(b). In unusual or difficult cases the General Counsel may, in his/her discretion, refer an appeal to the Commissioners for determination.

(e) The General Counsel's action on appeal shall be in writing, shall be signed by the General Counsel, and shall constitute final agency action. A denial in whole or in part of a request on appeal shall set forth the exemption relied upon; a brief explanation, consistent with the purpose of the exemption, of how the exemption applies to the records withheld; and the reasons for asserting it. A denial in whole or in part shall also inform the requester of his/her right to seek judicial review of the Commission's final determination in a United States district court, as specified in 5 U.S.C. 552(a)(4)(B).

(f) If no response is made to the requester within 20 working days or any extension thereof, the requester may consider his/her administrative remedies exhausted and seek judicial relief in a United States district court. When no response can be made within the applicable time limit, the General Coun-

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sel shall inform the requester of the reason for the delay, of the date by which a response may be expected, and of the requester's right to seek judicial review as specified in 5 U.S.C. 552(a)(4)(B).

(g) Copies of all appeals and copies of all actions on appeal shall be furnished to and maintained in a public file by the Secretary.

(5 U.S.C. 552(a)(6)(A); 5 U.S.C. 553; 15 U.S.C. 2076(b)(9))

[50 FR 7753, Feb. 26, 1985]

§ 1015.8 Requests received during the course of administrative hearings. [Reserved]

§ 1015.9 Fees for production of records.

(a) The Commission will provide, at no charge, certain routine information. For other Commission responses to information requests, the Secretary shall determine and levy fees for duplication, search, review, and other services, in accordance with this section.

(b) Fees shall be paid by check or money order, payable to the Treasury of the United States and sent to the Commission.

(c) The following definitions shall apply under this section:

(1) *Direct costs* means those expenditures which an agency actually incurs in searching for and duplicating (and in the case of commercial requesters, reviewing) documents to respond to a FOIA request.

(2) *Search* includes all time spent looking for material that is responsive to a request, including page-by-page or line-by-line identification of material within documents.

(3) *Duplication* refers to the process of making a copy of a document necessary to respond to a FOIA request.

(4) *Review* refers to the process of examining documents located in response to a commercial use request to determine whether any portion of any document located is permitted to be withheld.

(5) *Commercial use request* refers to a request that seeks information for a use or purpose that furthers commercial, trade, or profit interests.

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(6) *Educational institution* refers to an entity organized and operated exclusively for educational purposes, whose purpose is scholarly.

(7) *Non-commercial scientific institution* refers to an entity organized and operated exclusively for the purpose of conducting scientific research, the results of which are not intended to promote any particular product or industry.

(8) *Representative of the news media* refers to any person or organization which regularly publishes or disseminates news to the public, in print or electronically.

(d) A commercial use request may incur charges for duplication, search, and review. The following requests may incur charges only for duplication: A request from an educational institution for records not sought for commercial use; a request from a non-commercial scientific institution for records not sought for commercial use; a request from a representative of the news media. Any other request may incur charges for duplication and search.

(e) The following fee schedule will apply:

(1) Copies of documents reproduced on a standard photocopying machine: \$0.10 per page.

(2) File searches conducted by clerical personnel: \$3.00 for each one-quarter hour (a fraction thereof to be counted as one-quarter hour). Any special costs of sending records from field locations to headquarters for review will be included in search fees, billed at the clerical personnel rate.

(3) File searches conducted by non-clerical or professional or managerial personnel: \$4.90 for each one-quarter hour (a fraction thereof to be counted as one-quarter hour).

(4) Review of records: \$4.90 for each one-quarter hour (a fraction thereof to be counted as one-quarter hour).

(5) Computerized records: \$0.10 per page of computer printouts or, for central processing, \$0.32 per second of central processing unit (CPU) time; for printer, \$10.00 per 1,000 lines; and for computer magnetic tapes or discs, direct costs.

(6) Postage: Direct-cost basis for mailing requested materials, if the requester wants special handling or if the

volume or dimensions of the materials requires special handling.

(7) Microfiche: \$0.35 for each frame.

(8) Other charges for materials requiring special reproducing or handling, such as photographs, slides, blueprints, video and audio tape recordings, or other unusual materials: direct-cost basis.

(9) Any other service: An appropriate fee established by the Secretary, based on direct costs.

(f) Fees shall be waived as follows:

(1) No automatic fee waiver shall apply to commercial use requests.

(2) The first \$10.00 of duplication costs shall be waived for requests from educational institutions, non-commercial scientific institutions, and representatives of the news media.

(3) For all other requests, the first \$10.00 of duplication costs and the first \$40 of search costs shall be waived.

(4) The Secretary shall waive or reduce fees whenever disclosure of the requested information is in the public interest because it is likely to contribute significantly to public understanding of the operations or activities of the government and disclosure of the requested information is not primarily in the commercial interest of the requester.

(5) In making a determination under paragraph (f)(4) of this section, the Secretary shall consider the following factors:

(i) The subject of the request: Whether the subject of the requested records concerns the operations or activities of the government.

(ii) The informative value of the information to be disclosed: Whether the disclosure is likely to contribute to an understanding of government operations or activities.

(iii) The contribution to an understanding of the subject by the general public likely to result from disclosure: Whether disclosure of the requested information will contribute to public understanding.

(iv) The significance of the contribution to public understanding: Whether the disclosure is likely to contribute significantly to public understanding of government operations or activities.

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(v) The existence and magnitude of a commercial interest: Whether the requester has a commercial interest that would be furthered by the requested disclosure; and, if so

(vi) The primary interest in disclosure: Whether the magnitude of the identified commercial interest of the requester is sufficiently large, in comparison with the public interest in disclosure, that disclosure is primarily in the commercial interest of the requester.

(6) Any determination made by the Secretary concerning fee waivers may be appealed by the requester to the Commission's General Counsel in the manner described at §1015.7.

(g) Collection of fees shall be in accordance with the following:

(1) Interest will be charged on amounts billed, starting on the 31st day following the day on which the requester received the bill. Interest will be at the rate prescribed in 31 U.S.C. 3717.

(2) Search fees will be imposed (on requesters charged for search time) even if no responsive documents are located or if the search leads to responsive documents that are withheld under an exemption to the Freedom of Information Act. Such fees shall not exceed \$25.00, unless the requester has authorized a higher amount.

(3) Before the Commission begins processing a request or discloses any information, it will require advance payment if:

(i) Charges are estimated to exceed \$250.00 and the requester has no history of payment and cannot provide satisfactory assurance that payment will be made; or

(ii) A requester failed to pay the Commission for a previous Freedom of Information Act request within 30 days of the billing date.

(4) The Commission will aggregate requests, for the purposes of billing, whenever it reasonably believes that a requester or group of requesters is attempting to separate a request into more than one request for the purpose of evading fees.

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(5) If a requester's total bill is less than \$9.00, the Commission will not request payment.

[52 FR 28979, Aug. 5, 1987, as amended at 62 FR 46198, Sept. 2, 1997]

§ 1015.10 Commission report of actions to Congress.

On or before February 1 of each year, the Commission shall submit a report of its activities with regard to freedom of information requests during the preceding fiscal year to the Attorney General of the United States. This report shall include:

(a) The number of determinations made by the Commission not to comply with requests for records made to the Commission under the provisions of this part and the reasons for each such determination.

(b)(1) The number of appeals made by persons under such provisions, the result of such appeals, and the reason for the action upon each appeal that results in a denial of information; and

(2) A complete list of all statutes that the Commission relies upon to withhold information under such provisions, a description of whether a court has upheld the decision of the Commission to withhold information under each such statute, and a concise description of the scope of any information withheld.

(c) The number of requests for records pending before the Commission as of September 30 of the preceding year, and the median number of days that such requests had been pending before the Commission as of that date.

(d) The number of requests for records received by the Commission and the number of requests which the Commission processed.

(e) The median number of days taken by the Commission to process different types of requests.

(f) The total amount of fees collected by the Commission for processing requests.

(g) The number of full-time staff of the Commission devoted to processing requests for records under such provisions, and the total amount expended by the Commission for processing such requests.

[42 FR 10490, Feb. 22, 1997, as amended at 62 FR 46198, Sept. 2, 1997]

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§ 1015.11 Disclosure of trade secrets to consultants and contractors; non-disclosure to advisory committees and other government agencies.

(a) In accordance with section 6(a)(2) of the CPSA, the Commission may disclose information which it has determined to be a trade secret under 5 U.S.C. 552(b)(4) to Commission consultants and contractors for use only in their work for the Commission. Such persons are subject to the same restrictions with respect to disclosure of such information as any Commission employee.

(b) In accordance with section 6(a)(2) of the CPSA, the Commission is prohibited from disclosing information which it has determined to be a trade secret under 5 U.S.C. 552(b)(4) to advisory committees, except when required in the official conduct of their business, or to other Federal agencies and state and local governments.

§ 1015.12 Disclosure to Congress.

(a) All records of the Commission shall be disclosed to Congress upon a request made by the chairman or ranking minority member of a committee or subcommittee of Congress acting pursuant to committee business and having jurisdiction over the matter about which information is requested.

(b) An individual member of Congress who requests a record for his or her personal use or on behalf of any constituent shall be subject to the same rules that apply to members of the general public.

[42 FR 10490, Feb. 22, 1977, as amended at 52 FR 45632, Dec. 1, 1987; 53 FR 3868, Feb. 10, 1988]

Subpart B—Exemptions From Production and Disclosure Under 5 U.S.C. 552(b)

§ 1015.15 Purpose and scope.

(a) The regulations of this subpart provide information concerning the types of records which may be withheld from production and disclosure by the Consumer Product Safety Commission and the internal Commission procedure for withholding exempt records. These regulations also provide information on the method whereby persons sub-

mitting information to the Commission may request that the information be considered exempt from disclosure, and information concerning the Commission's treatment of documents submitted with a request that they be treated as exempt from disclosure.

(b) No identifiable record requested in accordance with the procedures contained in this part shall be withheld from disclosure unless it falls within one of the classes of records exempt under 5 U.S.C. 552(b). The Commission will make available, to the extent permitted by law, records authorized to be withheld under 5 U.S.C. 552(b) unless the Commission determines that disclosure is contrary to the public interest. In this regard the Commission will not ordinarily release documents that provide legal advice to the Commission concerning pending or prospective litigation where the release of such documents would significantly interfere with the Commission's regulatory or enforcement proceedings.

(c) Draft documents that are agency records are subject to release upon request in accordance with this regulation. However, in order to avoid any misunderstanding of the preliminary nature of a draft document, each draft document released will be marked to indicate its tentative nature. Similarly, staff briefing packages, which have been completed but not yet transmitted to the Commission by the Office of the Secretary are subject to release upon request in accordance with this regulation. Each briefing package or portion thereof released will be marked to indicate that it has not been transmitted to or acted upon by the Commission. In addition, briefing packages, or portions thereof, which the Secretary upon the advice of the Office of the General Counsel has determined would be released upon request in accordance with this regulation, will be publicly available in the public reference facility established under § 1015.2 promptly after the briefing package has been transmitted to the Commissioners by the Office of the Secretary. Such packages will be marked to indicate that they have not been acted upon by the Commission.

(d) The exceptions contained in § 1015.16 are as contained in 5 U.S.C.

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552(b). These exemptions will be interpreted in accordance with the applicable law at the time a request for production or disclosure is considered.

[42 FR 10490, Feb. 22, 1977, as amended at 45 FR 22022, Apr. 3, 1980]

§ 1015.16 Exemptions (5 U.S.C. 552(b)).

(a) Records specifically authorized under criteria established by an Executive Order to be kept secret in the interest of national defense or foreign policy and are in fact properly classified pursuant to such Executive Order.

(b) Records related solely to the internal personnel rules and practices of the Commission.

(c) Records specifically exempted from disclosure by statute (other than section 552b of Title 5, United States Code), provided that such statute either requires that the matters be withheld from the public in such a manner as to leave no discretion on the issue, or establishes particular criteria for withholding or refers to particular types of matters to be withheld.

(d) Trade secrets and commercial or financial information obtained from a person and privileged or confidential.

(e) Interagency or intra-agency memoranda or letters which would not be available by law to a party other than an agency in litigation with the agency.

(f) Personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

(g) Records or information compiled for law enforcement purposes, but only to the extent that the production of such law enforcement records or information:

(1) Could reasonably be expected to interfere with enforcement proceedings,

(2) Would deprive a person of a right to a fair trial or an impartial adjudication,

(3) Could reasonably be expected to constitute an unwarranted invasion of personal privacy,

(4) Could reasonably be expected to disclose the identity of a confidential source, including a State, local, or foreign agency or authority or any private institution which furnished information on a confidential basis, and, in

the case of a record or information compiled by criminal law enforcement authority in the course of a criminal investigation or by an agency conducting a lawful national security intelligence investigation, information furnished by a confidential source,

(5) Would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecutions if such disclosure could reasonably be expected to risk circumvention of the law, or

(6) Could reasonably be expected to endanger the life or physical safety of any individual.

(h) Records contained in or related to examinations, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions.

(i) Records of geological and geophysical information and data, including maps, concerning wells.

[42 FR 10490, Feb. 22, 1977, as amended at 52 FR 44597, Nov. 20, 1987]

§ 1015.17 Internal Commission procedure for withholding exempt records.

Paragraphs (a) and (b) of this section describe the internal Commission procedure to be followed for requesting that a record exempt from disclosure under the inter- intra-agency memorandum exemption, 5 U.S.C. 552(b)(5), or the investigatory file exemption, 5 U.S.C. 552(b)(7), not be disclosed.

(a) If a bureau or office director believes that it is against the public interest to disclose a Commission record prepared by his/her bureau or office, he/she may request in writing that the Secretary withhold the document. The request must specify why the release would be against the public interest.

(1) If the Secretary agrees to withhold the document, the requester shall be notified in writing of the denial and of his/her right to appeal in accordance with §1015.6(b).

(2) If the Secretary decides to release the document, the bureau or office director shall be notified and given two working days within which to appeal to

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the Commissioners. An appeal by a bureau or office director shall be in writing addressed to the Chairman. If an appeal is taken by a bureau or office director, the Secretary will not disclose the document. The Commissioner's action on appeal shall be in accordance with §1015.7(d).

(b) If a Commissioner believes that it is not in the public interest to disclose a Commission record prepared by himself/herself or by his/her office personnel, the Commissioner shall so inform the Secretary and shall specify in writing why the release would be against the public interest. The Secretary shall notify the requester in writing of the denial in accordance with §1015.6(b). Any appeal by a requester shall be in accordance with §1015.7 except the provisions for reconsideration by the Secretary is not applicable. On appeal, the Commissioner who withheld the document shall not participate in the decision.

[42 FR 10490, Feb. 22, 1977, as amended at 45 FR 22023, Apr. 3, 1980]

§ 1015.18 Information submitted to the Commission; request for treatment as exempt material.

(a) A person who is submitting information to the Commission, after being notified by the Commission of his/her opportunity to request confidential treatment for information, must accompany the submission with a request that the information be considered exempt from disclosure or indicate that a request will be submitted within 10 working days of the submission. The failure to make a request within the prescribed time limit will be considered an acknowledgment that the submitter does not wish to claim exempt status.

(b) A person who has previously submitted information to the Commission, that is now the subject of a Freedom of Information request, after being notified by the Commission of his/her opportunity to request confidential treatment for the information, must submit a request that the information be considered exempt from disclosure within 5 working days from receipt of notification. The failure to make a request within the prescribed time limit will be considered an acknowledgment that

the submitter does not wish to claim exempt status.

(c) Each request for exemption from disclosure under 5 U.S.C. 552(b)(4) as a trade secret or privileged or confidential commercial or financial information must:

(1) Specifically identify the exact portion(s) of the document claimed to be confidential;

(2) State whether the information claimed to be confidential has ever been released in any manner to a person who was not an employee or in a confidential relationship with the company;

(3) State whether the information so specified is commonly known within the industry or is readily ascertainable by outside persons with a minimum of time and effort;

(4) State how release of the information so specified would be likely to cause substantial harm to the company's competitive position; and

(5) State whether the submitter is authorized to make claims of confidentiality on behalf of the person or organization concerned.

(d) Material received with a request that it be considered exempt shall not be maintained in a public file. If, in complying with a request for the disclosure of records, it is determined that some or all of the material relative to the request has been claimed to be exempt from disclosure, the requester will be supplied with a list of this material and informed that those portions found not to be exempt will be made available as soon as possible.

(e) No request for exemption from disclosure under 5 U.S.C. 552(b)(4) should be made by any person who does not intend in good faith to assist the Commission in the defense of any judicial proceeding that might thereafter be brought to compel the disclosure of information which the Commission has determined to be a trade secret or privileged or confidential commercial or financial information.

§ 1015.19 Decisions on requests for exemption from disclosure under 5 U.S.C. 552(b)(4).

(a) The Commission generally will not decide whether material received

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with a request for exemption from disclosure under 5 U.S.C. 552(b)(4) is entitled to be withheld until a request for production or disclosure is made for that information. The determination will be based on the most authoritative judicial interpretations available at the time a request for disclosure or production is considered. Any reasonably segregable portion of a record will be disclosed to any person requesting such record after deletion of any portions determined to be exempt under 5 U.S.C. 552(b)(4). The requester will be given a brief description of any information found to be exempt.

(b) If material received with a request for exemption from disclosure under 5 U.S.C. 552(b)(4) is found to be disclosable, in whole or in part, the person submitting the material will be notified in writing and given 10 calendar days from the receipt of the letter to seek judicial relief. In no event, however, will the material be returned to the person submitting it.

Subpart C—Disclosure of Commission Accident or Investigation Reports Under 15 U.S.C. 2074(c)

§ 1015.20 Public availability of accident or investigation reports.

(a) Accident or investigation reports made by an officer, employee, or agent of the Commission are available to the public under the procedures set forth in subpart A of this part 1015. No portion of such report are subject to the investigatory file exemption contained in the Freedom of Information Act (as restated in § 1015.16) except that portions identifying any injured person or any person treating such injured person will be deleted in accordance with section 25(c)(1) of the CPSA. Where disclosure of an accident or investigation report is requested by supplying the name of the person injured or other details of a specific accident (other than cases where the report is requested by the injured person or the injured person's legal representative), the Commission will offer to obtain the written consent of the injured party or the injured party's representative to the disclosure of the report without deleting the party's identity. No deletion of

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identifying portions of such reports or refusal to disclose without the Commission having first obtained written consent shall be considered as a denial by the Commission of disclosure of Commission records.

(b) Research reports, demonstration reports, and reports of other related activities of the Commission are available to the public under the procedures set forth in subpart A of this part 1015.

PART 1016—POLICIES AND PROCEDURES FOR INFORMATION DISCLOSURE AND COMMISSION EMPLOYEE TESTIMONY IN PRIVATE LITIGATION

Sec.

1016.1 Purpose and policy.

1016.2 Definition.

1016.3 Disclosure and certification of information and records.

1016.4 Testimony of Commission employees in private litigation.

AUTHORITY: 15 U.S.C. 2051–81; 15 U.S.C. 1261–74; 15 U.S.C. 1191–1204; 15 U.S.C. 1471–76; 15 U.S.C. 1211–14; 5 U.S.C. 552; and 5 U.S.C. 552a.

SOURCE: 53 FR 6594, Mar. 2, 1988, unless otherwise noted.

§ 1016.1 Purpose and policy.

(a) The Commission's policy is to make official records available to private litigants, to the fullest extent possible.

(b) The Commission's policy and responsibility is to conserve the time of its employees for work on Commission projects and activities. Participation of Commission employees in private litigation, in their official capacities, is generally contrary to this policy and responsibility. In addition, such participation could impair the effectiveness of Commission employees as witnesses in litigation in which the Commission is directly involved.

§ 1016.2 Definition.

Private litigation refers to any legal proceeding which does not involve the United States government, or any department or agency of the U.S. government, as a party.

§ 1016.3 Disclosure and certification of information and records.

(a) Identifiable information and records in the Commission's possession will be made available to private litigants in accordance with the Commission's Procedures for Disclosure or Production of Information under the Freedom of Information Act (16 CFR part 1015), the Freedom of Information Act (5 U.S.C. 552), sections 6 and 25(c) of the Consumer Product Safety Act (15 U.S.C. 2055 and 2074(c)), and any other applicable statutes or regulations.

(b) The Secretary of the Commission shall certify the authenticity of copies of Commission records. Requests must be in writing and must include the records to be certified. Requests should be sent to: Secretary, Consumer Product Safety Commission, Washington, DC 20207.

(c) Any subpoena duces tecum served on a Commission employee will be handled by the Office of the Secretary in conjunction with the Office of the General Counsel. Whenever necessary to prevent the improper disclosure of documents, the General Counsel will take steps, in conjunction with the Department of Justice, to quash such subpoenas or seek protective orders.

§ 1016.4 Testimony of Commission employees in private litigation.

(a) No Commission employee shall testify in his or her official capacity in any private litigation, without express authorization from the Commission's General Counsel. The Commission may, in its discretion, review a decision by the General Counsel to authorize such employee testimony. The General Counsel shall in such instances, where time permits, advise the Commission, on a no objection basis, of the authorization of such employee testimony.

(b) If any Commission employee is served with a subpoena seeking testimony in private litigation, he or she must immediately notify the Office of the General Counsel. The Office of the General Counsel, in conjunction with the Department of Justice, will (1) take steps to quash the subpoena or (2) direct the employee to appear in response to the subpoena but refuse to testify on the ground that it is prohibited by this section.

(c) If the General Counsel becomes aware of private litigation in which testimony by a Commission employee would be in the interests of the Commission, he or she may authorize such testimony, notwithstanding paragraph (b) of this section. The Commission may, in its discretion, review a decision by the General Counsel to authorize such employee testimony. The General Counsel shall in such instances, where time permits, advise the Commission, on a no objection basis, of the authorization of such employee testimony. Any such testimony must be provided in a way that minimizes the use of Commission resources as much as possible.

PART 1017 [RESERVED]**PART 1018—ADVISORY COMMITTEE MANAGEMENT****Subpart A—General Provisions**

- Sec.
- 1018.1 Purpose.
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 - 1018.5 Advisory Committee Management Officer.

Subpart B—Establishment of Advisory Committees

- 1018.11 Charters.
- 1018.12 Statutory advisory committees.
- 1018.13 Non-statutory advisory committees.
- 1018.14 Non-Commission established advisory committees.
- 1018.15 Membership composition.
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Subpart C—Operation of Advisory Committees

- 1018.21 Calling of meetings.
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Subpart D—Administration of Advisory Committees

- 1018.31 Support services.

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- 1018.32 Compensation and travel expenses.
- 1018.33 Change of status.
- 1018.34 Conflict of interest.
- 1018.35 Termination of membership.

Subpart E—Records, Annual Reports and Audits

- 1018.41 Agency records on advisory committees.
- 1018.42 Annual report.
- 1018.43 Comprehensive review.

Subpart F—Termination and Renewal

- 1018.61 Statutory advisory committees.
- 1018.62 Non-statutory advisory committees.

AUTHORITY: Sec. 8, Pub. L. 92-463, 86 Stat. 770 (5 U.S.C. App. I).

SOURCE: 41 FR 45882, Oct. 18, 1976, unless otherwise noted.

Subpart A—General Provisions

§ 1018.1 Purpose.

This part contains the Consumer Product Safety Commission's regulations governing the establishment, operations and administration of advisory committees under its jurisdiction. These regulations are issued pursuant to section 8(a) of the Federal Advisory Committee Act (Pub. L. 92-463, 5 U.S.C. App. I), and supplement Executive Order No. 11769 (39 FR 7125 (1974)) and Office of Management and Budget Circular No. A-63 (Rev.) (39 FR 12369 (1974)).

§ 1018.2 Definitions.

(a) *Advisory Committee Act* or *Act* means the Federal Advisory Committee Act (Pub. L. 92-463, 5 U.S.C. App. I (1974)).

(b) *OMB Circular No. A-63* means Office of Management and Budget Circular No. A-63 (Rev.), entitled "Advisory Committee Management" (39 FR 12369, April 5, 1974), as amended.

(c) *Advisory Committee* means any committee, board, commission, council, conference, panel, task force or other similar group, or any subcommittee or other subgroup, thereof, which is established or used by the Commission in the interest of obtaining advice or recommendations and which is not composed wholly of full-time officers or employees of the Federal Government.

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(d) *Statutory advisory committee* means an advisory committee established or directed to be established by Congress.

(e) *Non-statutory advisory committee* means an advisory committee established by the Commission, including a committee which was authorized, but not established by Congress.

(f) *Ad hoc advisory committee* means a non-continuing, non-statutory advisory committee established by the Commission for the stated purpose of providing advice or recommendations regarding a particular problem which must be resolved immediately or within a limited period of time.

(g) *Non-Commission established advisory committee* means an advisory committee established by a Federal, State, or local instrumentality other than the Commission, or by a private organization or group and utilized by the Commission for advisory services.

(h) *GSA Secretariat* means the Committee Management Secretariat of the General Services Administration.

(i) *Chairman* means the Chairman of the Consumer Product Safety Commission.

[41 FR 45882, Oct. 18, 1976, as amended at 46 FR 63248, Dec. 31, 1981]

§ 1018.3 Policy.

In application of this part, Commission officials shall be guided by the Advisory Committee Act, the statutes creating the Commission's advisory committees, and by the directives in Executive Order No. 11769 and OMB Circular No. A-63. Principles to be followed include:

(a) Limiting the number of advisory committees to those that are essential and terminating any committee not fulfilling its purpose;

(b) Insuring effective use of advisory committees and their recommendations, while assuring that decisional authority is retained by the responsible Commission officers;

(c) Providing clear goals, standards, and uniform procedures with respect to the establishment, operation, and administration of advisory committees;

(d) Ensuring that adequate information is provided to the public regarding advisory committees; and

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(e) Ensuring adequate opportunities for access by the public to advisory committee meetings and information.

§ 1018.4 Applicability.

(a) This part shall apply to all advisory committees (whether statutory or non-statutory) subject to the jurisdiction of the Commission. This part also shall apply to ad hoc advisory committees and non-Commission established advisory committees when they are performing advisory services for the Commission.

(b) Nothing in this part shall apply to any of the following types of organizations:

(1) Any local civic group whose primary function is that of rendering a public service with respect to a Federal program;

(2) Any state or local government committee, council, board, commission, or similar group established to advise or make recommendations to State or local officials or agencies;

(3) Any committee whether advisory, interagency, or intraagency which is composed wholly of full-time officers or employees of the Federal Government;

(4) Persons or organizations having contractual relationships with the Commission; and

(5) Persons or organizations developing consumer product safety standards under section 7 of the Consumer Product Safety Act (15 U.S.C. 2056).

(c) This part shall not apply to a committee or other group to the extent that it is specifically exempted by statute from the Federal Advisory Committee Act.

[41 FR 45882, Oct. 18, 1976, as amended at 46 FR 63248, Dec. 31, 1981]

§ 1018.5 Advisory Committee Management Officer.

The Chairman shall designate an Advisory Committee Management Officer who shall:

(a) Exercise control and supervision over the establishment, procedures, and accomplishments of all advisory committees established or utilized by the Commission;

(b) Assemble and maintain the reports, records, and other papers of any such committee during its existence,

and carry out, on behalf of the Secretary of the Commission, the provisions of section 552 of Title 5, United States Code (Freedom of Information Act) and the Commission's Procedures for Disclosure or Production of Information Under the Freedom of Information Act (16 CFR part 1015) with respect to such reports, records, and other papers; and

(c) Perform such other functions as specified in this part.

Subpart B—Establishment of Advisory Committees

§ 1018.11 Charters.

(a) No advisory committee shall meet or take any action until its charter has been filed with the GSA Secretariat in accordance with the requirements of section 9(c) of the Federal Advisory Committee Act.

(b) The Advisory Committee Management officer shall have responsibility for the preparation and filing of charters.

[41 FR 45882, Oct. 18, 1976, as amended at 46 FR 63249, Dec. 31, 1981]

§ 1018.12 Statutory advisory committees.

The Commission has one statutory advisory committee subject to the Federal Advisory Committee Act. The Toxicological Advisory Board was established by the Commission on December 22, 1978, pursuant to section 20 of the Federal Hazardous Substances Act, as amended (Pub. L. 95-631, 92 Stat. 3747, 15 U.S.C. 1275).

[46 FR 63248, Dec. 31, 1981]

§ 1018.13 Non-statutory advisory committees.

(a) In proposing to establish a non-statutory advisory committee, the Commission shall follow the procedural requirements of section 9(a)(2) of the Advisory Committee Act and section 6(a) of OMB Circular No. A-63.

(b) A non-statutory advisory committee shall not be established if the proposed function can be performed effectively by Commission personnel, by an existing advisory committee, or by another Federal agency.

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§ 1018.14 Non-Commission established advisory committees.

(a) To the extent practicable, the Commission shall utilize advisory committees already established by Federal, State, or local government or by private organizations, rather than establish a new advisory committee or expand the functions of an existing Commission advisory committee.

(b) In utilizing a non-Commission established advisory committee, Commission officials shall follow the applicable provisions of this part and the requirements of the Advisory Committee Act.

§ 1018.15 Membership composition.

The Toxicological Advisory Board, as specified in section 20 of the Federal Hazardous Substances Act, as amended (Pub. L. 95-631, 92 Stat. 3747, 15 U.S.C. 1275), shall be composed of nine members appointed by the Commission. Each member of the Board shall be qualified by training and experience in one or more fields applicable to the duties of the Board, and at least three of the members of the Board shall be members of the American Board of Medical Toxicology. The Commission will seek a balanced membership, including individuals representative of consumers, government and industry.

[46 FR 63248, Dec. 31, 1981]

§ 1018.16 Membership selection.

(a) Whenever new applicants are required for a Commission advisory committee, public notice will be issued in the FEDERAL REGISTER inviting individuals to submit, on or before a specified date, applications or nominations for membership.

(b) An applicant for membership on an advisory committee shall disclose all affiliations, either paid or as a volunteer, that bear any relationship to the subject area of product safety or to membership on the advisory committee. This disclosure shall include both current affiliations and relevant past affiliations.

(c) The Secretary of the Commission shall, from time to time, appoint a Candidate Evaluation Panel consisting of qualified, staff members of the Com-

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mission, including the Advisory Committee Management Officer.

(d) The Candidate Evaluation Panel, using selection criteria established by the Commission, shall evaluate all candidates and submit to the Commissioners the names of those candidates it recommends for membership. Where possible, at least three candidates shall be recommended for each appointment to be made. Final selection for membership shall be made by the Commissioners.

(e) The membership of each Commission Advisory Committee shall be fairly balanced in terms of geographic location, age, sex, and race.

§ 1018.17 Appointments.

(a) The Chairman shall appoint as members to advisory committees those persons selected by the Commissioners.

(b) The term of appointment to an advisory committee shall be for two years, unless otherwise specified by the Commission. To promote maximum participation, an advisory committee member may serve for only one consecutive full term. This subsection shall not be deemed to affect the term of appointment of any present member of an advisory committee in effect on the original effective date of this part, September 24, 1975.

(c) A vacancy that occurs during the term of an appointment normally will be filled by the Commission from the applications or nominations on file. Appointment to any such vacancy will be for the unexpired portion of the original appointment. Appointees to such an unexpired term may be reappointed for a full two-year term.

(d) Notwithstanding paragraphs (b) and (c) above, members of the Toxicological Advisory Board shall be appointed for terms of three years. Members may be reappointed for a subsequent three-year term. Any vacancy on the Board shall be filled in the same manner in which the original appointment was made. Any person appointed to fill a vacancy occurring before the expiration of the term for which his or her predecessor was appointed shall serve only for the remainder of such term.

[41 FR 45882, Oct. 18, 1976, as amended at 43 FR 60876, Dec. 29, 1978]

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Subpart C—Operation of Advisory Committees

§ 1018.23 Designated Commission employee.

§ 1018.21 Calling of meetings.

Advisory committees shall, as a general rule, meet four times per year, except that, as provided by statute, the Toxicological Advisory Board shall meet not less than two times each year. No advisory committee shall hold a meeting without advance approval of the Chairman or the Commission official designated under §1018.23(a). Before giving such advance approval, the Chairman or Commission official shall notify the Commission of the date of the proposed meeting.

[41 FR 45822, Oct. 18, 1976, as amended at 43 FR 60876, Dec. 29, 1978]

§ 1018.22 Notice of meetings.

(a) Meetings shall be called by written and/or oral notice to all members of the advisory committee.

(b) Notice of each advisory committee meeting shall be published in the FEDERAL REGISTER as well as other means to give widespread public notice, at least 15 calendar days before the date of the meeting, except that shorter notice may be provided in emergency situations. Reasons for such emergency exceptions shall be made part of the meeting notice.

(c) A meeting notice shall include:

(1) The official designation of the committee;

(2) The address and site of the meeting;

(3) The time of the meeting;

(4) The purpose of the meeting, including where appropriate, a summary of the agenda;

(5) Whether, or the extent to which, the public will be permitted to attend or participate;

(6) An explanation of how any person who wishes to do so may file a written statement with the committee before, during, or after the meeting; and

(7) The procedure by which a public attendee may present an oral statement or question to members of the committee.

(a) The Chairman shall designate a member of the Commission or other Commission officer or employee to chair or attend each meeting of each advisory committee.

(b) Unless otherwise provided in the statute creating a statutory advisory committee, the committee normally will be chaired, on a rotating basis, by a member of the Commission.

(c) No advisory committee shall conduct any meeting in the absence of the officer or employee designated under paragraph (a) of this section.

(d) The officer or employee designated under paragraph (a) of this section is authorized to adjourn any advisory committee meeting whenever he or she determines adjournment to be in the public interest.

§ 1018.24 Agenda.

Prior to each advisory committee meeting, the Advisory Committee Management Officer shall prepare and, after approval by the officer or employee designated under §1018.23 (a), shall distribute to each committee member the agenda for that meeting. The agenda for a meeting shall list the matters to be discussed at the meeting and shall indicate whether and when any part of the meeting will concern matters which are exempt from public disclosure under the Freedom of Information Act (5 U.S.C. 552(b) or section 6(a)(2) of the Consumer Product Safety Act (15 U.S.C. 2045(a)(2)).

§ 1018.25 Minutes and meeting reports.

(a) The Advisory Committee Management Officer shall be responsible for the preparation of detailed minutes of each meeting of each advisory committee. The minutes shall include at least the following:

(1) The time and place of the meeting;

(2) A list of advisory committee members and staff and Commission employees present at the meeting;

(3) A complete summary of all matters discussed and conclusions reached;

(4) Copies of all reports received, issued, or approved by the advisory committee; and

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(5) A description of public participation, including a list of members of the public who presented oral or written statements and an estimate of the number of members of the public who attended the meeting.

(b) The chairman of the advisory committee shall certify the accuracy of the minutes.

(c) Whenever a non-Commission established committee convenes and, at the request of the Commission, a portion of the session is allocated to the rendering of advisory services to the Commission, the Advisory Committee Management Officer shall attend and prepare minutes for that portion of the meeting in accordance with this section.

(d) In addition to the information required by subsection (a) of this section, the minutes of the Toxicological Advisory Board shall specify the reasons for all conclusions reached and, where conclusions are not unanimous, the Board is encouraged to submit minority or dissenting opinions.

[41 FR 45882, Oct. 18, 1976, as amended at 43 FR 60876, Dec. 29, 1978]

§ 1018.26 Advisory functions.

(a) Unless otherwise specifically provided by statute, advisory committees shall be utilized solely for advisory functions.

(b) The Commission shall ensure that the advice and recommendations of advisory committees shall not be inappropriately influenced by the Commission, its staff, or by any special interest, but will be the result of the advisory committee's independent judgment.

§ 1018.27 Public participation.

(a) The Commission is committed to a policy of encouraging public participation in its activities and will hold all advisory committee meetings open to the public.

(b) The guidelines in section 8(c) of OMB Circular A-63 shall be followed in providing public access to advisory committee meetings.

§ 1018.28 Records and transcripts.

(a) Subject to section 552 of title 5, United States Code (Freedom of Information Act) and 16 CFR part 1015

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(Commission's Procedures for Disclosure or Production of Information under the Freedom of Information Act), the records, reports, transcripts, minutes, appendices, working papers, drafts, studies, agendas or other documents which were made available to or prepared for or by an advisory committee shall be made available for public inspection and copying in the Commission's Office of the Secretary.

(b) Advisory Committee documents shall be made available until the advisory committee ceases to exist. Disposition of the advisory committee documents shall be determined by the Secretary of the Commission at that time.

§ 1018.29 Appeals under the Freedom of Information Act.

Appeals from the denial of access to advisory committee documents shall be considered in accordance with the Commission's Procedures for Disclosure or Production of Information under the Freedom of Information Act (16 CFR part 1015).

Subpart D—Administration of Advisory Committees

§ 1018.31 Support services.

Unless the statutory authority for a particular advisory committee provides otherwise, the Advisory Committee Management Officer shall be responsible for providing and overseeing all necessary support services for each advisory committee established by or reporting to the Commission. Support services include providing committee staff, meeting rooms, supplies, and funds, including funds for the publication of reports.

§ 1018.32 Compensation and travel expenses.

(a) A single rate of compensation will be offered to members of all advisory committees with the exception of government employees and those individuals whose company or organization prohibits such payment. This rate shall be \$100 per day for each day in attendance at the meeting and for each day of travel.

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(b) The Commission shall determine per diem and travel expenses for members, staffs, and consultants in accordance with section 7(d) of the Advisory Committee Act and section 11 of OMB Circular No. A-63.

(c) Members of advisory committees, while engaged in the performance of their duties away from their homes or regular place of business, may be allowed travel expenses including per diem in lieu of expenses as authorized by 5 U.S.C. 5703.

§ 1018.33 Change of status.

Any advisory committee member who changes his or her affiliation or who assumes an additional affiliation, so as to actually or potentially affect his or her representational capacity on an advisory committee (upon which the member's application was based), shall immediately notify, in writing, the Advisory Committee Management Officer. Such notification shall include all relevant information concerning the change in affiliation and a statement by the member expressing his or her opinion regarding the implications of such change. The notification and any other relevant information shall be evaluated by the Commissioners to determine the appropriateness of the member's continued membership on the advisory committee.

§ 1018.34 Conflict of interest.

Members of the Commission's statutory advisory committees are not legally subject to the standards of conduct and conflict of interest statutes and regulations applicable to Commission employees. However, it is important to avoid situations in which a member of an advisory committee has an actual or apparent conflict of interest between the member's private interests (or the interests of the member's organization) and the member's interest in properly performing his or her duties as an advisory committee member. To preclude any such actual or apparent conflict of interest, committee members shall be subject to the following guidelines:

(a) Committee members should not personally participate, either for themselves or on behalf of an organization, in negotiations, or the preparation of

negotiations, for contracts with or grants from the Commission. Nor should committee members, either as an individual or on behalf of an organization, become personally involved in the performance of work under such a negotiated contract or grant awarded by the Commission. Committee members may participate in preparing bids for and performing work under advertised contracts where price is the single factor in the determination of award.

(b) Committee members should not become personally involved in the preparation or submission of a proposal to develop a safety standard or regulation under any of the Acts administered by the Commission.

(c) Committee members representing anyone in a professional capacity in a proceeding before the Commission should, pursuant to paragraph (e) and (f) of this section, advise the committee chairperson and the other members of the committee on which he or she serves of the representation prior to the committee's discussion regarding that proceeding. Where the chairperson of the committee determines that the representation involves a conflict or the appearance of a conflict of interest, the member will be asked to withdraw from the discussion of the proceeding. In circumstances where withdrawal from the committee's discussion or consideration of the matter is determined by the Commission to be insufficient to avoid a conflict or apparent conflict of interest, continued representation may be considered incompatible with membership on the committee.

(d) Committee members should exercise caution to ensure that their public statements are not interpreted to be official policy statements of the Commission.

(e) Committee members shall disclose to the committee chairperson and to the other members of the committee on which he or she serves, any special interest in a particular proceeding or matter then pending before the committee which in any way may affect that member's position, views or arguments on the particular proceeding or matter. The disclosure shall be made orally prior to the commencement of

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the discussion. "Special interest" is not intended to include a member's general interest in presenting a position, views, or arguments in his or her representational capacity.

(f) Where the chairperson of the committee determines that the disclosure referred to in paragraph (e) of this section reveals a conflict or apparent conflict of interest with respect to a member's involvement in the committee's consideration or discussion of a particular matter, the member will be asked to withdraw from the discussion of the matter.

(g) The provisions of paragraphs (a) and (b) of this section do not apply to state and local government officers and employees.

§ 1018.35 Termination of membership.

Advisory committee membership may be terminated at any time upon a determination by the Commission that such action is appropriate.

Subpart E—Records, Annual Reports and Audits

§ 1018.41 Agency records on advisory committees.

(a) In accordance with section 12(a) of the Advisory Committee Act, the Advisory Committee Management Officer shall maintain, in the Office of the Secretary, records which will fully disclose the nature and extent of the activities of each advisory committee established or utilized by the Commission.

(b) The records shall include a current financial report itemizing expenditures and disclosing all funds available for each advisory committee during the current fiscal year.

(c) The records shall also include a complete set of the charters of the Commission's advisory committee and copies of the annual reports on advisory committees.

§ 1018.42 Annual report.

(a) The Advisory Committee Management Officer shall prepare an annual report on the Commission's advisory committees for inclusion in the President's annual report to Congress as required by section 6(c) of the Advisory Committee Act. This report shall be prepared and submitted in accordance

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with General Services Administration guidelines (39 FR 44814, December 27, 1974).

(b) Results of the annual comprehensive review of advisory committee made under §1018.43 shall be included in the annual report.

§ 1018.43 Comprehensive review.

A comprehensive review of all Commission established or utilized advisory committees shall be made annually in accordance with section 10 of the GSA Circular No. A-63, as amended, and shall be submitted to the GSA Secretariat by November 30 of each year.

[41 FR 45882, Oct. 18, 1976, as amended at 46 FR 63249, Dec. 31, 1981]

Subpart F—Termination and Renewal

§ 1018.61 Statutory advisory committees.

A new charter shall be filed for each statutory advisory committee in accordance with section 9(c) of the Advisory Committee Act and §1018.11 upon the expiration of each successive two-year period following the date of enactment of the statute establishing or requiring the establishment of the committee.

§ 1018.62 Non-statutory advisory committees.

(a) Each non-statutory advisory committee established by the Commission after the effective date of this part shall terminate not later than two years after its establishment unless prior to that time it is renewed in accordance with paragraph (c) of this section.

(b) Each non-statutory advisory committee which is renewed by the Commission shall terminate not later than two years after its renewal unless prior to that time it is again renewed in accordance with paragraph (c) of this section.

(c) Before a non-statutory advisory committee can be renewed by the Commission, the chairman shall inform the GSA Secretariat by letter not more

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than 60 days nor less than 30 days before the committee expires of the following:

(1) His or her determination that renewal is necessary and is in the public interest;

(2) The reasons for his or her determination;

(3) The Commission's plan to attain balanced membership of the committee, and;

(4) An explanation of why the committee's functions cannot be performed by the Commission or by another existing advisory committee.

(d) If the GSA Secretariat concurs, the Chairman shall certify in writing that the renewal of the advisory committee is in the public interest and shall publish notice of the renewal in the FEDERAL REGISTER and shall file a new charter.

[41 FR 45882, Oct. 18, 1976, as amended at 46 FR 63249, Dec. 31, 1981]

PART 1019—EXPORT OF NONCOMPLYING, MISBRANDED, OR BANNED PRODUCTS

Subpart A—Procedures for Export of Non-complying, Misbranded, or Banned Products

Sec.

1019.1 Purpose, applicability, and exemptions.

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1019.31 Purpose and scope.

1019.32 Statutory provisions.

1019.33 Statement of policy and interpretation.

AUTHORITY: 15 U.S.C. 1196, 1202, 1263, 1264, 1273, 2067, 2068.

SOURCE: 61 FR 29647, June 12, 1996, unless otherwise noted.

Subpart A—Procedures for Export of Noncomplying, Misbranded, or Banned Products

§ 1019.1 Purpose, applicability, and exemptions.

(a) *Purpose.* The regulations in this subpart A of this part 1019 establish the procedures exporters must use to notify the Consumer Product Safety Commission of their intent to export from the United States products which are banned or fail to comply with an applicable safety standard, regulation, or statute. These regulations also set forth the procedures the Commission uses in transmitting the notification of export of noncomplying products to the country to which those products will be sent. The Consumer Product Safety Act Authorization Act of 1978 (Pub. L. 95-631), which became effective November 10, 1978, established these notification requirements and authorizes the Commission to issue regulations to implement them.

(b) *Applicability.* These regulations apply to any person or firm which exports from the United States and item which is:

(1) A consumer product that does not conform to an applicable consumer product safety rule issued under sections 7 and 9 of the Consumer Product Safety Act (15 U.S.C. 2056, 2058), or which has been declared to be a banned hazardous product under provisions of sections 8 and 9 of that Act (15 U.S.C. 2057, 2058); or

(2) A misbranded hazardous substance or a banned hazardous substance within the meaning of sections 2(p) and 2(q) of the Federal Hazardous Substances Act (15 U.S.C. 1261); or

(3) A fabric or related material or an item of wearing apparel or interior furnishing made of fabric or related material which fails to conform with an applicable flammability standard or regulations issued under section 4 of the Flammable Fabrics Act (15 U.S.C. 1191, 1193).

(c) *Exemption for certain items with noncomplying labeling.* The exporter of an item that fails to comply with a standard or regulation only because it is labeled in a language other than

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English need not notify the Commission prior to export if the product is labeled with the required information in the language of the country to which the product will be sent.

(d) *Exemption for samples.* The exporter of an item that fails to comply with a standard or regulation, but which is intended for use only as a sample and not for resale, need not notify the Commission prior to export, if the item is conspicuously and labeled in English with the statement: "Sample only. Not for resale." (The Commission encourages exporters to provide this label, in addition, in the language of the importing country, but does not require the foreign language labeling.) To qualify as a sample shipment under this exemption, the quantity of goods involved must be consistent with prevalent trade practices with respect to the specific product.

(e) *Exemption for items not in child-resistant packaging.* The exporter of an item which is a "misbranded hazardous substance" within the meaning of section 2(p) of the Federal Hazardous Substances Act (15 U.S.C. 1261(p)) only because it fails to comply with an applicable requirement for child-resistant packaging under the Poison Prevention Packaging Act of 1970 (15 U.S.C. 1471 *et seq.*) need not notify the Commission prior to export.

§ 1019.2 Definitions.

As used in this subpart A of this part 1019:

(a) *Consignee* means the person, partnership, corporation or entity in a foreign country to whom noncomplying goods are sent;

(b) *Export* means to send goods outside the United States or United States possessions for purposes of trade, except the term does not apply to sending goods to United States installations located outside the United States or its possessions;

(c) *Exporter* means the person, partnership, corporation or entity that initiates the export of noncomplying goods;

(d) *Noncomplying goods* means any item described in §1019.1(b), except for those items excluded from the requirements of these regulations by §1019.1 (c), (d), and (e).

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§ 1019.3 General requirements for notifying the Commission.

Not less than 30 days before exporting any noncomplying goods described in §1019.1(b), the exporter must file a statement with the Consumer Product Safety Commission, as described in §§1019.4 and 1019.5 of this subpart A. The exporter need not notify the Commission about the export of items described in §1019.1 (c), (d), or (e). As described in §1019.5, the exporter may request the Commission to allow the statement to be filed between 10 and 29 days before the intended export, and the request may be granted for good cause.

§ 1019.4 Procedures for notifying the Commission; content of the notification.

(a) *Where notification must be filed.* The notification of intent to export shall be addressed to the Assistant Executive Director for Compliance, Consumer Product Safety Commission, Washington, DC 20207.

(b) *Coverage of notification.* An exporter must file a separate notification for each country to which noncomplying goods are to be exported. Each notification may include a variety of noncomplying goods being shipped to one country. The notification may include goods intended to be shipped to one country in any one year, unless the Assistant Executive Director of Compliance directs otherwise in writing.

(c) *Form of notification.* The notification of intent to export must be in writing and must be entitled: "Notification of Intent to Export Noncomplying Goods to [indicate name of country]." The Commission has no notification forms, but encourages exporters to provide the required information in the order listed in paragraphs (d) and (e) of this section.

(d) *Content of notification; required information.* The notification of intent to export shall contain the information required by this subsection. If the notification covers a variety of noncomplying goods the exporter intends to export to one country, the information required below must be clearly provided for each class of goods, and may include an estimate of the information required in paragraphs (d) (3) and (5) of

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this section. The required information is:

- (1) Name, address and telephone number of the exporter;
- (2) Name and address of each consignee;
- (3) Quantity and description of the goods to be exported to each consignee, including brand or trade names or model or other identifying numbers;
- (4) Identification of the standards, bans, regulations and statutory provisions applicable to the goods being exported, and an accurate description of the manner in which the goods fail to comply with applicable requirements; and
- (5) Anticipated date of shipment and port of destination.

(e) *Optional information.* In addition to the information required by paragraph (d) of this section, the notification of intent to export may contain, at the exporter's option, the following information:

- (1) Copies of any correspondence from the government of the country of destination of the goods indicating whether the noncomplying goods may be imported into that country; and
- (2) Any other safety-related information that the exporter believes is relevant or useful to the Commission or to the government of the country of intended destination.
- (f) *Signature.* The notification of intent to export shall be signed by the owner of the exporting firm if the exporter is a sole-proprietorship, by a partner if the exporter is a partnership, or by a corporate officer if the exporter is a corporation.

§ 1019.5 Time notification must be made to Commission; reductions of time.

(a) *Time of notification.* The notification of intent to export must be received by the Commission's Assistant Executive Director for Compliance at least 30 days before the noncomplying goods are to leave the customs territory of the United States. If the notification of intent to export includes more than one shipment of noncomplying goods to a foreign country, the Assistant Executive Director for Compliance must receive the notification at least 30 days before the first ship-

ment of noncomplying goods is to leave the customs territory of the United States.

(b) *Incomplete notification.* Promptly after receiving notification of intent to export, the Assistant Executive Director will inform the exporter if the notification of intent to export is incomplete and will describe which requirements of § 1019.4 are not satisfied. The Assistant Executive Director may inform the exporter that the 30-day advance notification period will not begin until the Assistant Executive Director receives all the required information.

(c) *Requests for reduction in 30-day notification requirement.* Any exporter may request an exemption from the requirement of 30-day advance notification of intent to export by filing with the Commission's Assistant Executive Director for Compliance (Washington, DC 20207) a written request that the time be reduced to a time between 10 and 30 days before the intended export. The request for reduction in time must be received by the Assistant Executive Director for Compliance at least 3 working days before the exporter wishes the reduced time period to begin. The request must:

- (1) Be in writing;
- (2) Be entitled "Request for Reduction of Time to File Notification of Intent to Export Noncomplying Goods to [indicate name of country]";
- (3) Contain a specific request for the time reduction requested to a time between 10 and 30 days before the intended export); and
- (4) Provide reasons for the request for reduction in time.

(d) *Response to requests for reduction of time.* The Assistant Executive Director for Compliance has the authority to approve or disapprove requests for reduction of time. The Assistant Executive Director shall indicate the amount of time before export that the exporter must provide the notification. If the request is not granted, the Assistant Executive Director shall explain the reasons in writing.

§ 1019.6 Changes to notification.

If the exporter causes any change to any of the information required by § 1019.4, or learns of any change to any of that information, at any time before

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the noncomplying goods reach the country of destination, the exporter must notify the Assistant Executive Director for Compliance within two working days after causing or learning of such change, and must state the reason for any such change. The Assistant Executive Director will promptly inform the exporter whether the 30-day advance notification period will be discontinued, and whether the exporter must take any other steps to comply with the advance notification requirement.

§ 1019.7 Commission notification of foreign governments.

After receiving notification from the exporter, or any changes in notification, the Assistant Executive Director for Compliance shall inform on a priority basis the appropriate government agency of the country to which the noncomplying goods are to be sent of the exportation and the basis on which the goods are banned or fail to comply with Commission standards, regulations, or statutes, and shall send all information supplied by the exporter in accordance with §1019.4(d). The Assistant Executive Director shall also enclose any information supplied in accordance with §1019.4(e), but he or she may also state that the Commission disagrees with or takes no position on its content, including its relevance or accuracy. The Assistant Executive Director shall take whatever other action is necessary to provide full information to foreign countries and shall also work with and inform the U.S. State Department and foreign embassies and international organizations, as appropriate. The Assistant Executive Director shall also seek acknowledgment of the notification from the foreign government. Foreign governments intending to prohibit entry of goods that are the subject of a notification from the Commission should initiate action to prevent such entry and should notify the exporter directly of that intent.

§ 1019.8 Confidentiality.

If the exporter believes any of the information submitted should be considered trade secret or confidential commercial or financial information, the exporter must request confidential

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treatment, in writing, at the time the information is submitted or must indicate that a request will be made within 10 working days. The Commission's regulations under the Freedom of Information Act, 16 CFR part 1015, govern confidential treatment of information submitted to the Commission.

Subpart B—Statement of Policy and Interpretation Concerning Export of Noncomplying, Misbranded, or Banned Products

§ 1019.31 Purpose and scope.

(a) This subpart B of this part 1019 states the policy of the Consumer Product Safety Commission and its interpretation of the Consumer Product Safety Act and the Federal Hazardous Substances Act with regard to exportation of products which have been sold, offered for sale, or distributed in commerce for use in the United States which:

(1) Fail to comply with an applicable consumer product safety standard or banning rule issued under provisions of the Consumer Product Safety Act (15 U.S.C. 2051 *et seq.*); or

(2) Are “misbranded hazardous substances” or “banned hazardous substances” as those terms are used in the Federal Hazardous Substances Act (15 U.S.C. 1261 *et seq.*).

(b) The policy expressed in this subpart B of part 1019 does not apply to any of the following products:

(1) Products which could be regulated only under provisions of the Consumer Product Safety Act but which are not subject to a consumer product safety standard or banning rule issued under that Act.

(2) Consumer products which are subject to and fail to comply with an applicable standard or banning rule issued under provisions of the Consumer Product Safety Act but which have never been distributed in commerce for use in the United States. See section 18(b) of the Consumer Product Safety Act 15, U.S.C. 2067(b), and subpart A of this part 1019 for requirements governing export of such products.)

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(3) Products which could be regulated under one or more sections of the Federal Hazardous Substances Act but which are neither “misbranded hazardous substances” nor “banned hazardous substances” as those terms are used in the Act.

(4) Products which are “misbranded hazardous substances” or “banned hazardous substances” as those terms are used in the Federal Hazardous Substances Act but which have never been sold or offered for sale in domestic commerce. (See sections 5(b) and 14(d) of the Federal Hazardous Substances Act (15 U.S.C. 1264(b) and 1273(d) and subpart A of this part 1019 for requirements governing export of such products.)

(5) Products for which the Commission has granted an exemption from an applicable standard, ban, or labeling requirement under the CPSA, FHSA, or FFA, in accordance with provisions of 16 CFR 1009.9. (These products remain subject to the notification requirements of subpart A of this part 1019.)

(6) Products which fail to comply with an applicable standard of flammability issued under provisions of the Flammable Fabrics Act (15 U.S.C. 1191 *et seq.*). The Commission’s policy regarding export of such products is set forth in the Commission’s Memorandum Decision and Order *In the Matter of Imperial Carpet Mills, Inc.*, CPSC Docket No. 80–2, July 7, 1983, and allows export without regard to whether the products have been distributed in domestic commerce. (See section 15 of the Flammable Fabrics Act, 15 U.S.C. 1202, and subpart A of this part 1019 for requirements governing export of such products.)

§ 1019.32 Statutory provisions.

(a) Section 18(a) of the Consumer Product Safety Act (15 U.S.C. 2057(a)) states:

This Act [the Consumer Product Safety Act] shall not apply to any consumer product if: (1) It can be shown that such product is manufactured, sold, or held for sale for export from the United States (or that such product was imported for export), unless (A) such consumer product is in fact distributed in commerce for use in the United States, or (B) the Commission determines that exportation of such product presents an unreasonable risk of injury to consumers within the

United States, and (2) such consumer product when distributed in commerce, or any container in which it is enclosed when so distributed, bears a stamp or label stating that such consumer product is intended for export; except that this Act shall apply to any consumer product manufactured for sale, offered for sale, or sold for shipment to any installation of the United States located outside of the United States.

(b) Section 4 of the Federal Hazardous Substances Act (15 U.S.C. 1263) states in part:

The following acts and the causing thereof are hereby prohibited: (a) The introduction or delivery for introduction into interstate commerce of any misbranded hazardous substance or banned hazardous substance. * * * (c) The receipt in interstate commerce of any misbranded hazardous substance or banned hazardous substance and the delivery or proffered delivery thereof for pay or otherwise.

(c) Section 5(b) of the Federal Hazardous Substances Act (15 U.S.C. 1264(b)) provides in part:

No person shall be subject to the penalties of this section * * * (3) for having violated subsection (a) or (c) of section 4 with respect to any hazardous substance shipped or delivered for shipment for export to any foreign country, in a package marked for export on the outside of the shipping container and labeled in accordance with the specifications of the foreign purchaser and in accordance with the laws of the foreign country, but if such hazardous substance is sold or offered for sale in domestic commerce, or if the Consumer Product Safety Commission determines that exportation of such substance presents an unreasonable risk of injury to persons residing within the United States, this clause shall not apply.

§ 1019.33 Statement of policy and interpretation.

(a) In its enforcement of the Consumer Product Safety Act, the Commission interprets the provisions of that Act to prohibit the export of products which fail to comply with an applicable consumer product safety standard or banning rule issued under that Act if those products have at any time been distributed in commerce for use in the United States.

(b) In its enforcement of the Federal Hazardous Substances Act, the Commission interprets the provisions of the Act to prohibit the export of products which are misbranded substances or banned hazardous substances as those terms are used in that Act if those

products have at any time been sold or offered for sale in domestic commerce.

PART 1020—SMALL BUSINESS

Sec.

1020.1 Why is the Commission issuing this rule?

1020.2 What is the definition of “small business”?

1020.3 What are the qualifications and duties of the Small Business Ombudsman?

1020.4 What is the Small Business Program?

1020.5 What is the Small Business Enforcement Policy?

AUTHORITY: 5 U.S.C. 601 note.

SOURCE: 61 FR 52878, Oct. 9, 1996, unless otherwise noted.

§ 1020.1 Why is the Commission issuing this rule?

(a) To state the Commission’s policies on small businesses;

(b) To assure that the Commission continues to treat small businesses fairly;

(c) To assure that small businesses do not bear a disproportionate share of any burden or cost created by a Commission regulatory, enforcement, or other action; and

(d) To assure that small businesses are given every opportunity to participate fully in the Commission’s regulatory process.

§ 1020.2 What is the definition of “small business”?

As used in this part, the term *small business* means any entity that is either a *small business*, *small organization*, or *small governmental jurisdiction*, as those terms are defined at 5 U.S.C. 601(3), (4), and (5), respectively.

§ 1020.3 What are the qualifications and duties of the Small Business Ombudsman?

(a) The Chairman will appoint a senior, full-time Commission employee as Small Business Ombudsman. The Ombudsman must:

(1) Have a working knowledge of the Commission’s statutes and regulations;

(2) Be familiar with the industries and products that the Commission regulates;

(3) Develop a working knowledge of the regulatory problems that small businesses experience;

(4) Perform the Ombudsman duties in addition to, and consistently with, other Commission responsibilities; and

(5) Not work in the Office of Compliance or Office of Hazard Identification and Reduction.

(b) The duties of the Small Business Ombudsman will include, but not be limited to, the following:

(1) Developing and implementing a program to assist small businesses that is consistent with § 1020.4;

(2) Working to expedite Commission responses to small businesses and providing information, guidance, and technical assistance to small businesses;

(3) Performing a review, at least twice a year, of the Commission’s regulatory agenda for actions likely to have a significant impact on small businesses; and

(4) Pursuing the interests of small businesses by maintaining a working relationship with appropriate officials in the Small Business Administration, in national trade associations that represent small businesses, and in the Commission.

§ 1020.4 What is the Small Business Program?

(a) Whenever the Commission is aware of the interests of small businesses, it will consider those interests before taking any action that will likely have a significant effect on small businesses.

(b) Small businesses may request and receive special assistance from the Commission, as appropriate and consistent with Commission resources. Examples of such assistance are:

(1) Small businesses may contact the Small Business Ombudsman to obtain information about Commission statutes, regulations, or programs; to obtain technical assistance; to determine who in the agency has particular expertise that might be helpful to the small business; or to help expedite a small business’s request.

(2) Small businesses may request assistance from the Commission by using the small business extension on the Commission’s hotline telephone system. The number is 1–800–638–2772, extension 234.

(3) The Small Business Ombudsman will directly provide small businesses

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with the requested assistance, or will direct the small business to the appropriate Commission staff for help.

(c) Whenever the Commission issues a final regulatory flexibility analysis for a rule, under the Regulatory Flexibility Act (5 U.S.C. 604), the Commission will publish a compliance guide for small businesses. The guide will explain in easy-to-understand language what action a small business must take to comply with the rule.

(d) The Commission may take other appropriate actions to assist small businesses, but such actions will not treat any other Commission constituent unfairly.

§ 1020.5 What is the Small Business Enforcement Policy?

(a) When appropriate, the Commission will, subject to all applicable statutes and regulations and paragraph (b) of this section:

(1) Waive or reduce civil penalties for violations of a statutory or regulatory requirement by a small business and/or

(2) Consider a small business's ability to pay in determining a penalty assessment against that small business,

(b) The Commission may decline to waive civil penalties or consider a small business's ability to pay, under paragraph (a) of this section, when one or more of the following circumstances applies:

(1) The small business's violations posed serious health or safety threats.

(2) The small business was subject to multiple enforcement actions by the Commission.

(3) The small business's violations involved willful or criminal conduct.

(4) The small business failed to correct violations within a reasonable time.

(5) The small business failed to make a good faith effort to comply with the law.

(6) The small business acted in any other way that would make it unfair or inappropriate for the Commission to provide a benefit under paragraph (a) of this section.

PART 1021—ENVIRONMENTAL REVIEW

Subpart A—General

Sec.

1021.1 Purpose.

1021.2 Policy.

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1021.7 Coordination of environmental review with CPSC procedures.

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1021.11 Information regarding NEPA compliance.

Subpart C—Contents of Environmental Review Documents

1021.12 Environmental assessment.

1021.13 Finding of no significant impact.

1021.14 Environmental impact statement.

AUTHORITY: 42 U.S.C 4321-4347; 40 CFR part 1500 *et seq.*

SOURCE: 45 FR 69434, Oct. 21, 1980, unless otherwise noted.

Subpart A—General

§ 1021.1 Purpose.

This part contains Consumer Product Safety Commission procedures for review of environmental effects of Commission actions and for preparation of environmental impact statements (EIS) and related documents. These procedures supersede any Commission procedures previously applicable. The procedures provide for identification of effects of a proposed action and its alternatives on the environment; for assessment of the significance of these effects; for consideration of effects at the appropriate points in the Commission's decision-making process; and for preparation of environmental impact statements for major actions significantly affecting the environment. These procedures are intended to implement the Council on Environmental Quality's final regulations of November 29, 1978 (43 FR 55978; 40 CFR part 1500, *et seq.*) concerning agency compliance

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with the National Environmental Policy Act, as amended (NEPA) (15 U.S.C. 4321-4347 as amended by Pub. L. 94-83, August 8, 1975).

§ 1021.2 Policy.

It is the policy of the Commission to weigh and consider the effects upon the human environment of a proposed action and its reasonable alternatives. Actions will be designed to avoid or minimize adverse effects upon the quality of the human environment wherever practicable.

§ 1021.3 Definitions.

(a) The term *CPSC actions* means rulemaking actions; enforcement actions; adjudications; legislative proposals or reports; construction, relocation, or renovation of CPSC facilities; decisions on petitions; and any other agency activity designated by the Executive Director as one necessitating environmental review.

(b) The term *Commission* means the five Commissioners of the Consumer Product Safety Commission.

(c) The term *CPSC* means the entire organization which bears the title Consumer Product Safety Commission.

(d) The term *NEPA regulations* means the Council of Environmental Quality regulations of November 29, 1978 (43 FR 55978) for implementing the provisions of the National Environmental Policy Act, as amended (42 U.S.C 4321, et. seq).

(e) The term *environmental review process* refers to all activities associated with decisions to prepare an environmental assessment, a finding of no significant impact, or an environmental impact statement.

(f) The definitions given in part 1508 of the Council's NEPA regulations are applicable to this part 1021 and are not repeated here.

§ 1021.4 Overview of environmental review process for CPSC actions.

The environmental review process normally begins during the staff development of a proposed action and progresses through the following steps:

(a) *Environmental assessment.* (Section 1508.9 of the NEPA regulations). The assessment is initiated along with the staff development of a proposal and the identification of realistic alternatives.

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The assessment shall be available to the Commission before the Commission votes on a proposal and its alternatives. Its purpose is to identify and describe foreseeable effects on the environment, if any, of the action and its alternatives. The assessment culminates in a written report. This report generally contains analyses of the same categories of information as would an EIS, but in a much less detailed fashion. (See §1021.10(a), below.) It contains sufficient information to form a basis for deciding whether effects on the environment are likely to be "significant." (See §1508.27 of the NEPA regulations.)

(b) *Decision as to significance of effects on the environment.* This decision is made by the Executive Director of the CPSC and is based upon the results of the environmental assessment as well as any other pertinent information. If the effects are significant, CPSC publishes in the FEDERAL REGISTER a notice of intent to prepare an environmental impact statement. (See §1508.22 of the NEPA regulations.) If not, a finding of no significant impact is prepared. (Section 1508.13 of the NEPA regulations.)

(c) *Finding of no significant impact.* This is a written document which gives reasons for concluding that the effects of a proposed action, or its alternatives, on the environment will not be significant. Together with the environmental assessment, it explains the basis for not preparing an EIS. The finding of no significant impact is signed by the Executive Director. The finding of no significant impact and the environmental assessment accompany the proposed action throughout the Commission decision-making process.

(d) *Draft environmental impact statement.* The content of a draft EIS is described in §1021.12, below. For a particular proposal, the breadth of issues to be discussed is determined by using the scoping process described in §1501.7 of the NEPA regulations. The draft EIS pertaining to a proposed rule is before the Commission at the time it considers the proposed action and is available to the public when the notice of proposed rulemaking is published or as

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soon as possible thereafter. In appropriate instances, the FEDERAL REGISTER preamble for a proposed rule may serve as the draft EIS. The draft EIS shall accompany the proposed action throughout the remainder of the Commission decision-making process.

(e) *Final EIS.* The content of this document is described in §1021.12. A final EIS responds to all substantive comments on the draft statement. It is before the Commission when it considers a final action.

(f) *Supplemental statements.* When CPSC makes changes in the proposed action that are important to environmental issues or when there is significant new environmental information, the Executive Director instructs CPSC staff to prepare supplements to either the draft or final EIS (See §1502.9(c) of the NEPA regulations).

(g) *Record of decision.* (Sections 1505.2 and 1506.1 of the NEPA regulations.) At the time of a decision on a proposed action which involves an EIS, CPSC prepares a written record of decision explaining the decision and why any alternatives discussed in the EIS were rejected. This written record is signed by the Secretary of the Commission for the Commission. No action going forward on the proposal may be taken until the record of decision is signed and filed in the Office of the Secretary of the Commission.

§ 1021.5 Categories of CPSC actions.

(a) There are no CPSC actions which ordinarily produce significant environmental effects. Therefore, there are no actions for which an environmental impact statement is normally required.

(b) The following categories of CPSC actions have the potential of producing environmental effects and therefore, normally require environmental assessments but not necessarily environmental impact statements:

(1) Regulatory actions dealing with health risks.

(2) Actions requiring the destruction or disposal of large quantities of products or components of products.

(3) Construction, relocation, or major renovation of CPSC facilities.

(4) Recommendations or reports to Congress on proposed legislation that will substantially affect the scope of

CPSC authority or the use of CPSC resources, authorize construction or razing of facilities, or dislocate large numbers of employees.

(5) Enforcement actions which result in the widespread use of substitute products, which may present health risks.

(c) The following categories of CPSC actions normally have little or no potential for affecting the human environment; and therefore, neither an environmental assessment nor an environmental impact statement is required. (These categories are termed "categorical exclusions" in the NEPA regulations; see §§1507.3(b)(2) and 1508.4):

(1) Rules or safety standards to provide design or performance requirements for products, or revision, amendment, or revocation of such standards.

(2) Product certification or labeling rules.

(3) Rules requiring poison prevention packaging of products or exempting products from poison prevention packaging rules.

(4) Administrative proceedings to require individual manufacturers to give notice of and/or to correct, repair, replace, or refund the purchase price of banned or hazardous products. Other administrative adjudications which are primarily law enforcement proceedings.

(5) Recommendations or reports to Congress on proposed legislation to amend, delete or add procedural provisions to existing CPSC statutory authority.

(6) Decisions on petitions for rule-making.

(7) Issuance of subpoenas, general orders, and special orders.

(d) In exceptional circumstances, actions within category in paragraph (c) of this section ("categorical exclusions") may produce effects on the human environment. Upon a determination by the Executive Director that a normally excluded proposed action may have such an effect, an environmental assessment and a finding of no significant impact or an environmental impact statement shall be prepared.

Subpart B—Procedures

§ 1021.6 Responsible official.

(a) The Executive Director of the CPSC shall have the responsibility to ensure that the Commission's policies and procedures set forth in this part are carried out. He or she shall have the following specific powers and duties:

(1) To ensure that CPSC environmental review is conducted in accordance with the NEPA regulations as well as this part 1021.

(2) To evaluate the significance of effects of a CPSC action on the environment and to determine whether a finding of no significant impact or an EIS should be prepared.

(3) To determine when a categorical exclusion requires environmental review because of exceptional circumstances indicating that the otherwise excluded action may produce an environmental effect.

(4) To instruct CPSC staff to prepare supplements to either draft or final EIS's where there is new environmental information or when CPSC makes changes in a proposed action that are important to environmental issues.

(5) To ensure that environmental documents are before the Commission at all stages of review of proposed action.

(6) To make provisions for soliciting public comment on the anticipated effects on the environment of proposed CPSC actions and their reasonable alternatives at any stage of the environmental review process, whenever he or she decides that such comment will be helpful. The Executive Director, for example, shall have the power to require that provision for soliciting such comments, written or oral, be included in any announcement of a public hearing on proposed rulemaking or on the merits of a petition for rulemaking.

(7) To call upon all resources and expertise available to CPSC to ensure that environmental review is accomplished through an interdisciplinary effort.

(8) To delegate any of his or her powers and duties, other than paragraphs (a) (2) and (3) of this section, to any officer or employee of the CPSC.

§ 1021.7 Coordination of environmental review with CPSC procedures.

(a) The Commission shall consider all relevant environmental documents in evaluating proposals for Commission action. The preparation and completion of assessments and statements required by this part shall be scheduled to assure that available environmental information is before the Commission at all appropriate stages of development of CPSC actions along with technical and economic information otherwise required. The range of alternatives discussed in appropriate environmental documents shall be encompassed by the range of alternatives considered by the Commission for an action.

(b) An environmental assessment on a proposed rulemaking action requiring environmental review shall be available to the commission before the Commission votes on a proposed rule, and its alternatives. If the Executive Director determines that an EIS is needed, the draft EIS shall normally be before the Commission at the time it votes to publish a proposed rule. A final EIS shall be before the Commission when it considers final action on a proposed rule. Relevant environmental documents shall accompany the proposed rulemaking action throughout the Commission's decisionmaking process.

(c) Draft EISs or findings of no significant impact together with environmental assessments shall be made available to the public for comment at the time of publication in the FEDERAL REGISTER of CPSC proposals for regulatory action requiring environmental review or promptly thereafter. Pursuant to §1506.10 of the NEPA regulations, no decision on a proposed action shall be made by the Commission until the later of 90 days after the Environmental Protection Agency (EPA) has published a notice announcing receipt of the draft EIS or 30 days after EPA announces receipt of the final EIS. These time periods may run concurrently. In addition, with regard to rulemaking for the purpose of protecting the public health and safety, the Commission may waive the 30 day period and publish a decision on a final rule

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simultaneously with publication by EPA of the notice of availability.

(d) Whenever the Commission decides to solicit offers by an outside person or organization to develop a proposed consumer product safety standard in accordance with section 7 of the Consumer Product Safety Act (15 U.S.C. 2056) and the Executive Director has determined that environmental review is needed, the Executive Director shall recommend to the Commission whether the “offeror” should perform an environmental assessment during development of the proposed standard. In making this recommendation, the Executive Director shall take into account the resources of the “offeror”, including the expertise and money available to it. If the Commission decides that the “offeror” should perform an assessment, the agreement between the Commission and the offeror shall so provide. CPSC, however, shall independently evaluate any assessment prepared and shall take responsibility for the scope and content of the assessment.

(e) CPSC adjudications are primarily law enforcement proceedings and therefore are not agency actions within the meaning of NEPA. (See §1508.18(8) of the NEPA regulations.) However, in CPSC formal rulemaking proceedings, all available environmental information, including any supplements to a draft or final EIS, shall be filed in the Office of the Secretary and shall be made part of the formal record of the proceeding.

§ 1021.8 Legislative proposals.

Draft EISs on legislative proposals which may significantly affect the environment shall be prepared as described in §1506.8 of the NEPA regulations. The draft EIS, where feasible, shall accompany the legislative proposal or report to Congress and shall be available in time for Congressional hearings and deliberations. The draft EIS shall be forwarded to the Environmental Protection Agency in accordance with §1506.9 of the NEPA regulations. Comments on the legislative statement and CPSC’s responses shall be forwarded to the appropriate Congressional committees.

§ 1021.9 Public participation, notice, and comment.

(a) Information and comments are solicited from and provided to the public on anticipated environmental effects of CPSC actions as follows:

(1) Promptly after a decision is made to prepare a draft EIS, a notice of intent to prepare the draft EIS shall be published in the CPSC Public Calendar and in the FEDERAL REGISTER. The notice shall state the nature of the proposed action and available alternatives and shall describe the planned scoping process. The notice shall solicit information and comment by other governmental agencies and the public.

(2) As soon as practicable after a finding of no significant impact is completed, a copy of the finding together with the environmental assessment report shall be forwarded to the Office of the Secretary of the Commission to be made available to the public. Any information and comments received from the public on the documents will be considered and will accompany the documents throughout the CPSC decisionmaking process, but comments will not ordinarily be answered individually.

(3)(i) Upon completion of a draft EIS, a notice of its availability for comment should be published in the CPSC Public Calendar and in the FEDERAL REGISTER. Copies of the draft EIS shall be filed with the Environmental Protection Agency (EPA) in accordance with §1506.9 of the NEPA regulations. The length of the comment period on the draft EIS shall be stated in the notice of availability and on the cover of the draft EIS. The comment period, in accordance with §1506.10 of the NEPA regulations, shall be a minimum of 45 days from the date the notice of receipt of the draft EIS is published in the FEDERAL REGISTER by EPA. It should also be stated in the CPSC notice that comments received during the comment period will be addressed in the final EIS, whereas late comments will be considered to the extent practicable, and that all comments will be appended to the final EIS.

(ii) Copies of the draft EIS shall be sent to public and private organizations known by CPSC to have special

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expertise with respect to the environmental effects involved, those who are known to have an interest in the action, and those who request an opportunity to comment. Also, copies shall be circulated for comment to Federal, State, and local agencies with jurisdiction by law and special expertise with respect to environmental effects involved. Part 1503 of the NEPA regulations shall be consulted for further details of this procedure.

(iii) Draft EIS's shall be available to the public in the Office of the Secretary at Commission headquarters.

(4) Upon completion of a final EIS, a notice of its availability in the Office of the Secretary, shall be published in the CPSC Public Calendar and if deemed appropriate, in the FEDERAL REGISTER. Copies of the final EIS shall be forwarded to EPA and one copy shall be sent to each entity or person who commented on the draft EIS.

(5) A list of EIS's under preparation and of EIS's or findings of no significant impact and environmental assessments completed shall be available to the public in the Office of the Secretary, at Commission headquarters. The list shall be continuously updated.

(6) In addition to publication in the CPSC Public Calendar and the FEDERAL REGISTER, notices called for by this section may also be publicized through press releases or local newspapers, whenever appropriate.

§ 1021.10 Emergencies.

Where emergency circumstances make it necessary to take an action without observing all the provisions of these implementing procedures or the NEPA regulations, CPSC will consult with the Council on Environmental Quality about alternative arrangements.

§ 1021.11 Information regarding NEPA compliance.

Interested persons may contact the Commission's Office of the Executive Director (301-504-0550) for information regarding CPSC NEPA compliance.

[45 FR 69434, Oct. 21, 1980, as amended at 62 FR 46667, Sept. 4, 1997]

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Subpart C—Contents of Environmental Review Documents

§ 1021.12 Environmental assessment.

(a) An environmental assessment shall first briefly describe the proposed action and realistic alternative actions. Next, it shall identify all effects on the environment that can be expected to result from the proposed and alternative actions. After each anticipated effect is identified, it shall be described as fully as can be done with available data in order to show its magnitude and significance. Sources of information for assessment include CPSC staff studies and research reports, information gathered at hearings or meetings held to obtain the views of the public on the proposed action, and other information received from members of the public and from governmental entities.

(b) The assessment shall identify and describe any methods or approaches which would avoid or minimize adverse effects on the environment.

§ 1021.13 Finding of no significant impact.

(a) A finding of no significant impact shall cite and be attached to the environmental assessment upon which it is based. It shall refer to anticipated effects upon the environment identified in the environmental assessment and give the reason(s) why those effects will not be significant. The final paragraph of the finding shall give the reasons why the overall impact on the environment is not regarded as significant.

(b) The signature of the Executive Director shall appear at the end of the finding of no significant impact.

§ 1021.14 Environmental impact statement.

(a) Draft and final EIS's, unless there is a compelling reason to do otherwise, shall conform to the recommended format specified in § 1502.10 of the NEPA regulations and shall contain the material required by §§ 1502.11 through 1502.18 of those regulations.

(b) It may be necessary to include in an EIS a description of effects which are not effects on the natural or physical environment, but rather are, for

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example, purely economic or health effects. For this reason, an EIS may include issues and facts that are thoroughly analyzed in other comprehensive CPSC documents such as hazard analyses, economic impact analyses, or analyses of impact on particular age groups among consumers. In such cases, the EIS shall not duplicate the other documents, but rather shall cite and summarize from them. A list of background documents and sources of data cited in the EIS shall appear at the end of every EIS.

PART 1025—RULES OF PRACTICE FOR ADJUDICATIVE PROCEEDINGS

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- 1025.2 Nature of adjudicative proceedings.
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Subpart H—Implementation of the Equal Access to Justice Act in Adjudicative Proceedings With the Commission

- 1025.70 General provisions.
- 1025.71 Information required from applicant.
- 1025.72 Procedures for considering applications.

APPENDIX I TO PART 1025—SUGGESTED FORM OF FINAL PREHEARING ORDER

AUTHORITY: Consumer Product Safety Act (secs. 15, 20, 27 (15 U.S.C. 2064, 2069, 2076), the Flammable Fabrics Act (sec. 5, 15 U.S.C. 1194), the Federal Trade Commission Act (15 U.S.C. 45)), unless otherwise noted.

SOURCE: 45 FR 29215, May 1, 1980, unless otherwise noted.

Subpart A—Scope of Rules, Nature of Adjudicative Proceedings, Definitions

§ 1025.1 Scope of rules.

The rules in this part govern procedures in adjudicative proceedings relating to the provisions of section 15 (c), (d), and (f) and 17(b) of the Consumer Product Safety Act (15 U.S.C. 2064 (c), (d), (f); 2066(b)), section 15 of the Federal Hazardous Substances Act (15 U.S.C. 1274), and sections 3 and 8(b) of the Flammable Fabrics Act (15 U.S.C. 1192, 1197(b)), which are required by statute to be determined on the record after opportunity for a public hearing. These rules will also govern adjudicative proceedings for the assessment of civil penalties under section 20(a) of the Consumer Product Safety Act (15 U.S.C. 2068(a)), except in those instances where the matter of a civil penalty is presented to a United States District Court in conjunction with an action by the Commission for injunctive or other appropriate relief. These Rules may also be used for such other adjudicative proceedings as the Commission, by order, shall designate. A basic intent of the Commission in the development of these rules has been to promulgate a single set of procedural rules which can accommodate both simple matters and complex matters in adjudication. To accomplish this objective, broad discretion has been vested in the Presiding Officer who will hear a matter being adjudicated to allow him/her to alter time limitations and other procedural aspects of a case, as required by the complexity of the particular matter involved. A major concern of the Commission is that all matters in adjudication move forward in a timely manner, consistent with the Constitutional due process rights of all parties. It is anticipated that in any adjudicative proceedings for the assessment of civil penalties there will be less need for discovery since most factual matters will already be known by the parties. Therefore, the Presiding Officer should, whenever appropriate, expedite the proceedings by setting shorter time limitations than those time limitations generally applicable under these Rules. For example, the 150-day limitation for discovery, as

provided in § 1025.31(g), should be shortened, consistent with the extent of discovery reasonably necessary to prepare for the hearing.

[45 FR 29215, May 1, 1980, as amended at 47 FR 46846, Oct. 21, 1982]

§ 1025.2 Nature of adjudicative proceedings.

Adjudicative proceedings shall be conducted in accordance with Title 5, United States Code, sections 551 through 559, and these Rules. It is the policy of the Commission that adjudicative proceedings shall be conducted expeditiously and with due regard to the rights and interests of all persons affected and in locations chosen with due regard to the convenience of all parties. Therefore, the Presiding Officer and all parties shall make every effort at each stage of any proceedings to avoid unnecessary delay.

§ 1025.3 Definitions.

As used in this part:

(a) *Application* means an *ex parte* request by a party for an order that may be granted or denied without opportunity for response by any other party.

(b) *Commission* means the Consumer Product Safety Commission or a quorum thereof.

(c) *Commissioner* means a Commissioner of the Consumer Product Safety Commission.

(d) *Complaint Counsel* means counsel for the Commission's staff.

(e) *Motion* means a request by a party for a ruling or order that may be granted or denied only after opportunity for responses by all other parties.

(f) *Party* means any named person or any intervenor in any proceedings governed by these Rules.

(g) *Person* means any individual, partnership, corporation, unincorporated association, public or private organization, or a federal, state or municipal governmental entity.

(h) *Petition* means a written request, addressed to the Commission or the Presiding Officer, for some affirmative action.

(i) *Presiding Officer* means a person who conducts any adjudicative proceedings under this part, and may include an administrative law judge qualified under Title 5, United States

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Code, section 3105, but shall not include a Commissioner.

(j) *Respondent* means any person against whom a complaint has been issued.

(k) *Secretary* means the Secretary of the Consumer Product Safety Commission.

(l) *Staff* means the staff of the Consumer Product Safety Commission.

Additional definitions relating to prohibited communications are in § 1025.68.

Subpart B—Pleadings, Form, Execution, Service of Documents

§ 1025.11 Commencement of proceedings.

(a) *Notice of institution of enforcement proceedings.* Any adjudicative proceedings under this part shall be commenced by the issuance of a complaint, authorized by the Commission, and signed by the Associate Executive Director for Compliance and Enforcement.

(b) *Form and content of complaint.* The complaint shall contain the following:

(1) A statement of the legal authority for instituting the proceedings, including the specific sections of statutes, rules and regulations involved in each allegation.

(2) Identification of each respondent or class of respondents.

(3) A clear and concise statement of the charges, sufficient to inform each respondent with reasonable definiteness of the factual basis or bases of the allegations of violation or hazard. A list and summary of documentary evidence supporting the charges shall be attached.

(4) A request for the relief which the staff believes is in the public interest.

(c) *Notice to the public.* Once issued, the complaint shall be submitted without delay to the FEDERAL REGISTER for publication.

§ 1025.12 Answer.

(a) *Time for filing.* A respondent shall have twenty (20) days after service of a complaint to file an answer.

(b) *Contents of answer.* The answer shall contain the following:

(1) A specific admission or denial of each allegation in the complaint. If a respondent is without knowledge or in-

formation sufficient to form a belief as to the truth of an allegation, the respondent shall so state. Such statement shall have the effect of a denial. Allegations that are not denied shall be deemed to have been admitted.

(2) A concise statement of the factual or legal defenses to each allegation of the complaint.

(c) *Default.* Failure of a respondent to file an answer within the time provided, unless extended, shall constitute a waiver of the right to appear and contest the allegations in the complaint, and the Presiding Officer may make such findings of fact and conclusions of law as are just and reasonable under the circumstances.

§ 1025.13 Amendments and supplemental pleadings.

The Presiding Officer may allow appropriate amendments and supplemental pleadings which do not unduly broaden the issues in the proceedings or cause undue delay.

§ 1025.14 Form and filing of documents.

(a) *Filing.* Except as otherwise provided in these Rules, all documents submitted to the Commission or the Presiding Officer shall be addressed to, and filed with, the Secretary. Documents may be filed in person or by mail and shall be deemed filed on the day of filing or mailing.

(b) *Caption.* Every document shall contain a caption setting forth the name of the action, the docket number, and the title of the document.

(c) *Copies.* An original and three (3) copies of all documents shall be filed. Each copy must be clear and legible.

(d) *Signature.* (1) The original of each document filed shall be signed by a representative of record for the party or participant; or in the case of parties or participants not represented, by the party or participant; or by a partner, officer or other appropriate official of any corporation, partnership, or unincorporated association, who files an appearance on behalf of the party or participant.

(2) By signing a document, the signer represents that the signer has read it and that to the best of the signer's knowledge, information and belief, the

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statements made in it are true and that it is not filed for purposes of delay.

(e) *Form.* (1) All documents shall be dated and shall contain the address and telephone number of the signer.

(2) Documents shall be on paper approximately 8½ × 11 inches in size. Print shall not be less than standard elite or 12 point type. Pages shall be fastened in the upper left corner or along the left margin.

(3) Documents that fail to comply with this section may be returned by the Secretary.

§ 1025.15 Time.

(a) *Computation.* In computing any period of time prescribed or allowed by these rules, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, a Sunday, or a legal holiday, in which event the period runs until the end of the next day which is not a Saturday, a Sunday, or a legal holiday. When the period of time prescribed or allowed is less than seven (7) days, intermediate Saturdays, Sundays, and legal holidays shall be excluded in the computation. As used in this rule, "legal holiday" includes New Year's Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, Christmas Day, and any other day declared as a holiday by the President or the Congress of the United States.

(b) *Additional time after service by mail.* Whenever a party is required or permitted to do an act within a prescribed period after service of a document and the document is served by mail, three (3) days shall be added to the prescribed period.

(c) *Extensions.* For good cause shown, the Presiding Officer may extend any time limit prescribed or allowed by these rules or by order of the Commission or the Presiding Officer, except for those sections governing the filing of interlocutory appeals and appeals from Initial Decisions and those sections expressly requiring Commission action. Except as otherwise provided by law, the Commission, for good cause shown,

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may extend any time limit prescribed by these rules or by order of the Commission or the Presiding Officer.

§ 1025.16 Service.

(a) *Mandatory service.* Every document filed with the Secretary shall be served upon all parties to any proceedings, i.e., Complaint Counsel, respondent(s), and party intervenors, as well as the Presiding Officer. Every document filed with the Secretary shall also be served upon each participant, if the Presiding Officer or the Commission so directs.

(b) *Service of complaint, ruling, petition for interlocutory appeal, order, decision, or subpoena.* A complaint, ruling, petition for interlocutory appeal, order, decision, or subpoena shall be served in one of the following ways:

(1) *By registered or certified mail.* A copy of the document shall be addressed to the person, partnership, corporation or unincorporated association to be served at his/her/its residence or principal office or place of business and sent by registered or certified mail; or

(2) *By delivery to an individual.* A copy of the document may be delivered to the person to be served; or to a member of the partnership to be served; or to the president, secretary, or other executive officer, or a director of the corporation or unincorporated association to be served; or to an agent authorized by appointment or by law to receive service; or

(3) *By delivery to an address.* If the document cannot be served in person or by mail as provided in paragraph (b)(1) or (b)(2) of this section, a copy of the document may be left at the principal office or place of business of the person, partnership, corporation, unincorporated association, or authorized agent with an officer or a managing or general agent; or it may be left with a person of suitable age and discretion residing therein, at the residence of the person or of a member of the partnership or of an executive officer, director, or agent of the corporation or unincorporated association to be served; or

(4) *By publication in the FEDERAL REGISTER.* A respondent that cannot be served by any of the methods already described in this section may be served

by publication in the FEDERAL REGISTER and such other notice as may be directed by the Presiding Officer or the Commission, where a complaint has issued in a class action pursuant to § 1025.18.

(c) *Service of other documents.* Except as otherwise provided in paragraph (b) of this section, when service of a document starts the running of a prescribed period of time for the submission of a responsive document or the occurrence of an event, the document may be served as provided in paragraph (b) of this section or by ordinary first-class mail, properly addressed, postage prepaid.

(d) *Service on a representative.* When a party has appeared by an attorney or other representative, service upon that attorney or other representative shall constitute service upon the party.

(e) *Certificate of service.* The original of every document filed with the Commission and required to be served upon all parties to any proceedings, as well as participants if so directed by the Presiding Officer, shall be accompanied by a certificate of service signed by the party making service, stating that such service has been made upon each party and participant to the proceedings. Certificates of service may be in substantially the following form:

I hereby certify that I have served the attached document upon all parties and participants of record in these proceedings by mailing, postage prepaid, (or by delivering in person) a copy to each on

 (Signature)
 For

(f) *Date of service.* The date of service of a document shall be the date on which the document is deposited with the United States Postal Service, postage prepaid, or is delivered in person.

§ 1025.17 Intervention.

(a) *Participation as an intervenor.* Any person who desires to participate as a party in any proceedings subject to these rules shall file a written petition for leave to intervene with the Secretary and shall serve a copy of the petition on each party.

(1) A petition shall ordinarily be filed not later than the convening of the first prehearing conference. A petition

filed after that time will not be granted unless the Presiding Officer determines that the petitioner has made a substantial showing of good cause for failure to file on time.

(2) A petition shall:

(i) Identify the specific aspect or aspects of the proceedings as to which the petitioner wishes to intervene,

(ii) Set forth the interest of the petitioner in the proceedings,

(iii) State how the petitioner's interest may be affected by the results of the proceedings, and

(iv) State any other reasons why the petitioner should be permitted to intervene as a party, with particular reference to the factors set forth in paragraph (d) of this section. Any petition relating only to matters outside the jurisdiction of the Commission shall be denied.

(3) Any person whose petition for leave to intervene is granted by the Presiding Officer shall be known as an "intervenor" and as such shall have the full range of litigating rights afforded to any other party.

(b) *Participation by a person not an intervenor.* Any person who desires to participate in the proceedings as a non-party shall file with the Secretary a request to participate in the proceedings and shall serve a copy of such request on each party to the proceedings.

(1) A request shall ordinarily be filed not later than the commencement of the hearing. A petition filed after that time will not be granted unless the Presiding Officer determines that the person making the request has made a substantial showing of good cause for failure to file on time.

(2) A request shall set forth the nature and extent of the person's alleged interest in the proceedings. Any request relating only to matters outside the jurisdiction of the Commission shall be denied.

(3) Any person who files a request to participate in the proceedings as a non-party and whose request is granted by the Presiding Officer shall be known as a "Participant" and shall have the right to participate in the proceedings to the extent of making a written or oral statement of position, filing proposed findings of fact, conclusions of law and a post hearing brief with the

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Presiding Officer, and filing an appellate brief before the Commission if an appeal is taken by a party or review is ordered by the Commission in accordance with § 1025.53 or § 1025.54, as applicable, of these rules.

(c) *Response to petition to intervene.* Any party may file a response to a petition for leave to intervene after the petition is filed with the Secretary, with particular reference to the factors set forth in paragraph (d) of this section.

(d) *Ruling by Presiding Officer on petition.* In ruling on a petition for leave to intervene, the Presiding Officer shall consider, in addition to all other relevant matters, the following factors:

(1) The nature of the petitioner's interest, under the applicable statute governing the proceedings, to be made a party to the proceedings;

(2) The nature and extent of the petitioner's interest in protecting himself/herself/itself or the public against unreasonable risks of injury associated with consumer products;

(3) The nature and extent of the petitioner's property, financial or other substantial interest in the proceedings;

(4) Whether the petitioner would be aggrieved by any final order which may be entered in the proceedings;

(5) The extent to which the petitioner's intervention may reasonably be expected to assist in developing a sound record;

(6) The extent to which the petitioner's interest will be represented by existing parties;

(7) The extent to which the petitioner's intervention may broaden the issues or delay the proceedings; and

(8) The extent to which the petitioner's interest can be protected by other available means.

If the Presiding Officer determines that a petitioner has failed to make a sufficient showing to be allowed to intervene as a party, the Presiding Officer shall view such petition to intervene as if it had been timely filed as a request to participate in the proceedings as a participant pursuant to paragraph (b) of this section.

(e) *Ruling by Presiding Officer on request.* In ruling on a request to participate as a participant, the Presiding Officer, in the exercise of his/her discre-

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tion, shall be mindful of the Commission's mandate under its enabling legislation (see 15 U.S.C. 2051 *et seq.*) and its affirmative desire to afford interested persons, including consumers and consumer organizations, as well as governmental entities, an opportunity to participate in the agency's regulatory processes, including adjudicative proceedings. The Presiding Officer shall consider, in addition to all other relevant matters, the following factors:

(1) The nature and extent of the person's alleged interest in the proceedings;

(2) The possible effect of any final order which may be entered in the proceedings on the person's interest; and

(3) The extent to which the person's participation can be expected to assist the Presiding Officer and the Commission in rendering a fair and equitable resolution of all matters in controversy in the proceedings.

The Presiding Officer may deny a request to participate if he/she determines that the person's participation cannot reasonably be expected to assist the Presiding Officer or the Commission in rendering a fair and equitable resolution of matters in controversy in the proceedings or if he/she determines that the person's participation would unduly broaden the issues in controversy or unduly delay the proceedings.

(f) *Designation of single representative.* If the Presiding Officer determines that a petitioner pursuant to paragraph (a) of this section or a person requesting to participate pursuant to paragraph (b) of this section is a member of a class of prospective intervenors or participants, as applicable, who share an identity of interest, the Presiding Officer may limit such intervention or participation, as applicable, through designation of a single representative by the prospective intervenors or participants, as applicable, or, if they are unable to agree, by designation of the Presiding Officer.

§ 1025.18 Class actions.

(a) *Prerequisites to a class action.* One or more members of a class of respondents may be proceeded against as representative parties on behalf of all respondents if:

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(1) The class is so numerous or geographically dispersed that joinder of all members is impracticable;

(2) There are questions of fact or issues of law common to the class;

(3) The defenses of the representative parties are typical of the defenses of the class; and

(4) The representative parties will fairly and adequately protect the interests of the class.

(b) *Composition of class.* A class may be composed of:

(1) Manufacturers, distributors, or retailers, or a combination of them, of products which allegedly have the same defect, or

(2) Manufacturers, distributors, or retailers, or a combination of them, of products which allegedly fail to conform to an applicable standard, regulation, or consumer product safety rule, or

(3) Manufacturers, distributors, or retailers, or a combination of them, who have themselves allegedly failed to conform to an applicable standard, regulation, or consumer product safety rule.

When appropriate, a class may be divided into subclasses and each subclass shall be treated as a class.

(c) *Notice of commencement.* A complaint issued under this section shall identify the class, the named respondents considered to be representative of the class, and the alleged defect or non-conformity common to the products manufactured, imported, distributed or sold by the members of the class. The complaint shall be served upon the parties in accordance with §1025.16.

(d) *Proper class action determination.* Upon motion of Complaint Counsel and as soon as practicable after the commencement of any proceedings brought as a class action, the Presiding Officer shall determine by order whether the action is a proper class action. It is a proper class action if the prerequisites of paragraph (a) of this section are met and if the Presiding Officer finds that:

(1) The prosecution of separate actions against individual members of the respondent class might result in (i) inconsistent or varying determinations with respect to individual members of the class which might produce incompatible or conflicting results, or (ii) de-

terminations with respect to individual members of the class which would, as a practical matter, be dispositive of the interests of the other members who are not parties to the proceedings or would substantially impair or impede the ability of the absent members to protect their interests; or

(2) The Commission has acted on grounds generally applicable to the class, thereby making appropriate an order directed to the class as a whole.

In reaching a decision, the Presiding Officer shall consider the interests of members of the class in individually controlling the defense of separate actions, the extent and nature of any proceedings concerning the controversy already commenced against members of the class, the desirability or undesirability of concentrating the litigation in one adjudication, and the difficulties likely to be encountered in the management of a class action, as well as the benefits expected to result from the maintenance of a class action.

(e) *Revision of class membership.* Upon motion of any party or any member of the class, or upon the Presiding Officer's own initiative, the Presiding Officer may revise the membership of the class.

(f) *Orders in conduct of class actions.* In proceedings to which this section applies, the Presiding Officer may make appropriate orders:

(1) Determining the course of the proceedings or prescribing measures to prevent undue repetition and promote the efficient presentation of evidence or argument;

(2) Requiring (for the protection of the members of the class, or otherwise for the fair conduct of the action) that notice be given, in such manner as the Presiding Officer may direct, of any step in the action, of the extent of the proposed order, or of the opportunity for members to inform the Presiding Officer whether they consider the representation to be fair and adequate, or of the opportunity for class members to intervene and present defenses;

(3) Requiring that the pleadings be amended to eliminate allegations concerning the representation of absent persons; or

(4) Dealing with other procedural matters.

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The orders may be combined with a prehearing order under § 1025.21 of these rules and may be altered or amended as may be necessary.

(g) *Scope of final order.* In any proceedings maintained as a class action, any Decision and Order of the Presiding Officer or the Commission under § 1025.51 or § 1025.55, as applicable, whether or not favorable to the class, shall include and describe those respondents whom the Presiding Officer or the Commission finds to be members of the class.

(h) *Notice of results.* Upon the termination of any adjudication that has been maintained as a class action, the best notice practicable of the results of the adjudication shall be given to all members of the class in such manner as the Presiding Officer or the Commission directs.

§ 1025.19 Joinder of proceedings.

Two or more matters which have been scheduled for adjudicative proceedings and which involve similar issues may be consolidated for the purpose of hearing or Commission review. A motion for consolidation may be filed by any party to such proceedings not later than thirty (30) days prior to the hearing and served upon all parties to all proceedings in which joinder is contemplated. The motion may include a request that the consolidated proceedings be maintained as a class action in accordance with § 1025.18 of these rules. The proceedings may be consolidated to such extent and upon such terms as may be proper. Such consolidation may also be ordered upon the initiative of the Presiding Officer or the Commission. Single representatives may be designated by represented parties, intervenors, and participants with an identity of interests.

Subpart C—Prehearing Procedures, Motions, Interlocutory Appeals, Summary Judgments, Settlements

§ 1025.21 Prehearing conferences.

(a) *When held.* Except when the presiding officer determines that unusual circumstances would render it impractical or valueless, a prehearing con-

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ference shall be held in person or by conference telephone call within fifty (50) days after publication of the complaint in the FEDERAL REGISTER and upon ten (10) days' notice to all parties and participants. At the prehearing conference any or all of the following shall be considered:

- (1) Petitions for leave to intervene;
 - (2) Motions, including motions for consolidation of proceedings and for certification of class actions;
 - (3) Identification, simplification and clarification of the issues;
 - (4) Necessity or desirability of amending the pleadings;
 - (5) Stipulations and admissions of fact and of the content and authenticity of documents;
 - (6) Oppositions to notices of depositions;
 - (7) Motions for protective orders to limit or modify discovery;
 - (8) Issuance of subpoenas to compel the appearance of witnesses and the production of documents;
 - (9) Limitation of the number of witnesses, particularly to avoid duplicate expert witnesses;
 - (10) Matters of which official notice should be taken and matters which may be resolved by reliance upon the laws administered by the Commission or upon the Commission's substantive standards, regulations, and consumer product safety rules;
 - (11) Disclosure of the names of witnesses and of documents or other physical exhibits which are intended to be introduced into evidence;
 - (12) Consideration of offers of settlement;
 - (13) Establishment of a schedule for the exchange of final witness lists, prepared testimony and documents, and for the date, time and place of the hearing, with due regard to the convenience of the parties; and
 - (14) Such other matters as may aid in the efficient presentation or disposition of the proceedings.
- (b) *Public notice.* The Presiding Officer shall cause a notice of the first prehearing conference, including a statement of the issues, to be published in the FEDERAL REGISTER at least ten (10) days prior to the date scheduled for the conference.

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(c) *Additional conferences.* Additional prehearing conferences may be convened at the discretion of the Presiding Officer, upon notice to the parties, any participants, and to the public.

(d) *Reporting.* Prehearing conferences shall be stenographically reported as provided in §1025.47 of these rules and shall be open to the public, unless otherwise ordered by the Presiding Officer or the Commission.

(e) *Prehearing orders.* The Presiding Officer shall issue a final prehearing order in each case after the conclusion of the final prehearing conference. The final prehearing order should contain, to the fullest extent possible at that time, all information which is necessary for controlling the course of the hearing. The Presiding Officer may require the parties to submit a jointly proposed final prehearing order, such as in the format set forth in appendix I.

§ 1025.22 Prehearing briefs.

Not later than ten (10) days prior to the hearing, unless otherwise ordered by the Presiding Officer, the parties may simultaneously serve and file prehearing briefs which should set forth:

(a) A statement of the facts expected to be proved and of the anticipated order of proof;

(b) A statement of the issues and the legal arguments in support of the party's contentions with respect to each issue; and

(c) A table of authorities relied upon.

§ 1025.23 Motions.

(a) *Presentation and disposition.* During the time a matter in adjudication is before the Presiding Officer, all motions, whether oral or written, except those filed under §1025.42(e), shall be addressed to the Presiding Officer, who shall rule upon them promptly, after affording an opportunity for response.

(b) *Written motions.* All written motions shall state with particularity the order, ruling, or action desired and the reasons why the action should be granted. Memoranda, affidavits, or other documents supporting a motion shall be served and filed with the motion. All motions shall contain a proposed order setting forth the relief sought. All written motions shall be

filed with the Secretary and served upon all parties, and all motions addressed to the Commission shall be in writing.

(c) *Opposition to motions.* Within ten (10) days after service of any written motion or petition or within such longer or shorter time as may be designated by these Rules or by the Presiding Officer or the Commission, any party who opposes the granting of the requested order, ruling or action may file a written response to the motion. Failure to respond to a written motion may, in the discretion of the Presiding Officer, be considered as consent to the granting of the relief sought in the motion. Unless otherwise permitted by the Presiding Officer or the Commission, there shall be no reply to the response expressing opposition to the motion.

(d) *Rulings on motions for dismissal.* When a motion to dismiss a complaint or a motion for other relief is granted, with the result that the proceedings before the Presiding Officer are terminated, the Presiding Officer shall issue an Initial Decision and Order in accordance with the provisions of §1025.51. If such a motion is granted as to all issues alleged in the complaint in regard to some, but not all, respondents or is granted as to any part of the allegations in regard to any or all respondents, the Presiding Officer shall enter an order on the record and consider the remaining issues in the Initial Decision. The Presiding Officer may elect to defer ruling on a motion to dismiss until the close of the case.

§ 1025.24 Interlocutory appeals.

(a) *General.* Rulings of the Presiding Officer may not be appealed to the Commission prior to the Initial Decision, except as provided in this section.

(b) *Exceptions.* (1) Interlocutory appeals to Commission. The Commission may, in its discretion, consider interlocutory appeals where a ruling of the Presiding Officer:

(i) Requires the production of records claimed to be confidential;

(ii) Requires the testimony of a supervisory official of the Commission other than one especially knowledgeable of the facts of the matter in adjudication;

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(iii) Excludes an attorney from participation in any proceedings pursuant to § 1025.42(b);

(iv) Denies or unduly limits a petition for intervention pursuant to the provisions of § 1025.17.

(2) Procedure for interlocutory appeals. Within ten (10) days of issuance of a ruling other than one ordering the production of records claimed to be confidential, any party may petition the Commission to consider an interlocutory appeal of a ruling in the categories enumerated above. The petition shall not exceed fifteen (15) pages. Any other party may file a response to the petition within ten (10) days of its service except where the order appealed from requires the production of records claimed to be confidential. The response shall not exceed fifteen (15) pages. The Commission shall decide the petition or may request such further briefing or oral presentation as it deems necessary.

(3) If the Presiding Officer orders the production of records claimed to be confidential a petition for interlocutory appeal shall be filed within five (5) days of the entry of the order. Any opposition to the petition shall be filed within five (5) days of service of the petition. The order of the Presiding Officer shall be automatically stayed until five (5) days following the date of entry of the order to allow an affected party the opportunity to file a petition with the Commission for an interlocutory appeal pursuant to § 1025.24(b)(2). If an affected party files a petition with the Commission pursuant to § 1025.24(b)(2) within the 5-day period, the stay of the Presiding Officer's order is automatically extended until the Commission decides the petition.

(4) *Interlocutory appeals from all other rulings*—(i) *Grounds*. Interlocutory appeals from all other rulings by the Presiding Officer may proceed only upon motion to the Presiding Officer and a determination by the Presiding Officer in writing that the ruling involves a controlling question of law or policy as to which there is substantial ground for differences of opinion and that an immediate appeal from the ruling may materially advance the ultimate termination of the litigation, or that subsequent review will be an inadequate

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remedy. The Presiding Officer's certification shall state the reasons for the determination.

(ii) *Form*. If the Presiding Officer makes the determination described in paragraph (b)(4)(i) of this section, a petition for interlocutory appeal under this subparagraph may be filed in accordance with paragraph (b)(2) of this section.

(c) *Proceedings not stayed*. Except as otherwise provided under this section, a petition for interlocutory appeal shall not stay the proceedings before the Presiding Officer unless the Presiding Officer or the Commission so orders.

§ 1025.25 Summary decisions and orders.

(a) *Motion*. Any party may file a motion, with a supporting memorandum, for a Summary Decision and Order in its favor upon all or any of the issues in controversy. Complaint Counsel may file such a motion at any time after thirty (30) days following issuance of a complaint, and any other party may file a motion at any time after issuance of a complaint. Any such motion by any party shall be filed at least twenty (20) days before the date fixed for the adjudicative hearing.

(b) *Response to motion*. Any other party may, within twenty (20) days after service of the motion, file a response with a supporting memorandum.

(c) *Grounds*. A Summary Decision and Order shall be granted if the pleadings and any depositions, answers to interrogatories, admissions, or affidavits show that there is no genuine issue as to any material fact and that the moving party is entitled to a Summary Decision and Order as a matter of law.

(d) *Legal effect*. A Summary Decision and Order upon all the issues being adjudicated shall constitute the Initial Decision of the Presiding Officer and may be appealed to the Commission in accordance with § 1025.53 of these rules. A Summary Decision, interlocutory in character, may be rendered on fewer than all issues and may not be appealed prior to issuance of the Initial Decision.

(e) *Case not fully adjudicated on motion*. A Summary Decision and order

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that does not dispose of all issues shall include a statement of those material facts about which there is no substantial controversy and of those material facts that are actually and in good faith controverted. The Summary Order shall direct such further proceedings as are appropriate.

§ 1025.26 Settlements.

(a) *Availability.* Any party shall have the opportunity to submit an offer of settlement to the Presiding Officer.

(b) *Form.* Offers of settlement shall be filed *in camera* and the form of a consent agreement and order, shall be signed by the respondent or respondent's representative, and may be signed by any other party. Each offer of settlement shall be accompanied by a motion to transmit the proposed agreement and order to the Commission. The motion shall outline the substantive provisions of the agreement and state reasons why it should be accepted by the Commission.

(c) *Contents.* The proposed consent agreement and order which constitute the offer of settlement shall contain the following:

(1) An admission of all jurisdictional facts;

(2) An express waiver of further procedural steps and of all rights to seek judicial review or otherwise to contest the validity of the Commission order;

(3) Provisions that the allegations of the complaint are resolved by the consent agreement and order;

(4) A description of the alleged hazard, noncompliance, or violation;

(5) If appropriate, a listing of the acts or practices from which the respondent shall refrain; and

(6) If appropriate, a detailed statement of the corrective action(s) which the respondent shall undertake. In proceedings arising under Section 15 of the Consumer Product Safety Act, 15 U.S.C. 2064, this statement shall contain all the elements of a "Corrective Action Plan," as outlined in the Commission's Interpretation, Policy, and Procedure for Substantial Product Hazards, 16 CFR part 1115.

(d) *Transmittal.* The Presiding Officer may transmit to the Commission for decision all offers of settlement and accompanying memoranda that meet the

requirements enumerated in paragraph (c) of this section. The Presiding Officer shall consider whether an offer of settlement is clearly frivolous, duplicative of offers previously made and rejected by the Commission or contrary to establish Commission policy. The Presiding Officer may, but need not, recommend acceptance of offers. Any party may object to the transmittal to the Commission of a proposed consent agreement by filing a response opposing the motion.

(e) *Stay of proceedings.* When an offer of settlement has been agreed to by all parties and has been transmitted to the Commission, the proceedings shall be stayed until the Commission has ruled on the offer. When an offer of settlement has been made and transmitted to the Commission but has not been agreed to by all parties, the proceedings shall not be stayed pending Commission decision on the offer, unless otherwise ordered by the Presiding Officer or the Commission.

(f) *Commission ruling.* The Commission shall rule upon all transmitted offers of settlement. If the Commission accepts the offer, the Commission shall issue an appropriate order, which shall become effective upon issuance.

(g) *Commission rejection.* If the Commission rejects an offer of settlement, the Secretary, in writing, shall give notice of the Commission's decision to the parties and the Presiding Officer. If the proceedings have been stayed, the Presiding Officer shall promptly issue an order notifying the parties of the resumption of the proceedings, including any modifications to the schedule resulting from the stay of the proceedings.

(h) *Effect of rejected offer.* Neither rejected offers of settlement, nor the fact of the proposal of offers of settlement are admissible in evidence.

Subpart D—Discovery, Compulsory Process

§ 1025.31 General provisions governing discovery.

(a) *Applicability.* The discovery rules established in this subpart are applicable to the discovery of information among the parties in any proceedings.

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Parties seeking information from persons not parties may do so by subpoena in accordance with §1025.38 of these rules.

(b) *Discovery methods.* Parties may obtain discovery by one or more of the following methods:

- (1) Written interrogatories;
- (2) Requests for production of documents or things;
- (3) Requests for admission; or
- (4) Depositions upon oral examination.

Unless the Presiding Officer otherwise orders under paragraph (d) of this section, the frequency of use of these methods is not limited.

(c) *Scope of discovery.* The scope of discovery is as follows:

(1) *In general.* Parties may obtain discovery regarding any matter, not privileged, which is within the Commission's statutory authority and is relevant to the subject matter involved in the proceedings, whether it relates to the claim or defense of the party seeking discovery or to the claim or defense of any other party, including the existence, description, nature, custody, condition and location of any books, documents, or other tangible things and the identity and location of persons having knowledge of any discoverable matter. It is not ground for objection that the information sought will be inadmissible at the hearing if the information sought appears reasonably calculated to lead to the discovery of admissible evidence.

(2) *Privilege.* Discovery may be denied or limited, or a protective order may be entered, to preserve the privilege of a witness, person, or governmental agency as governed by the Constitution, any applicable Act of Congress, or the principles of the common law as they may be interpreted by the Commission in the light of reason and experience.

(3) *Hearing preparation: materials.* Subject to the provisions of paragraph (c)(4) of this section, a party may obtain discovery of documents and tangible things otherwise discoverable under paragraph (c)(1) of this section and prepared in anticipation of litigation or for hearing by or for another party or by or for that other party's representative (including his attorney

or consultant) only upon a showing that the party seeking discovery has substantial need of the materials in the preparation of his case and that he is unable without unique hardship to obtain the substantial equivalent of the materials by other means. In ordering discovery of such materials when the required showing has been made, the Presiding Officer shall protect against disclosure of the mental impressions, conclusions, opinions, or legal theories of an attorney or other representative of a party.

(4) *Hearing preparation: experts.* Discovery of facts known and opinions held by experts, otherwise discoverable under the provisions of paragraph (c)(1) of this section and acquired or developed in anticipation of litigation or for trial, may be obtained only as follows:

(i)(A) A party may through interrogatories require any other party to identify each person whom the other party expects to call as an expert witness at trial, to state the subject matter on which the expert is expected to testify, to state the substance of the facts and opinions to which the expert is expected to testify, and to provide a summary of the grounds for each opinion.

(B) Upon motion, the Presiding Officer may order further discovery by other means upon a showing of substantial cause and may exercise discretion to impose such conditions, if any, as are appropriate in the case.

(ii) A party may discover facts known or opinions held by an expert who has been retained or specially employed by another party in anticipation of litigation or preparation for trial and who is not expected to be called as a witness at trial only upon a showing of exceptional circumstances under which it is impracticable for the party seeking discovery to obtain facts or opinions on the same subject by other means.

(iii) The Presiding Officer may require as a condition of discovery that the party seeking discovery pay the expert a reasonable fee, but not more than the maximum specified in 5 U.S.C. 3109 for the time spent in responding to discovery.

(d) *Protective orders.* Upon motion by a party and for good cause shown, the Presiding Officer may make any order

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which justice requires to protect a party or person from annoyance, embarrassment, competitive disadvantage, oppression, or undue burden or expense, including one or more of the following:

(1) That the discovery shall not be had;

(2) That the discovery may be had only on specified terms and conditions, including a designation of the time or place;

(3) That the discovery shall be had only by a method of discovery other than that selected by the party seeking discovery;

(4) That certain matters shall not be inquired into or that the scope of discovery shall be limited to certain matters;

(5) That discovery shall be conducted with no one present except persons designated by the Presiding Officer;

(6) That a trade secret or other confidential research, development, or commercial information shall not be disclosed or shall be disclosed only in a designated way or only to designated parties; and

(7) That responses to discovery shall be placed *in camera* in accordance with §1025.45 of these rules.

If a motion for a protective order is denied in whole or in part, the Presiding Officer may, on such terms or conditions as are appropriate, order that any party provide or permit discovery.

(e) *Sequence and timing of discovery.* Discovery may commence at any time after filing of the answer. Unless otherwise provided in these Rules or by order of the Presiding Officer, methods of discovery may be used in any sequence and the fact that a party is conducting discovery, whether by deposition or otherwise, shall not operate to delay any other party's discovery.

(f) *Supplementation of responses.* A party who has responded to a request for discovery with a response that was complete when made is under a duty to supplement that response to include information later obtained.

(g) *Completion of discovery.* All discovery shall be completed as soon as practical but in no case longer than one hundred fifty (150) days after issuance of a complaint, unless otherwise ordered by the Presiding Officer in

exceptional circumstances and for good cause shown. All discovery shall be commenced by a date which affords the party from whom discovery is sought the full response period provided by these Rules.

(h) *Service and filing of discovery.* All discovery requests and written responses, and all notices of deposition, shall be filed with the Secretary and served on all parties and the Presiding Officer.

(i) *Control of discovery.* The use of these discovery procedures is subject to the control of the Presiding Officer, who may issue any just and appropriate order for the purpose of ensuring their timely completion.

§1025.32 Written interrogatories to parties.

(a) *Availability; procedures for use.* Any party may serve upon any other party written interrogatories to be answered by the party served or, if the party served is a public or private corporation or a partnership or unincorporated association or governmental entity, by any officer or agent, who shall furnish such information as is available to the party. Interrogatories may, without leave of the Presiding Officer, be served upon any party after the filing of an answer.

(b) *Procedures for response.* Each interrogatory shall be answered separately and fully in writing under oath, unless it is objected to, in which event the reasons for objection shall be stated in lieu of an answer. Each answer shall be submitted in double-spaced typewritten form and shall be immediately preceded by the interrogatory, in single-spaced typewritten form, to which the answer is responsive. The answers are to be signed by the person making them, and the objections signed by the person or representative making them. The party upon whom the interrogatories have been served shall serve a copy of the answers, and objections if any, within 30 days after service of the interrogatories. The Presiding Officer may allow a shorter or longer time for response. The party submitting the interrogatories may move for an order under §1025.36 of

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these rules with respect to any objection to, or other failure to answer fully, an interrogatory.

(c) *Scope of interrogatories.* Interrogatories may relate to any matters which can be inquired into under §1025.31(c), and the answers may be used to any extent permitted under these rules. An interrogatory otherwise proper is not objectionable merely because an answer to the interrogatory would involve an opinion or contention which relates to fact or to the application of law to fact, but the Presiding Officer may order that such an interrogatory need not be answered until a later time.

(d) *Option to produce business records.* Where the answer to an interrogatory may be derived or ascertained from the business records of the party upon whom the interrogatory has been served, or from an examination, audit, or inspection of such business records, or from a compilation, abstract, or summary of those records, and the burden of deriving the answer is substantially the same for the party serving the interrogatory as for the party served, it is a sufficient answer to the interrogatory to specify the records from which the answer may be derived or ascertained and to afford to the party serving the interrogatory reasonable opportunity to examine, audit, or inspect such records and to make copies, compilations, abstracts, or summaries.

§ 1025.33 Production of documents and things.

(a) *Scope.* Any party may serve upon any other party a request:

(1) To produce and permit the party making the request, or someone acting on behalf of that party, to inspect and copy any designated documents (including writings, drawings, graphs, charts, photographs, phono-records, and any other data compilation from which information can be obtained, translated, if necessary, by the party in possession through detection devices into reasonably usable form), or to inspect and copy, test, or sample any tangible things which constitute or contain matters within the scope of §1025.31(c) and which are in the posses-

sion, custody, or control of the party upon whom the request is served, or

(2) To permit entry upon designated land or other property in the possession or control of the party upon whom the request is served for the purpose of inspection (including photographing), or sampling any designated object or operation within the scope of §1025.31(c).

(b) *Procedure for request.* The request may be served at any time after the filing of an answer without leave of the Presiding Officer. The request shall set forth the items to be inspected, either by individual item or by category, and shall describe each item or category with reasonable particularity. The request shall specify a reasonable time, place, and manner for making the inspection and performing the related acts.

(c) *Procedure for response.* The party upon whom the request is served shall respond in writing within thirty (30) days after service of the request. The Presiding Officer may allow a shorter or longer time for response. The response shall state, with respect to each item or category requested, that inspection and related activities will be permitted as requested, unless the request is objected to, in which event the reasons for objection shall be stated. If objection is made to only part of an item or category, that part shall be specified. The party submitting the request may move for an order under §1025.36 with respect to any objection to or other failure to respond to the request or any part thereof, or to any failure to permit inspection as requested.

(d) *Persons not parties.* This section does not preclude an independent action against a person not a party for production of documents and things.

§ 1025.34 Requests for admission.

(a) *Procedure for request.* A party may serve upon any other party a written request for the admission, for the purposes of the pending proceedings only, of the truth of any matters within the scope of §1025.31(c) set forth in the request that relate to statements of fact or of the application of law to fact, including the genuineness of any documents described in the request. Copies

of documents shall be served with the request unless they have been or are otherwise furnished or made available for inspection and copying. The request may, without leave of the Presiding Officer, be served upon any party after filing of the answer. Each matter about which an admission is requested shall be separately set forth.

(b) *Procedure for response.* The matter about which an admission is requested will be deemed admitted unless within thirty (30) days after service of the request, or within such shorter or longer time as the Presiding Officer may allow, the party to whom the request is directed serves upon the party requesting the admission a written answer or objection addressed to the matter, signed by the party or the party's representative and stating the reasons for the objections. The answer shall specifically admit or deny the matter or set forth in detail the reasons why the answering party cannot truthfully admit or deny the matter. A denial shall fairly meet the substance of the requested admission. When good faith requires that a party qualify an answer or deny only a part of the matter to which an admission is requested, the party shall specify the portion that is true and qualify or deny the remainder. An answering party may not give lack of information or knowledge as a reason for failure to admit or deny a fact unless the party states that he/she has made reasonable inquiry and that the information known or readily available to him/her is insufficient to enable him/her to admit or deny a fact. A party who considers that a matter to which an admission has been requested presents a genuine issue for hearing may not, on that ground alone, object to the request but may deny the matter or set forth reasons why the party cannot admit or deny it. The party who has requested an admission may move to determine the sufficiency of any answer or objection in accordance with §1025.36 of these Rules. If the Presiding Officer determines that an answer does not comply with the requirements of this section, he/she may order that the matter be deemed admitted or that an amended answer be served.

(c) *Effect of admission.* Any matter admitted under this section is conclu-

sively established unless the Presiding Officer on motion permits withdrawal or amendment of such admission. The Presiding Officer may permit withdrawal or amendment when the presentation of the merits of the action will be served thereby and the party who obtained the admission fails to satisfy the Presiding Officer that withdrawal or amendment will prejudice that party in maintaining an action or defense on the merits. Any admission made by a party under this section is for the purposes of the pending adjudication only and is not an admission by that party for any other purposes, nor may it be used against that party in any other proceedings.

§1025.35 Depositions upon oral examination.

(a) *When depositions may be taken.* At any time after the first prehearing conference, upon leave of the Presiding Officer and under such terms and conditions as the Presiding Officer may prescribe, any party may take the deposition of any other party, including the agents, employees, consultants, or prospective witnesses of that party at a place convenient to the deponent. The attendance of witnesses and the production of documents and things at the deposition may be compelled by subpoena as provided in §1025.38 of these rules.

(b) *Notice of deposition—(1) Deposition of a party.* A party desiring to take a deposition of another party to the proceedings shall, after obtaining leave from the Presiding Officer, serve written notice of the deposition on all other parties and the Presiding Officer at least ten (10) days before the date noticed for the deposition. The notice shall state:

(i) The time and place for the taking of the deposition;

(ii) The name and address of each person to be deposed, if known, or if the name is not known, a general description sufficient to identify him/her; and

(iii) The subject matter of the expected testimony. If a subpoena *duces tecum* is to be served on the person to be deposed, the designation of the materials to be produced, as set forth in

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the subpoena, shall be attached to or included in the notice of deposition.

(2) *Deposition of a non-party.* A party desiring to take a deposition of a person who is not a party to the proceedings shall make application for the issuance of a subpoena, in accordance with §1025.38 of these rules, to compel the attendance, testimony, and/or production of documents by such non-party. The party desiring such deposition shall serve written notice of the deposition on all other parties to the proceedings, after issuance of the subpoena. The date specified in the subpoena for the deposition shall be at least twenty (20) days after the date on which the application for the subpoena is made to the Presiding Officer.

(3) *Opposition to notice.* A person served with a notice of deposition may oppose, in writing, the taking of the deposition within five (5) days of service of the notice. The Presiding Officer shall rule on the notice and any opposition and may order the taking of all noticed depositions upon a showing of good cause. The Presiding Officer may, for good cause shown, enlarge or shorten the time for the taking of a deposition.

(c) *Persons before whom depositions may be taken.* Depositions may be taken before any person who is authorized to administer oaths by the laws of the United States or of the place where the examination is held. No deposition shall be taken before a person who is a relative, employee, attorney, or representative of any party, or who is a relative or employee of such attorney or representative, or who is financially interested in the action.

(d) *Taking of deposition—(1) Examination.* Each deponent shall testify under oath, and all testimony shall be recorded. All parties or their representatives may be present and participate in the examination. Evidence objected to shall be taken subject to any objection. Objections shall include the grounds relied upon. The questions and answers, together with all objections made, shall be recorded by the official reporter before whom the deposition is taken. The original or a verified copy of all documents and things produced for inspection during the examination of the deponent shall, upon a request of

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any party present, be marked for identification and made a part of the record of the deposition.

(2) *Motion to terminate or limit examination.* At any time during the deposition, upon motion of any party or of the deponent, and upon a showing that the examination is being conducted in bad faith or in such manner as unreasonably to annoy, embarrass or oppress the deponent or party, the Presiding Officer may order the party conducting the examination to stop the deposition or may limit the scope and manner of taking the deposition as provided in §1025.31(d) of these rules.

(3) *Participation by parties not present.* In lieu of attending a deposition, any party may serve written questions in a sealed envelope on the party conducting the deposition. That party shall transmit the envelope to the official reporter, who shall unseal it and read the questions to the deponent.

(e) *Transcription and filing of depositions—(1) Transcription.* Upon request by any party, the testimony recorded at a deposition shall be transcribed. When the testimony is fully transcribed, the deposition shall be submitted to the deponent for examination and signature and shall be read to or by the deponent, unless such examination and signature are waived by the deponent. Any change in form or substance which the deponent desires to make shall be entered upon the deposition by the official reporter with a statement of the reasons given by the deponent for making them. The deposition shall then be signed by the deponent, unless the deponent waives signature or is ill or cannot be found or refuses to sign. If the deposition is not signed by the deponent within thirty (30) days of its submission to him/her, the official reporter shall sign the deposition and state on the record the fact of the waiver of signature or of the illness or absence of the deponent or of the refusal to sign, together with a statement of the reasons therefor. The deposition may then be used as fully as though signed, in accordance with paragraph (1) of this section.

(2) *Certification and filing.* The official reporter shall certify on the deposition that it was taken under oath and that the deposition is a true record of the

testimony given and corrections made by the deponent. The official reporter shall then seal the deposition in an envelope endorsed with the title and docket number of the action and marked "Deposition of [name of deponent]" and shall promptly file the deposition with the Secretary. The Secretary shall notify all parties of the filing of the deposition and shall furnish a copy of the deposition to any party or to the deponent upon payment of reasonable charges.

(f) *Costs of deposition.* The party who notices the deposition shall pay for the deposition. The party who requests transcription of the deposition shall pay for the transcription.

(g) *Failure to attend or to serve subpoena; expenses.* If a party who notices a deposition fails to attend or conduct the deposition, and another party attends in person or by a representative pursuant to the notice, the Presiding Officer may order the party who gave the notice to pay to the attending party the reasonable expenses incurred. If a party who notices a deposition fails to serve a subpoena upon the deponent and as a result the deponent does not attend, and if another party attends in person or by a representative because that party expects the deposition to be taken, the Presiding Officer may order the party who gave notice to pay to the attending party the reasonable expenses incurred.

(h) *Deposition to preserve testimony—*
 (1) *When available.* By leave of the Presiding Officer, a party may take the deposition of his/her own witness for the purpose of perpetuating the testimony of that witness. A party who wishes to conduct such a deposition shall obtain prior leave of the Presiding Officer by filing a motion. The motion shall include a showing of substantial reason to believe that the testimony could not be presented at the hearing. If the Presiding Officer is satisfied that the perpetuation of the testimony may prevent a failure of justice or is otherwise reasonably necessary, he/she shall order that the deposition be taken.

(2) *Procedure.* Notice of a deposition to preserve testimony shall be served at least fifteen (15) days prior to the deposition unless the Presiding Officer

authorizes less notice when warranted by extraordinary circumstances. The deposition shall be taken in accordance with the provisions of paragraph (d) of this section. Any deposition taken to preserve testimony shall be transcribed and filed in accordance with paragraph (e) of this section.

(i) *Use of depositions.* At the hearing or upon a petition for interlocutory appeal, any part or all of a deposition may be used against any party who was present or represented at the deposition or who had reasonable notice of the deposition, in accordance with any of the following:

(1) Any deposition may be used by any party for the purpose of contradicting or impeaching the testimony of the deponent as a witness.

(2) The deposition of anyone who at the time of the taking of the deposition was an officer, director, managing agent, or person otherwise designated to testify on behalf of a public or private corporation, partnership or unincorporated association or governmental entity which is a party to the proceedings, may be used by any adverse party for any purpose.

(3) The deposition of a witness may be used by any party for any purpose if the Presiding Officer finds:

(i) That the witness is dead; or

(ii) That the witness is out of the United States, unless it appears that the absence of the witness was procured by the party offering the deposition; or

(iii) That the witness is unable to attend or testify because of age, illness, infirmity, or imprisonment; or

(iv) That the party offering the deposition has been unable to procure the attendance of the witness by subpoena; or

(v) That such exceptional circumstances exist as to make it desirable, in the interest of justice and with due regard for the importance of presenting the testimony of witnesses orally during the hearing, to allow the deposition to be used.

(4) If only part of a deposition is offered in evidence by a party, any other party may move to introduce any other part of the deposition.

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§ 1025.36 Motions to compel discovery.

If a party fails to respond to discovery, in whole or in part, the party seeking discovery may move within twenty (20) days for an order compelling an answer, or compelling inspection or production of documents, or otherwise compelling discovery. For purposes of this section, an evasive or incomplete response is to be treated as a failure to respond. When taking depositions, the discovering party shall continue the examination to the extent possible with respect to other areas of inquiry before moving to compel discovery.

§ 1025.37 Sanctions for failure to comply with discovery orders.

If a party fails to obey an order to provide or permit discovery, the Presiding Officer may take such action as is just, including but not limited to the following:

- (a) Infer that the admission, testimony, document or other evidence would have been adverse to the party;
- (b) Order that for the purposes of the proceedings, the matters regarding which the order was made or any other designated facts shall be taken to be established in accordance with the claim of the party obtaining the order;
- (c) Order that the party withholding discovery not introduce into evidence or otherwise rely, in support of any claim or defense, upon the documents or other evidence withheld;
- (d) Order that the party withholding discovery not introduce into evidence, or otherwise use at the hearing, information obtained in discovery;
- (e) Order that the party withholding discovery forfeit its right to object to introduction and use of secondary evidence to show what the withheld admission, testimony, documents, or other evidence would have shown;
- (f) Order that a pleading, or part of a pleading, or a motion or other submission by the party, concerning which the order was issued, be stricken, or that decision on the pleadings be rendered against the party, or both; and
- (g) Exclude the party or representative from the proceedings, in accordance with § 1025.42(b) of these rules.

Any such action may be taken by order at any point in the proceedings.

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§ 1025.38 Subpoenas.

(a) *Availability.* A subpoena shall be addressed to any person not a party for the purpose of compelling attendance, testimony, and production of documents at a hearing or deposition, and may be addressed to any party for the same purposes.

(b) *Form.* A subpoena shall identify the action with which it is connected; shall specify the person to whom it is addressed and the date, time, and place for compliance with its provisions; and shall be issued by order of the Commission and signed by the Secretary or by the Presiding Officer. A subpoena *duces tecum* shall specify the books, papers, documents, or other materials or data-compilations to be produced.

(c) *How obtained*—(1) *Content of application.* An application for the issuance of a subpoena, stating reasons, shall be submitted in triplicate to the Presiding Officer. The Presiding Officer shall bring the application to the attention of the Commission by forwarding it or by communicating its contents by any other means, e.g., by telephone, to the Commission.

(2) *Procedure for application.* The original and two copies of the subpoena, marked “original,” “duplicate” and “triplicate,” shall accompany the application. The Commission shall rule upon an application for a subpoena *ex parte*, by issuing the subpoena or by issuing an order denying the application.

(d) *Issuance of a subpoena.* The Commission shall issue a subpoena by authorizing the Secretary or the Presiding Officer to sign and date each copy in the lower right-hand corner. The “duplicate” and “triplicate” copies of the subpoena shall be transmitted to the applicant for service in accordance with these Rules; the “original” shall be retained by, or be forwarded to, the Secretary for retention in the docket of the proceedings.

(e) *Service of a subpoena.* A subpoena may be served in person or by registered or certified mail, return receipt requested, as provided in § 1025.16(b) of these rules. Service shall be made by delivery of the signed “duplicate” copy to the person named therein.

(f) *Return of service.* A person serving a subpoena shall promptly execute a

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return of service, stating the date, time, and manner of service. If service is effected by mail, the signed return receipt shall accompany the return of service. In case of failure to make service, a statement of the reasons for the failure shall be made. The “triplicate” copy of the subpoena, bearing or accompanied by the return of service, shall be returned without delay to the Secretary after service has been completed.

(g) *Motion to quash or limit subpoena.* Within five (5) days of receipt of a subpoena, the person to whom it is directed may file a motion to quash or limit the subpoena, setting forth the reasons why the subpoena should be withdrawn or why it should be limited in scope. Any such motion shall be answered within five (5) days of service and shall be ruled on immediately. The order shall specify the date, if any, for compliance with the specifications of the subpoena.

(h) *Consequences of failure to comply.* In the event of failure by a person to comply with a subpoena, the Presiding Officer may take any of the actions enumerated in §1025.37 of these rules, or may order any other appropriate relief to compensate for the withheld testimony, documents, or other materials. If in the opinion of the Presiding Officer such relief is insufficient, the Presiding Officer shall certify to the Commission a request for judicial enforcement of the subpoena.

§1025.39 Orders requiring witnesses to testify or provide other information and granting immunity.

(a) *Applicability to Flammable Fabrics Act only.* This section applies only to proceedings arising under the Flammable Fabrics Act.

(b) *Procedure.* A party who desires the issuance of an order requiring a witness or deponent to testify or provide other information upon being granted immunity from prosecution under title 18, United States Code, section 6002, may make a motion to that effect. The motion shall be made and ruled on in accordance with §1025.23 of these rules and shall include a showing:

(1) That the testimony or other information sought from a witness or deponent, or prospective witness or depo-

nent, may be necessary to the public interest; and

(2) That such individual has refused or is likely to refuse to testify or provide such information on the basis of that individual’s privilege against self-incrimination.

(c) *Approval of the Attorney General.* If the Presiding Officer determines that the witness’ testimony appears necessary and that the privilege against self-incrimination may be invoked, he/she may certify to the Commission a request that it obtain the approval of the Attorney General of the United States for the issuance of an order granting immunity.

(d) *Issuance of order granting immunity.* Upon application to and approval by the Attorney General of the United States, and after the witness has invoked the privilege against self-incrimination, the Presiding Officer shall issue the order granting immunity unless he/she determines that the privilege was improperly invoked.

(e) *Sanctions for failure to testify.* Failure of a witness to testify after a grant of immunity or after a denial of a motion for the issuance of an order granting immunity shall result in the imposition of appropriate sanctions as provided in §1025.37 of these rules.

Subpart E—Hearings

§ 1025.41 General rules.

(a) *Public hearings.* All hearings conducted pursuant to these Rules shall be public unless otherwise ordered by the Commission or the Presiding Officer.

(b) *Prompt completion.* Hearings shall proceed with all reasonable speed and, insofar as practicable and with due regard to the convenience of the parties, shall continue without suspension until concluded, except in unusual circumstances or as otherwise provided in these Rules.

(c) *Rights of parties.* Every party shall have the right of timely notice and all other rights essential to a fair hearing, including, but not limited to, the rights to present evidence, to conduct such cross-examination as may be necessary for a full and complete disclosure of the facts, and to be heard by objection, motion, brief, and argument.

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(d) *Rights of participants.* Every participant shall have the right to make a written or oral statement of position and to file proposed findings of fact, conclusions of law, and a post hearing brief, in accordance with §1025.17(b) of these Rules.

(e) *Rights of witnesses.* Any person compelled to testify in any proceedings in response to a subpoena may be accompanied, represented, and advised by legal counsel or other representative, and may purchase a transcript of his/her testimony.

§ 1025.42 Powers and duties of Presiding Officer.

(a) *General.* A Presiding Officer shall have the duty to conduct full, fair, and impartial hearings, to take appropriate action to avoid unnecessary delay in the disposition of proceedings, and to maintain order. He/she shall have all powers necessary to that end, including the following powers:

(1) To administer oaths and affirmations;

(2) To compel discovery and to impose appropriate sanctions for failure to make discovery;

(3) To rule upon offers of proof and receive relevant, competent, and probative evidence;

(4) To regulate the course of the proceedings and the conduct of the parties and their representatives;

(5) To hold conferences for simplification of the issues, settlement of the proceedings, or any other proper purposes;

(6) To consider and rule, orally or in writing, upon all procedural and other motions appropriate in adjudicative proceedings;

(7) To issue Summary Decisions, Initial Decisions, Recommended Decisions, rulings, and orders, as appropriate;

(8) To certify questions to the Commission for its determination; and

(9) To take any action authorized by these Rules or the provisions of title 5, United States Code, sections 551-559.

(b) *Exclusion of parties by Presiding Officer.* A Presiding Officer shall have the authority, for good cause stated on the record, to exclude from participation in any proceedings any party, participant, or representative who violates

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the requirements of §1025.66 of these rules. Any party, participant or representative so excluded may appeal to the Commission in accordance with the provisions of §1025.24 of these rules. If the representative of a party or participant is excluded, the hearing may be suspended for a reasonable time so that the party or participant may obtain another representative.

(c) *Substitution of Presiding Officer.* In the event of the substitution of a new Presiding Officer for the one originally designated, any motion predicated upon such substitution shall be made within five (5) days.

(d) *Interference.* In the performance of adjudicative functions, a Presiding Officer shall not be responsible to or subject to the supervision or direction of any Commissioner or of any officer, employee, or agent engaged in the performance of investigative or prosecuting functions for the Commission. All directions by the Commission to a Presiding Officer concerning any adjudicative proceedings shall appear on and be made a part of the record.

(e) *Disqualification of Presiding Officer.*
(1) When a Presiding Officer considers himself/herself disqualified to preside in any adjudicative proceedings, he/she shall withdraw by notice on the record and shall notify the Chief Administrative Law Judge and the Secretary of such withdrawal.

(2) Whenever, for good and reasonable cause, any party considers the Presiding Officer to be disqualified to preside, or to continue to preside, in any adjudicative proceedings, that party may file with the Secretary a motion to disqualify and remove, supported by affidavit(s) setting forth the alleged grounds for disqualification. A copy of the motion and supporting affidavit(s) shall be served by the Secretary on the Presiding Officer whose removal is sought. The Presiding Officer shall have ten (10) days to respond in writing to such motion. However, the motion shall not stay the proceedings unless otherwise ordered by the Presiding Officer or the Commission. If the Presiding Officer does not disqualify himself/herself, the Commission shall determine the validity of the grounds alleged, either directly or on the report of another Presiding Officer appointed

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to conduct a hearing for that purpose and, in the event of disqualification, shall take appropriate action by assigning another Presiding Officer or requesting loan of another Administrative Law Judge through the U.S. Office of Personnel Management.

§ 1025.43 Evidence.

(a) *Applicability of Federal Rules of Evidence.* Unless otherwise provided by statute or these rules, the Federal Rules of Evidence shall apply to all proceedings held pursuant to these Rules. However, the Federal Rules of Evidence may be relaxed by the Presiding Officer if the ends of justice will be better served by so doing.

(b) *Burden of proof.* (1) Complaint counsel shall have the burden of sustaining the allegations of any complaint.

(2) Any party who is the proponent of a legal or factual proposition shall have the burden of sustaining that proposition.

(c) *Admissibility.* All relevant and reliable evidence is admissible, but may be excluded by the Presiding Officer if its probative value is substantially outweighed by unfair prejudice or confusion of the issues, or by considerations of undue delay, waste of time, immateriality, or needless presentation of cumulative evidence.

(d) *Official notice—(1) Definition.* Official notice means use by the Presiding Officer or the Commission of facts not appearing on the record and legal conclusions drawn from those facts. An officially noticed fact or legal conclusion must be one not subject to reasonable dispute in that it is either:

(i) Generally known within the jurisdiction of the Commission or

(ii) Capable of accurate and ready determination by resort to sources whose accuracy cannot reasonably be questioned.

(2) *Method of taking official notice.* The Presiding Officer and/or the Commission may at any time take official notice upon motion of any party or upon its own initiative. The record shall reflect the facts and conclusions which have been officially noticed.

(e) [Reserved]

(f) *Offer of proof.* When an objection to proffered testimony or documentary

evidence is sustained, the sponsoring party may make a specific offer, either in writing or orally, of what the party expects to prove by the testimony or the document. When an offer of proof is made, any other party may make a specific offer, either in writing or orally, of what the party expects to present to rebut or contradict the offer of proof. Written offers of proof or of rebuttal, adequately marked for identification, shall accompany the record and be available for consideration by any reviewing authority.

§ 1025.44 Expert witnesses.

(a) *Definition.* An expert witness is one who, by reason of education, training, experience, or profession, has peculiar knowledge concerning the subject matter to which his/her testimony relates and from which he/she may draw inferences based upon hypothetically stated facts or offer opinions from facts involving scientific or technical knowledge.

(b) *Method of presenting testimony of expert witness.* Except as may otherwise be ordered by the Presiding Officer, the direct testimony of an expert witness shall be in writing and shall be filed on the record and exchanged between the parties no later than ten (10) days preceding the commencement of the hearing. The written testimony of an expert witness shall be incorporated into the record and shall constitute the direct testimony of that witness. Upon a showing of good cause, the party sponsoring the expert witness may be permitted to amplify the written direct testimony during the hearing.

(c) *Cross-examination and redirect examination of expert witness.* Cross-examination, redirect examination, and re-cross-examination of an expert witness shall proceed in due course based upon the written testimony and any amplifying oral testimony.

(d) *Failure to file or exchange written testimony.* Failure to file or exchange written testimony of expert witnesses as provided in this section shall deprive the sponsoring party of the use of the expert witness and of the conclusions which that witness would have presented, unless the opposing parties consent or the Presiding Officer otherwise orders in unusual circumstances.

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§ 1025.45 *In camera* materials.

(a) *Definition.* *In camera* materials are documents, testimony, or other data which by order of the Presiding Officer or the Commission are kept confidential and excluded from the public record.

(b) *In camera treatment of documents and testimony.* The Presiding Officer or the Commission shall have authority, when good cause is found on the record, to order documents or testimony offered in evidence, whether admitted or rejected, to be received and preserve *in camera*. The order shall specify the length of time for *in camera* treatment and shall include:

(1) A description of the documents or testimony;

(2) The reasons for granting *in camera* treatment for the specified length of time; and

(3) The terms and conditions imposed by the Presiding Official, if any, limiting access to or use of the *in camera* material.

(c) *Access and disclosure to parties.* (1) Commissioners and their staffs, Presiding Officers and their staffs, and Commission staff members concerned with judicial review shall have complete access to *in camera* materials. Any party to the proceedings may seek access only in accordance with paragraph (c)(2) of this section.

(2) Any party desiring access to, or disclosure of, *in camera* materials for the preparation and presentation of that party's case shall make a motion which sets forth its justification. The Presiding Officer or the Commission may grant such motion for good cause shown and shall enter a protective order prohibiting unnecessary disclosure and requiring any other necessary safeguards. The Presiding Officer or the Commission may examine the *in camera* materials and excise any portions prior to disclosure of the materials to the moving party.

(d) *Segregation of in camera materials.* *In camera* materials shall be segregated from the public record and protected from public view.

(e) *Public release of in camera materials.* *In camera* materials constitute a part of the confidential records of the Commission and shall not be released

to the public until the expiration of *in camera* treatment.

(f) *Reference to in camera materials.* In the submission of proposed findings, conclusions, briefs, or other documents, all parties shall refrain from disclosing specific details of *in camera* materials. However, such refraining shall not preclude general references to such materials. To the extent that parties consider necessary the inclusion of specific details of *in camera* materials, those references shall be incorporated into separate proposed findings, conclusions, briefs, or other documents marked "Confidential, Contains *In Camera* Material," which shall be placed *in camera* and become part of the *in camera* record. Those documents shall be served only on parties accorded access to the *in camera* materials by these rules, the Presiding Officer, or the Commission.

§ 1025.46 Proposed findings, conclusions, and order.

Within a reasonable time after the closing of the record and receipt of the transcript, all parties and participants may file, simultaneously unless otherwise directed by the Presiding Officer, post-hearing briefs, including proposed findings of fact and conclusions of law, as well as a proposed order. The Presiding Officer shall establish a date certain for the filing of the briefs, which shall not exceed fifty (50) days after the closing of the record except in unusual circumstances. The briefs shall be in writing and shall be served upon all parties. The briefs of all parties shall contain adequate references to the record and authorities relied upon. Replies shall be filed within fifteen (15) days of the date for the filing of briefs unless otherwise established by the Presiding Officer. The parties and participants may waive either or both submissions.

§ 1025.47 Record.

(a) *Reporting and transcription.* Hearings shall be recorded and transcribed by the official reporter of the Commission under the supervision of the Presiding Officer. The original transcript shall be a part of the record of proceedings. Copies of transcripts are available from the reporter at a cost

not to exceed the maximum rates fixed by contract between the Commission and the reporter. In accordance with Section 11 of the Federal Advisory Committee Act (Pub. L. 92-463, 5 U.S.C. appendix I), copies of transcripts may be made by members of the public or by Commission personnel, when available, at the Office of the Secretary at reproduction costs as provided in § 1025.49.

(b) *Corrections.* Corrections of the official transcript may be made only when they involve errors affecting substance and then only in the manner described in this section. The Presiding Officer may order corrections, either on his/her own motion or on motion of any party. The Presiding Officer shall determine the corrections to be made and shall so order. Corrections shall be interlineated or otherwise inserted in the official transcript so as not to obliterate the original text.

§ 1025.48 Official docket.

The official docket in any adjudicatory proceedings shall be maintained in the Office of the Secretary and be available for public inspection during normal business hours of the Commission.

§ 1025.49 Fees.

(a) *Fees for deponents and witnesses.* Any person compelled to appear in person in response to a subpoena or notice of deposition shall be paid the same attendance and mileage fees as are paid witnesses in the courts of the United States, in accordance with title 28, United States Code, section 1821. The fees and mileage referred to in this paragraph shall be paid by the party at whose instance deponents or witnesses appear.

(b) *Fees for production of records.* Fees charged for production or disclosure of records contained in the official docket shall be in accordance with the Commission's "Procedures for Disclosures or Production of Information Under the Freedom of Information Act," title 16, Code of Federal Regulations, § 1015.9.

Subpart F—Decision

§ 1025.51 Initial decision.

(a) *When filed.* The Presiding Officer shall endeavor to file an Initial Decision with the Commission within sixty (60) days after the closing of the record or the filing of post-hearing briefs, whichever is later.

(b) *Content.* The Initial Decision shall be based upon a consideration of the entire record and shall be supported by reliable, probative, and substantial evidence. The Initial Decision shall include:

(1) Findings and conclusions, as well as the reasons or bases for such findings and conclusions, upon the material questions of fact, material issues of law, or discretion presented on the record, and should, where practicable, be accompanied by specific page citations to the record and to legal and other materials relied upon; and

(2) An appropriate order.

(c) *By whom made.* The Initial Decision shall be made and filed by the Presiding Officer who presided over the hearing, unless otherwise ordered by the Commission.

(d) *Reopening of proceedings by Presiding Officer; termination of jurisdiction.*

(1) At any time prior to, or concomitant with, the filing of the Initial Decision, the Presiding Officer may reopen the proceedings for the reception of further evidence.

(2) Except for the correction of clerical errors, or where the proceeding is reopened by an order under paragraph (d)(1) of this section, the jurisdiction of the Presiding Officer is terminated upon the filing of the Initial Decision, unless and until such time as the matter may be remanded to the Presiding Officer by the Commission.

§ 1025.52 Adoption of initial decision.

The Initial Decision and Order shall become the Final Decision and Order of the Commission forty (40) days after issuance unless an appeal is noted and perfected or unless review is ordered by the Commission. Upon the expiration of the fortieth day, the Secretary shall prepare, sign, and enter an order adopting the Initial Decision and Order, unless otherwise directed by the Commission.

§ 1025.53 Appeal from initial decision.

(a) *Who may file notice of intention.* Any party may appeal an Initial Decision to the Commission, provided that within ten (10) days after issuance of the Initial Decision such party files and serves a notice of intention to appeal.

(b) *Appeal brief.* An appeal is perfected by filing a brief within forty (40) days after service of the Initial Decision. The appeal brief must be served upon all parties. The appeal brief shall contain, in the order indicated, the following:

(1) A subject index of the matters in the brief, with page references, and a table of cases (alphabetically arranged), textbooks, statutes, and other material cited, with page references thereto;

(2) A concise statement of the case;

(3) A statement containing the reasons why the party believes the Initial Decision is incorrect;

(4) The argument, presenting clearly the points of fact and law relied upon to support each reason why the Initial Decision is incorrect, with specific page references to the record and the legal or other material relied upon; and

(5) A proposed form of order for the Commission's consideration in lieu of the order contained in the Initial Decision.

(c) *Answering brief.* Within thirty (30) days after service of the appeal brief upon all parties, any party may file an answering brief which shall contain a subject index, with page references, and a table of cases (alphabetically arranged), textbooks, statutes, and other material cited, with page references thereto. Such brief shall present clearly the points of fact and law relied upon in support of the reasons the party has for each position urged, with specific page references to the record and legal or other materials relied upon.

(d) *Participant's brief.* Within thirty (30) days after service of the appeal brief upon all parties, any participant may file a brief on appeal, presenting clearly the position urged.

(e) *Cross appeal.* If a timely notice of appeal is filed by a party, any other party may file a notice of cross appeal within ten (10) days of the date on

which the first notice of appeal was filed. Cross appeals shall be included in the answering brief and shall conform to the requirements for form, content, and filing specified in paragraph (b) of this section for an appeal brief. If an appeal is noticed but not perfected, no cross appeal shall be permitted and the notice of cross appeal shall be deemed void.

(f) *Reply brief.* A reply brief shall be limited to rebuttal of matters presented in answering briefs, including matters raised in cross-appeals. A reply brief shall be filed and served within fourteen (14) days after service of an answering brief, or on the day preceding the oral argument, whichever comes first.

(g) *Oral argument.* The purpose of an oral argument is to emphasize and clarify the issues. The Commission may order oral argument upon request of any party or upon its own initiative. A transcript of oral arguments shall be prepared. A Commissioner absent from an oral argument may participate in the consideration of and decision on the appeal.

§ 1025.54 Review of initial decision in absence of appeal.

The Commission may, by order, review a case not otherwise appealed by a party. Should the Commission so order, the parties shall, and participants may, file briefs in accordance with § 1025.53, except that the Commission may, in its discretion, establish a different briefing schedule in its order. The Commission shall issue its order within forty (40) days after issuance of the Initial Decision. The order shall set forth the issues which the Commission will review and may make provision for the filing of briefs. If the filing of briefs is scheduled by the Commission, the order shall designate which party or parties shall file the initial brief and which party or parties may thereafter file an answering brief, or the order may designate the simultaneous filing of briefs by the parties.

§ 1025.55 Final decision on appeal or review.

(a) *Consideration of record.* Upon appeal from or review of an Initial Decision, the Commission shall consider

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the record as a whole or such parts of the record as are cited or as may be necessary to resolve the issues presented and, in addition, shall, to the extent necessary or desirable, exercise all the powers which it could have exercised if it had made the Initial Decision.

(b) *Rendering of final decision.* In rendering its decision, the Commission shall adopt, modify, or set aside the findings, conclusions, and order contained in the Initial Decision, and shall include in its Final Decision a statement of the reasons for its action and any concurring or dissenting opinions. The Commission shall issue an order reflecting its Final Decision.

(c) Except as otherwise ordered by the Commission, the Commission shall endeavor to file its Decision within ninety (90) days after the filing of all briefs or after receipt of transcript of the oral argument, whichever is later.

§ 1025.56 Reconsideration.

Within twenty (20) days after issuance of a Final Decision and Order by the Commission, any party may file a petition for reconsideration of such decision or order, setting forth the relief desired and the grounds in support of the petition. Any petition filed under this section must be confined to new questions raised by the decision or order upon which the petitioner had no previous opportunity to argue. Any party desiring to oppose such a petition shall file an opposition to the petition within ten (10) days after service of the petition. The filing of a petition for reconsideration shall not stay the effective date of the Final Decision and Order or toll the running of any statutory time period affecting the Decision or Order unless specifically ordered by the Commission.

§ 1025.57 Effective date of order.

(a) *Orders in proceedings arising under the Consumer Product Safety Act.* An order of the Commission in proceedings arising under the Consumer Product Safety Act becomes effective upon receipt, unless otherwise ordered by the Commission.

(b) *Orders in proceedings arising under the Flammable Fabrics Act—(1) Consent orders.* An order in proceedings arising

under the Flammable Fabrics Act, which has been issued following the Commission's acceptance of an offer of settlement in accordance with § 1025.26 of these rules, becomes effective upon receipt of notice of Commission acceptance, unless otherwise ordered by the Commission.

(2) *Litigated orders.* All other orders in proceedings arising under the Flammable Fabrics Act become effective upon the expiration of the statutory period for court review specified in Section 5(c) of the Federal Trade Commission Act, title 15, United States Code, section 45(c), or, if a petition for review has been filed, upon a court's affirmation of the Commission's order.

(c) *Consequences of failure to comply with effective order.* A respondent against whom an order has been issued who is not in compliance with such order on or after the date the order becomes effective is in violation of such order and is subject to an immediate action for the civil or criminal penalties provided for in the applicable statute.

§ 1025.58 Reopening of proceedings.

(a) *General.* Any proceedings may be reopened by the Commission at any time, either on its own initiative or upon petition of any party to the proceedings.

(b) *Exception.* Proceedings arising under the Flammable Fabrics Act shall not be reopened while pending in a United States court of appeals on a petition for review after the transcript of the record has been filed, or while pending in the Supreme Court of the United States.

(c) *Commission-originated reopening—(1) Before effective date of order.* At any time before the effective date of a Commission order, the Commission may, upon its own initiative and without prior notice to the parties, reopen any proceedings and enter a new decision or order to modify or set aside, in whole or in part, the decision or order previously issued.

(2) *After effective date of order.* Whenever the Commission is of the opinion that changed conditions of fact or law or the public interest may require that a Commission decision or order be altered, modified, or set aside in whole or

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in part, the Commission shall serve upon all parties to the original proceedings an order to show cause, stating the changes the Commission proposes to make in the decision or order and the reasons such changes are deemed necessary. Within thirty (30) days after service of an order to show cause, any party to the original proceedings, may file a response. Any party not responding to the order to show cause within the time allowed shall be considered to have consented to the proposed changes.

(d) *Petition for reopening.* Whenever any person subject to a final order is of the opinion that changed conditions of fact or law require that the decision or order be altered, modified, or set aside, or that the public interest so requires, that person may petition the Commission to reopen the proceedings. The petition shall state the changes desired and the reasons those changes should be made, and shall include such supporting evidence and argument as will, in the absence of any opposition, provide the basis for a Commission decision on the petition. The petition shall be served upon all parties to the original proceedings. Within thirty (30) days after service of the petition, Complaint Counsel shall file a response. Any other party to the original proceedings also may file a response within that period.

(e) *Hearings—(1) Unopposed.* Where an order to show cause or petition to reopen is not opposed, or is opposed but the pleadings do not raise issues of fact to be resolved, the Commission, in its discretion, may decide the matter on the order to show cause or petition and responses, or it may serve upon the parties a notice of hearing containing the date when the matter will be heard. The proceedings normally will be limited to the filing of briefs but may include oral argument when deemed necessary by the Commission.

(2) *Factual issues.* When the pleadings raise substantial factual issues, the Commission may direct such hearings as it deems appropriate. Upon conclusion of the hearings, and after opportunity for the parties to file post-hearing briefs containing proposed findings of fact and conclusions of law, as well as a proposed order, the Presiding Officer shall issue a Recommended Deci-

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sion, including proposed findings and conclusions, and the reasons, as well as a proposed Commission order. If the Presiding Officer recommends that the Commission's original order be reopened, the proposed order shall include appropriate provisions for the alteration, modification or setting aside of the original order. The record and the Presiding Officer's Recommended Decision shall be certified to the Commission for final disposition of the matter.

(f) *Commission disposition.* Where the Commission has ordered a hearing, upon receipt of the Presiding Officer's Recommended Decision, the Commission shall make a decision and issue an order based on the hearing record as a whole. If the Commission determines that changed conditions of fact or law or the public interest requires, it shall reopen the order previously issued; alter, modify, or set aside the order's provisions in whole or in part; and issue an amended order reflecting the alterations, modifications, or deletions. If the Commission determines that the original order should not be reopened, it shall issue an order affirming the original order. A decision stating the reasons for the Commission's order shall accompany the order.

Subpart G—Appearances, Standards of Conduct

§ 1025.61 Who may make appearances.

A party or participant may appear in person, or by a duly authorized officer, partner, regular employee, or other agent of the party or participant, or by counsel or other duly qualified representative, in accordance with § 1025.65.

§ 1025.62 Authority for representation.

Any individual acting in a representative capacity in any adjudicative proceedings may be required by the Presiding Officer or the Commission to show his/her authority to act in such capacity. A regular employee of a party who appears on behalf of the party may be required by the Presiding Officer or the Commission to show his/her authority to so appear.

§ 1025.63 Written appearances.

(a) *Filing.* Any person who appears in any proceedings shall file a written notice of appearance with the Secretary or deliver a written notice of appearance to the Presiding Officer at the hearing, stating for whom the appearance is made and the name, address, and telephone number (including area code) of the person making the appearance and the date of the commencement of the appearance. The written appearance shall be made a part of the record.

(b) *Withdrawal.* Any person who has previously appeared in any proceedings may withdraw his/her appearance by filing a written notice of withdrawal of appearance with the Secretary. The notice of withdrawal of appearance shall state the name, address, and telephone number (including area code) of the person withdrawing the appearance, for whom the appearance was made, and the effective date of the withdrawal of the appearance. Such notice of withdrawal shall be filed within five (5) days of the effective date of the withdrawal of the appearance.

§ 1025.64 Attorneys.

Any attorney at law who is admitted to practice before any United States court or before the highest court of any State, the District of Columbia, or any territory or commonwealth of the United States, may practice before the Commission. An attorney's own representation that he/she is in good standing before any of such courts shall be sufficient proof thereof, unless otherwise directed by the Presiding Officer or the Commission.

§ 1025.65 Persons not attorneys.

(a) *Filing and approval of proof of qualifications.* Any person who is not an attorney at law may be admitted to appear in any adjudicative proceedings as a representative of any party or participant if that person files proof to the satisfaction of the Presiding Officer that he/she possesses the necessary knowledge of administrative procedures, technical, or other qualifications to render valuable service in the proceedings and is otherwise competent to advise and assist in the presentation of matters in the proceedings.

An application by a person not an attorney at law for admission to appear in any proceedings shall be submitted in writing to the Secretary, not later than thirty (30) days prior to the hearing. The application shall set forth in detail the applicant's qualifications to appear in the proceedings.

(b) *Exception.* Any person who is not an attorney at law and whose application has not been approved shall not be permitted to appear in Commission proceedings. However, this provision shall not apply to any person who appears before the Commission on his/her own behalf or on behalf of any corporation, partnership, or unincorporated association of which the person is a partner or general officer.

§ 1025.66 Qualifications and standards of conduct.

(a) *Good faith transactions.* The Commission expects all persons appearing in proceedings before the Commission or the Presiding Officer to act with integrity, with respect, and in an ethical manner. Business transacted before and with the Commission or the Presiding Officer shall be conducted in good faith.

(b) *Exclusion of parties, participants, or their representatives.* To maintain orderly proceedings, the Commission or the Presiding Officer may exclude parties, participants, or their representatives for refusal to comply with directions, continued use of dilatory tactics, refusal to adhere to reasonable standards of orderly and ethical conduct, failure to act in good faith, or violation of the prohibition in §1025.68 against certain *ex parte* communications.

(c) *Exclusions from the record.* The Presiding Officer or the Commission may disregard and order the exclusion from the record of any written or oral submissions or representations which are not made in good faith or which are unfair, incomplete, or inaccurate.

(d) *Appeal by excluded party.* An excluded party, participant, or representative may petition the Commission to entertain an interlocutory appeal in accordance with §1025.24 of these rules. If, after such appeal, the representative of a party or participant is excluded, the hearing shall, at the request of the party or participant, be suspended for a

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reasonable time so that the party or participant may obtain another representative.

§ 1025.67 Restrictions as to former members and employees.

(a) *Generally.* Except as otherwise provided in paragraph (b) of this section, the post-employee restrictions applicable to former Commission members and employees, as set forth in the Commission's "Post Employment Restrictions Applicable to Former Commission Officers and Employees", 16 CFR part 1030, subpart L, shall govern the activities of former Commission members and employees in matters connected with their former duties and responsibilities.

(b) *Participation as witness.* A former member or employee of the Commission may testify in any proceeding subject to these Rules concerning his/her participation in any Commission activity. This section does not constitute a waiver by the Commission of any objection provided by law to testimony that would disclose privileged or confidential material. The provisions of 18 U.S.C. 1905 prohibiting the disclosure of trade secrets also applies to testimony by former members and employees.

(c) *Procedure for requesting authorization to appear.* In cases to which paragraph (a) of this section is applicable, a former member or employee of the Commission may request authorization to appear or participate in any proceedings or investigation by filing with the Secretary a written application disclosing the following information:

(1) The nature and extent of the former member's or employee's participation in, knowledge of, and connection with the proceedings or investigation during his/her service with the Commission;

(2) Whether the files of the proceedings or investigation came to his/her attention;

(3) Whether he/she was employed in the directorate, division, or other organizational unit within the Commission in which the proceedings or investigation is or has been pending;

(4) Whether he/she worked directly or in close association with Commission personnel assigned to the proceedings

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or investigation and, if so, with whom and in what capacity; and

(5) Whether during service with the Commission, he/she was engaged in any matter concerning the person involved in the proceedings or investigation.

(d) *Denial of request to appear.* The requested authorization shall not be given in any case:

(1) Where it appears that the former member or employee, during service with the Commission, participated personally and substantially in the proceedings or investigation; or

(2) Where the Commission is not satisfied that the appearance or participation will not involve any actual or apparent impropriety; or

(3) In any case which would result in a violation of title 18, United States Code, section 207.

§ 1025.68 Prohibited communications.

(a) *Applicability.* This section is applicable during the period commencing with the date of issuance of a complaint and ending upon final Commission action in the matter.

(b) *Definitions—(1) Decision-maker.* Those Commission personnel who render decisions in adjudicative proceedings under these rules, or who advise officials who render such decisions, including:

(i) The Commissioners and their staffs;

(ii) The Administrative Law Judges and their staffs;

(iii) The General Counsel and his/her staff, unless otherwise designated by the General Counsel.

(2) *Ex parte communication.* (i) Any written communication concerning a matter in adjudication which is made to a decision-maker by any person subject to these Rules, which is not served on all parties; or

(ii) Any oral communication concerning a matter in adjudication which is made to a decision-maker by any person subject to these Rules, without advance notice to all parties to the proceedings and opportunity for them to be present.

(c) *Prohibited ex parte communications.* Any oral or written *ex parte* communication relative to the merits of any proceedings under these Rules is a prohibited *ex parte* communication, except

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as otherwise provided in paragraph (d) of this section.

(d) *Permissible ex parte communications.* The following communications shall not be prohibited under this section.

(1) *Ex parte* communications authorized by statute or by these rules. (See, for example, §1025.38 which governs applications for the issuance of subpoenas.)

(2) Any staff communication concerning judicial review or judicial enforcement in any matter pending before or decided by the Commission.

(e) *Procedures for handling prohibited ex parte communication*—(1) *Prohibited written ex parte communication.* To the extent possible, a prohibited written *ex parte* communication received by any Commission employee shall be forwarded to the Secretary rather than to a decision-maker. A prohibited written *ex parte* communication which reaches a decision-maker shall be forwarded by the decision-maker to the Secretary. If the circumstances in which a prohibited *ex parte* written communication was made are not apparent from the communication itself, a statement describing those circumstances shall be forwarded with the communication.

(2) *Prohibited oral ex parte communication.* (i) If a prohibited oral *ex parte* communication is made to a decision-maker, he/she shall advise the person making the communication that the communication is prohibited and shall terminate the discussion; and

(ii) In the event of a prohibited oral *ex parte* communication, the decision-maker shall forward to the Secretary a signed and dated statement containing such of the following information as is known to him/her.

(A) The title and docket number of the proceedings;

(B) The name and address of the person making the communication and his/her relationship (if any) to the parties and/or participants to the proceedings;

(C) The date and time of the communication, its duration, and the circumstances (e.g., telephone call, personal interview, etc.) under which it was made;

(D) A brief statement of the substance of the matters discussed; and

(E) Whether the person making the communication persisted in doing so after being advised that the communication was prohibited.

(3) *Filing.* All communications and statements forwarded to the Secretary under this section shall be placed in a public file which shall be associated with, but not made a part of, the record of the proceedings to which the communication or statement pertains.

(4) *Service on parties.* The Secretary shall serve a copy of each communication and statement forwarded under this section on all parties to the proceedings. However, if the parties are numerous, or if other circumstances satisfy the Secretary that service of the communication or statement would be unduly burdensome, he/she, in lieu of service, may notify all parties in writing that the communication or statement has been made and filed and that it is available for inspection and copying.

(5) *Service on maker.* The Secretary shall forward to the person who made the prohibited *ex parte* communication a copy of each communication or statement filed under this section.

(f) *Effect of ex parte communications.* No prohibited *ex parte* communication shall be considered as part of the record for decision unless introduced into evidence by a party to the proceedings.

(g) *Sanctions.* A person subject to these Rules who makes, a prohibited *ex parte* communication, or who encourages or solicits another to make any such communication, may be subject to any appropriate sanction or sanctions, including but not limited to, exclusion from the proceedings and an adverse ruling on the issue which is the subject of the prohibited communication.

Subpart H—Implementation of the Equal Access to Justice Act in Adjudicative Proceedings With the Commission

AUTHORITY: Equal Access to Justice Act, Pub. L. 96-481, 94 Stat. 2325, 5 U.S.C. 504 and the Administrative Procedure Act, 5 U.S.C. 551 *et seq.*

SOURCE: 47 FR 25513, June 14, 1982, unless otherwise noted.

§ 1025.70 General provisions.

(a) *Purpose of this rule.* The Equal Access to Justice Act, 5 U.S.C. 504 (called “the EAJA” in this subpart), provides for the award of attorney fees and other expenses to eligible persons who are parties to certain adversary adjudicative proceedings before the Commission. An eligible party may receive an award when it prevails over Commission complaint counsel, unless complaint counsel’s position in the proceeding was substantially justified or special circumstances make an award unjust. This subpart describes the parties eligible for awards and the proceedings covered. The rules also explain how to apply for awards and the procedures and standards that the Commission will use to make them.

(b) *When the EAJA applies.* The EAJA applies to any adversary adjudicative proceeding pending before the Commission at any time between October 1, 1981 and September 30, 1984. This includes proceedings commenced before October 1, 1981, if final Commission action has not been taken before that date, and proceedings pending on September 30, 1984, regardless of when they were initiated or when final Commission action occurs.

(c) *Proceedings covered.* (1) The EAJA and this rule apply to adversary adjudicative proceedings conducted by the Commission. These are adjudications under 5 U.S.C. 554 in which the position of the Commission or any component of the Commission is represented by an attorney or other representative who enters an appearance and participates in the proceeding. The rules in this subpart govern adversary adjudicative proceedings relating to the provisions of sections 15 (c), (d) and (f) and 17(b) of the Consumer Product Safety Act (15 U.S.C. 2064 (c) (d) and (f); 2066(b)), sections 3 and 8(b) of the Flammable Fabrics Act (15 U.S.C. 1192, 1197(b)), and section 15 of the Federal Hazardous Substances Act (15 U.S.C. 1274), which are required by statute to be determined on the record after opportunity for a public hearing. These rules will also govern administrative adjudicative proceedings for the assessment of civil penalties under section 20(a) of the Consumer Product Safety Act (15 U.S.C. 2068(a)). See 16 CFR 1025.1.

(2) The Commission may designate a proceeding not listed in paragraph (c)(1) of this section as an adversary adjudicative proceeding for purposes of the EAJA by so stating in an order initiating the proceeding or designating the matter for hearing. The Commission’s failure to designate a proceeding as an adversary adjudicative proceeding shall not preclude the filing of an application by a party who believes the proceeding is covered by the EAJA. Whether the proceeding is covered will then be an issue for resolution in proceedings on the application.

(3) If a proceeding includes both matters covered by the EAJA and matters specifically excluded from coverage, any award made will include only fees and expenses related to covered issues.

(d) *Eligibility of applicants.* (1) To be eligible for an award of attorney fees and other expenses under the EAJA, the applicant must be a party to the adversary adjudication for which it seeks an award. The term “party” is defined in 5 U.S.C. 551(3) and 16 CFR 1025.3(f). The applicant must show that it meets all conditions of eligibility set out in this paragraph and in §1025.71.

(2) The types of eligible applicants are:

(i) Individuals with a net worth of not more than \$1 million;

(ii) Sole owners of unincorporated businesses who have a net worth of not more than \$5 million including both personal and business interests, and not more than 500 employees;

(iii) Charitable or other tax-exempt organizations described in section 501(c)(3) of the Internal Revenue Code (26 U.S.C. 501(c)(3)) which have not more than 500 employees;

(iv) Any other partnership, corporation, association, or public or private organization with a net worth of not more than \$5 million and which have not more than 500 employees.

(3) For the purpose of eligibility, the net worth and number of employees of an applicant shall be determined as of the date the proceeding was initiated.

(4) An applicant who owns an unincorporated business will be considered as an “individual” rather than as a “sole owner of an unincorporated business” if the issues on which the applicant prevails are related primarily to

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personal interests rather than to business interests.

(5) The number of employees of an applicant include all persons who regularly perform services for remuneration for the applicant, under the applicant's direction and control. Part-time employees shall be included on a proportional basis.

(6) The net worth and number of employees of the applicant and all of its affiliates shall be aggregated to determine eligibility. For this purpose, *affiliate* means (i) An individual, corporation or other entity that directly or indirectly controls or owns a majority of the voting shares or other interest of the applicant, or (ii) Any corporation or other entity of which the applicant directly or indirectly owns or controls a majority of the voting shares or other interest. However, the presiding officer may determine that such treatment would be unjust and contrary to the purposes of the EAJA in light of the actual relationship between the affiliated entities. In addition, the presiding officer may determine that financial relationships of the applicant other than those described in this paragraph constitute special circumstances that would make an award unjust.

(7) An applicant that participates in a proceeding primarily on behalf of one or more other persons or entities that would be ineligible is not itself eligible for an award.

(8) An applicant that represents himself/herself regardless of whether he is licensed to practice law may be awarded all such expenses and fees available to other prevailing eligible parties. See 16 CFR 1025.61 and 1025.65 of the Commission's rules.

(e) *Standards for awards.* (1) An eligible prevailing applicant may receive an award for fees and expenses incurred in connection with a proceeding, or in a significant and discrete substantive portion of the proceeding, unless the position of Commission complaint counsel over which the applicant has prevailed was substantially justified. Complaint counsel bear the burden of proof that an award should not be made to an eligible prevailing applicant. Complaint counsel may avoid the granting of an award by showing that

its position was reasonable in law and fact.

(2) An award will be reduced or denied if the applicant has unduly or unreasonably protracted the proceeding or if special circumstances make the award sought unjust.

(f) *Allowable fees and expenses.* (1) Awards will be based on rates customarily charged by persons engaged in the business of acting as attorneys, agents and expert witnesses, even if the services were made available without charge or at a reduced rate to the applicant.

(2) No award for the fee of an attorney or agent under these rules may exceed \$75 per hour. No award to compensate an expert witness may exceed the highest rate at which the Commission is authorized to pay expert witnesses. However, an award may also include the reasonable expenses of the attorney, agent, or witness as a separate item, if the attorney, agent or witness ordinarily charges clients separately for such expenses.

(3) In determining the reasonableness of the fee sought for an attorney, agent or expert witness, the presiding officer shall consider the following:

(i) If the attorney, agent or witness is in private practice, his or her customary fee for similar services, or, if an employee of the applicant, the fully allocated cost of the services;

(ii) The prevailing rate for similar services in the community in which the attorney, agent or witness ordinarily performs services;

(iii) The time actually spent in the representation of the applicant;

(iv) The time reasonably spent in light of the difficulty or complexity of the issues in the proceeding; and

(v) Such other factors as may bear on the value of the services provided.

(4) The reasonable cost of any study, analysis, engineering report, test, project or similar matter prepared on behalf of a party may be awarded, to the extent that the charge for the service does not exceed the prevailing rate for similar services, and the study or other matter was necessary for preparation of the applicant's case.

(5) Fees may be awarded to eligible applicants only for service performed after the issuance of a complaint and

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the commencement of the adjudicative proceeding in accordance with 16 CFR 1025.11(a).

(g) *Rulemaking on maximum rates for attorney fees.* (1) If warranted by an increase in the cost of living or by special circumstances, the Commission may adopt regulations providing that attorney fees may be awarded at a rate higher than \$75 per hour in some or all of the types of proceedings covered by this subpart. The Commission will conduct any rulemaking proceedings for this purpose under the informal rulemaking procedures of the Administrative Procedure Act, 5 U.S.C. 533.

(2) Any person may file with the Commission a petition for rulemaking to increase the maximum rate for attorney fees, in accordance with the Administrative Procedure Act, 5 U.S.C. 553(e). The petition should identify the rate the petitioner believes the Commission should establish and the types of proceedings in which the rate should be used. The petition should also explain fully the reasons why the higher rate is warranted. The Commission will respond to the petition within a reasonable time after it is filed, by initiating a rulemaking proceeding, denying the petition, or taking other appropriate action.

(h) *Presiding officer.* The presiding officer in a proceeding covered by this regulation is a person as defined in the Commission's Rules, 16 CFR 1025.3(i), who conducts an adversary adjudicative proceeding.

§ 1025.71 Information required from applicant.

(a) *Contents of application.* (1) An application for an award of fees and expenses under the EAJA shall identify the applicant and the proceeding for which an award is sought. The application shall show that the applicant has prevailed and identify the position of complaint counsel in the adjudicative proceeding that the applicant alleges was not substantially justified. Unless the applicant is an individual, the application shall also state the number of employees of the applicant and describe briefly the type and purpose of its organization or business.

(2) The application shall also include a verified statement that the appli-

cant's net worth does not exceed \$1 million (if an individual) or \$5 million (for all other applicants, including their affiliates). However, an applicant may omit this statement if it attaches a copy of a ruling by the Internal Revenue Service that it qualifies as an organization described in section 501(c)(3) of the Internal Revenue Code or, in the case of a tax-exempt organization not required to obtain a ruling from the Internal Revenue Service on its exempt status, a statement that describes the basis for the applicant's belief that it qualifies under such section.

(3) The application shall state the amount of fees and expenses for which an award is sought.

(4) The application may also include any other matters that the applicant wishes the Commission to consider in determining whether and in what amount an award should be made.

(5) The application shall be signed by the applicant or an authorized officer or attorney of the applicant. It shall also contain or be accompanied by a written verification under oath or under penalty of perjury that the information provided in the application is true and correct.

(b) *Net worth exhibit; confidential treatment.* (1) Each applicant except a qualified tax-exempt organization or cooperative association must provide with its application a detailed exhibit showing the net worth of the applicant and any affiliates (as defined in § 1025.70(d)(6) of this subpart) when the proceeding was initiated. The exhibit may be in any form convenient to the applicant that provides full disclosure of the applicant's and its affiliates' assets and liabilities and is sufficient to determine whether the applicant qualifies under the standards in this subpart. The presiding officer may require an applicant to file additional information to determine its eligibility for an award.

(2) Ordinarily, the net worth exhibit will be included in the public record of the proceeding. However, an applicant that objects to public disclosure of information in any portion of the exhibit or to public disclosure of any other information submitted, and believes there are legal grounds for withholding it from disclosure, may move to have that information kept confidential and

excluded from public disclosure in accordance with §1025.45 of the Commission rules for *in camera* materials, 16 CFR 1025.45. This motion shall describe the information sought to be withheld and explain, in detail, why it falls within one or more of the specific exemptions from mandatory disclosure under the Freedom of Information Act, 5 U.S.C. 552(b)(1)–(9).

(3) Section 6(a)(2) of the Consumer Product Safety Act, 15 U.S.C. 2055(a)(2), provides that certain information which contains or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, or subject to 5 U.S.C. 552(b)(4) shall not be disclosed. This prohibition is an Exemption 3 statute under the Freedom of Information Act, 5 U.S.C. 552(b)(3). Material submitted as part of an application for which *in camera* treatment is granted shall be available to other parties only in accordance with 16 CFR 1025.45(c) of the Commission Rules and, if applicable, section 6(a)(2) of the CPSA. If the presiding officer determines that the information should not be withheld from disclosure because it does not fall within section 6(a)(2) of the CPSA, he shall place the information in the public record but only after notifying the submitter of the information in writing of the intention to disclose such document at a date not less than 10 days after the date of receipt of notification. Otherwise, any request to inspect or copy the exhibit shall be disposed of in accordance with the Commission's established procedures under the Freedom of Information Act (*see* 16 CFR part 1015).

(c) *Documentation of fees and expenses.* The application shall be accompanied by full documentation of the fees and expenses, including the cost of any study, analysis, engineering report, test, project or similar matter, for which an award is sought. A separate itemized statement shall be submitted for each professional firm or individual whose services are covered by the application, showing the hours spent in connection with the proceeding by each individual, a description of the specific services performed, the rate at which each fee has been computed, any expenses for which reimbursement is sought, the total amount claimed, and

the total amount paid or payable by the applicant or by any other person or entity for the services provided. The presiding officer may require the applicant to provide vouchers, receipts; or other substantiation for any expenses claimed.

(d) *When an application may be filed.* (1) An application may be filed whenever the applicant has prevailed in a proceeding covered by this subpart or in a significant and discrete substantive portion of the proceeding. However, an application must be filed no later than 30 days after the Commission's final disposition of such a proceeding.

(2) If review or reconsideration is sought or taken of a decision as to which an applicant believes it has prevailed, proceedings for the award of fees shall be stayed pending final disposition of the underlying controversy.

(3) If review or reconsideration is sought or taken of a decision as to which an applicant believes it has prevailed, proceedings for the award of fees shall be stayed pending final disposition of the underlying controversy.

(4) For purposes of this subpart, final disposition means the later of:

(i) The date on which an initial decision by the presiding officer becomes final, *see* 16 CFR 1025.52;

(ii) The date on which the Commission issues a final decision (*See* 16 CFR 1025.55);

(iii) The date on which the Commission issues an order disposing of any petitions for reconsideration of the Commission's final order in the proceeding (*See* 16 CFR 1025.56; or

(iv) Issuance of a final order or any other final resolution of a proceeding, such as a settlement or voluntary dismissal, which is not subject to a petition for reconsideration.

(e) *Where an application must be filed.* The application for award and expenses must be submitted to the Office of the Secretary, Consumer Product Safety Commission, Washington, D.C. 20207 in accordance with the application requirements of this section.

§1025.72 Procedures for considering applications.

(a) *Filing and service of documents.* Any application for an award or other

pleading or document related to an application shall be filed and served on all parties to the proceeding in the same manner as provided in the Commission's Rules of Practice, 16 CFR 1025.11–1025.19.

(b) *Answer to application.* (1) Within 30 days after service of an application for an award of fees and expenses, complaint counsel in the underlying administrative proceeding upon which the application is based may file an answer to the application. Unless complaint counsel requests an extension of time for filing or files a statement of intent to negotiate under paragraph (b)(2) of this section, failure to file an answer within the 30-day period may be treated as a consent to the award requested.

(2) If complaint counsel and the applicant believe that the issues in the fee application can be settled, they may jointly file a statement of their intent to negotiate a settlement. The filing of this statement shall extend the time for filing an answer for an additional 30 days, and further extensions may be granted by the presiding officer upon request by complaint counsel and the applicant.

(3) The answer shall explain in detail any objections to the award requested and identify the facts relied on in support of Commission counsel's position. If the answer is based on any alleged facts not already in the record of the proceeding, complaint counsel shall include with the answer either supporting affidavits or a request for further proceedings under paragraph (f) of this section.

(c) *Reply.* Within 15 days after service of an answer, the applicant may file a reply. If the reply is based on any alleged facts not already in the record of the proceeding, the applicant shall include with the reply either supporting affidavits or a request for further proceedings under paragraph (f) of this section.

(d) *Comments by other parties.* Any party to a proceeding other than the applicant and complaint counsel may file comments on an application within 30 days after it is served or on an answer within 15 days after it is served. A commenting party may not participate further in proceedings on the applica-

tion unless the presiding officer determines that the public interest requires such participation in order to permit full exploration of matters raised in the comments.

(e) *Settlement.* The applicant and complaint counsel may agree on a proposed settlement of the award before final action on the application, either in connection with a settlement of the underlying proceeding, or after the underlying proceeding has been concluded, in accordance with the Commission's standard settlement procedure (*See* 16 CFR 1115.20(b), 1118.20, 1025.26, and 1605.3). If a prevailing party and complaint counsel agree on a proposed settlement of an award before an application has been filed, the application shall be filed with the proposed settlement.

(f) *Further proceedings.* (1) Ordinarily, the determination of an award will be made on the basis of the written record. However, on request of either the applicant or complaint counsel, or on his or her own initiative, the presiding officer may order further proceedings. Such further proceedings shall be held only when necessary for full and fair resolution of the issues arising from the application, and shall be conducted as promptly as possible.

(2) A request that the presiding officer order further proceedings under this paragraph shall specifically identify the information sought or the disputed issues and shall explain why the additional proceedings are necessary to resolve the issues.

(g) *Initial decision.* The presiding officer shall endeavor to issue an initial decision on the application within 30 days after completion of proceedings on the application. The decision shall include written findings and conclusions on the applicant's eligibility and status as a prevailing party, and an explanation of the reasons for any difference between the amount requested and the amount awarded. The decision shall also include, if at issue, findings on whether the complaint counsel's position was substantially justified, whether the applicant unduly protracted the proceedings, or whether special circumstances make an award unjust. If the applicant has sought an award against more than one agency,

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the decision of this Commission will only address the allocable portion for which this Commission is responsible to the eligible prevailing party.

(h) *Agency review.* (1) Either the applicant or complaint counsel may seek review of the initial decision on the fee application, or the Commission may decide to review the decision on its own initiative, in accordance with 16 CFR 1025.54, 1025.55 and 1025.56.

(2) If neither the applicant nor Commission complaint counsel seeks review and the Commission does not take review on its own initiative, the initial decision on the application shall become a final decision of the Commission 30 days after it is issued.

(3) If an appeal from or review of an initial decision under this subpart is taken, the Commission shall endeavor to issue a decision on the application within 90 days after the filing of all briefs or after receipt of transcripts of the oral argument, whichever is later, or remand the application to the presiding officer for further proceedings.

(i) *Judicial review.* Judicial review of final Commission decisions on awards may be sought as provided in 5 U.S.C. 504(c)(2).

(j) *Payment of award.* An applicant seeking payment of an award shall submit to the Secretary of the Commission a copy of the Commission's final decision granting the award, accompanied by a verified statement that the applicant will not seek review of the decision in the United States courts. (Office of the Secretary, Consumer Product Safety Commission, Washington, D.C. 20207.) The Commission will pay the amount awarded to the applicant within 60 days, unless judicial review of the award or of the underlying decision of the adversary adjudication has been sought by the applicant or any other party to the proceeding. Comments and accompanying material may be seen in or copies obtained from the Office of the Secretary, Consumer Product Safety Commission, Washington, D.C. 20207, during working hours Monday through Friday.

APPENDIX I TO PART 1025—SUGGESTED
FORM OF FINAL PREHEARING ORDER

Case Caption

A final prehearing conference was held in this matter, pursuant to Rule 21 of the Commission's Rules of Practice for Adjudicative Proceedings (16 CFR 1025.21), on the _____ day of _____, 19____, at _____ o'clock, ___ stm.

Counsel appeared as follows:

For the Commission staff:

For the Respondent(s):

Others:

1. Nature of Action and Jurisdiction. This is an action for _____ and the jurisdiction of the Commission is invoked under United States Code, Title _____, Section _____ and under the Code of Federal Regulations, Title _____, Section _____. The jurisdiction of the Commission is (not) disputed. The question of jurisdiction was decided as follows:

2. Stipulations and Statements. The following stipulation(s) and statement(s) were submitted, attached to, and made a part of this order:

(a) A comprehensive written stipulation or statement of all uncontested facts;

(b) A concise summary of the ultimate facts as claimed by each party. (Complaint Counsel must set forth the claimed facts, specifically; for example, if a violation is claimed, Complaint Counsel must assert specifically the acts of violation complained of; each respondent must reply with equal clarity and detail.)

(c) Written stipulation(s) or statement(s) setting forth the qualifications of the expert witnesses to be called by each party;

(d) Written list(s) of the witnesses whom each party *will* call, written list(s) of the additional witnesses whom each party *may* call, and a statement of the subject matter on which each witness will testify;

(e) An agreed statement of the contested issues of fact and of law, or separate statements by each party of any contested issues of fact and law not agreed to;

(f) A list of all depositions to be read into evidence and statements of any objections thereto;

(g) A list and brief description of any charts, graphs, models, schematic diagrams, and similar objects that will be used in opening statements or closing arguments but will not be offered in evidence. If any other such objects are to be used by any party, those objects will be submitted to opposing counsel at least three days prior to the hearing. If there is then any objection to their use, the dispute will be submitted to the Presiding Officer at least one day prior to the hearing;

(h) Written waivers of claims or defenses which have been abandoned by the parties.

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The foregoing were modified at the pretrial conference as follows:
(To be completed at the conference itself. If none, recite "none".)

3. Complaint Counsel's Evidence. 3.1 The following exhibits were offered by Complaint Counsel, received in evidence, and marked as follows:

(Identification number and brief description of each exhibit)

The authenticity of these exhibits has been stipulated.

3.2 The following exhibits were offered by Complaint Counsel and marked for identification. There was reserved to the respondent(s) (and party intervenors) the right to object to their receipt in evidence on the grounds stated:

(Identification number and brief description of each exhibit. State briefly ground of objection, e.g., competency, relevancy, materiality)

4. Respondent's Evidence. 4.1 The following exhibits were offered by the respondent(s), received in evidence, and marked as herein indicated:

(Identification number and brief description of each exhibit)

The authenticity of these exhibits has been stipulated.

4.2 The following exhibits were offered by the respondent(s) and marked for identification. There was reserved to Complaint Counsel (and party intervenors) the right to object to their receipt in evidence on the grounds stated:

(Identification number and brief description of each exhibit. State briefly ground of objection, e.g., competency, relevancy, materiality)

5. Party Intervenor's Evidence. 5.1 The following exhibits were offered by the party intervenor(s), received in evidence, and marked as herein indicated:

(Identification number and brief description of each exhibit)

The authenticity of these exhibits has been stipulated.

5.2 The following exhibits were offered by the party intervenor(s) and marked for identification. There was reserved to Complaint Counsel and respondent(s) the right to object to their receipt in evidence on the grounds stated:

(Identification number and brief description of each exhibit. State briefly ground of objection, e.g., competency, relevancy, materiality)

NOTE: If any other exhibits are to be offered by any party, such exhibits will be submitted to opposing counsel at least ten (10) days prior to hearing, and a supplemental note of evidence filed into this record.

6. Additional Actions. The following additional action(s) were taken:

(Amendments to pleadings, agreements of the parties, disposition of motions, separation of issues of liability and remedy, etc., if necessary)

7. Limitations and Reservations. 7.1 Each of the parties has the right to further supplement the list of witnesses not later than ten (10) days prior to commencement of the hearing by furnishing opposing counsel with the name and address of the witness and general subject matter of his/her testimony and by filing a supplement to this pretrial order. Thereafter, additional witnesses may be added only after application to the Presiding Officer, for good cause shown.

7.2 Rebuttal witnesses not listed in the exhibits to this order may be called only if the necessity of their testimony could not reasonably be foreseen ten (10) days prior to trial. If it appears to counsel at any time before trial that such rebuttal witnesses will be called, notice will immediately be given to opposing counsel and the Presiding Officer.

7.3 The probable length of hearing is ___ days. The hearing will commence on the ___ day of ___, 19___, at ___ o'clock ___ m. at ___.

7.4 Prehearing briefs will be filed not later than 5:00 p.m. on ___ (Insert date not later than ten (10) days prior to the hearing.) All anticipated legal questions, including those relating to the admissibility of evidence, must be covered by prehearing briefs.

This prehearing order has been formulated after a conference at which counsel for the respective parties appeared. Reasonable opportunity has been afforded counsel for corrections or additions prior to signing. It will control the course of the hearing, and it may not be amended except by consent of the parties and the Presiding Officer, or by order of the Presiding Officer to prevent manifest injustice.

Presiding Officer. _____

Dated: _____

Approved as to Form and Substance

Date: _____

Complaint Counsel. _____

Attorney for Respondent(s) _____

*Attorney for Intervenors _____

*NOTE: Where intervenors appear pursuant to §1025.17 of these Rules, the prehearing order may be suitably modified; the initial page may be modified to reflect the intervention.

PART 1027—SALARY OFFSET

Sec. 1027.1 Purpose and scope.

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- 1027.2 Definitions.
- 1027.3 Applicability.
- 1027.4 Notice requirements before offset.
- 1027.5 Hearing.
- 1027.6 Written decision.
- 1027.7 Coordinating offset with another Federal agency.
- 1027.8 Procedures for salary offset.
- 1027.9 Refunds.
- 1027.10 Statute of limitations.
- 1027.11 Non-waiver of rights.
- 1027.12 Interest, penalties, and administrative costs.

AUTHORITY: 5 U.S.C. 5514, E.O. 11809 (redesignated E.O. 12107), and 5 CFR part 550, subpart K.

SOURCE: 55 FR 34904, Aug. 27, 1990, unless otherwise noted.

§ 1027.1 Purpose and scope.

(a) This regulation provides procedures for the collection by administrative offset of a Federal employee's salary without his/her consent to satisfy certain debts owed to the Federal government. These regulations apply to all Federal employees who owe debts to the Consumer Product Safety Commission (CPSC) and to current employees of CPSC who owe debts to other Federal agencies. This regulation does not apply when the employee consents to recovery from his/her current pay account.

(b) This regulation does not apply to debts or claims arising under:

- (1) The Internal Revenue Code of 1954, as amended, 26 U.S.C. 1 *et seq.*;
- (2) The Social Security Act, 42 U.S.C. 301 *et seq.*;
- (3) The tariff laws of the United States; or
- (4) Any case where a collection of a debt by salary offset is explicitly provided for or prohibited by another statute.

(c) This regulation does not apply to any adjustment to pay arising out of an employee's selection of coverage or a change in coverage under a Federal benefits program requiring periodic deductions from pay if the amount to be recovered was accumulated over four pay periods or less.

(d) This regulation does not preclude the compromise, suspension, or termination of collection action where appropriate under the standards implementing the Federal Claims Collection

Act, 31 U.S.C. 3711 *et seq.*, and 4 CFR parts 101 through 105.

(e) This regulation does not preclude an employee from requesting waiver of an overpayment under 5 U.S.C. 5584, 10 U.S.C. 2774, or 32 U.S.C. 716, or in any way questioning the amount or validity of the debt by submitting a subsequent claim to the General Accounting Office. This regulation does not preclude an employee from requesting a waiver pursuant to other statutory provisions applicable to the particular debt being collected.

(f) Matters not addressed in these regulations should be reviewed in accordance with the Federal Claims Collection Standards at 4 CFR 101.1 *et seq.*

§ 1027.2 Definitions.

For the purposes of this part the following definitions will apply:

Agency means an executive agency as defined at 5 U.S.C. 105, including the U.S. Postal Service and the U.S. Postal Rate Commission; a military department as defined at 5 U.S.C. 102; an agency or court in the judicial branch; an agency of the legislative branch, including the U.S. Senate and House of Representatives; and other independent establishments that are entities of the Federal government.

Certification means a written debt claim received from a creditor agency which requests the paying agency to offset the salary of an employee.

CPSC or *Commission* means the Consumer Product Safety Commission.

Creditor agency means an agency of the Federal Government to which the debt is owed.

Debt means an amount owed by a Federal employee to the United States from sources which include loans insured or guaranteed by the United States and all other amounts due the United States from fees, leases, rents, royalties, services, sales of real or personal property, overpayments, penalties, damages, interests, fines, forfeitures (except those arising under the Uniform Code of Military Justice), and all other similar sources.

Disposable pay means the amount that remains from an employee's Federal pay after required deductions for social security, Federal, State or local

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income tax, health insurance premiums, retirement contributions, life insurance premiums, Federal employment taxes, and any other deductions that are required to be withheld by law.

Executive Director means the Executive Director of the Consumer Product Safety Commission, who is the person designated by the Chairman to determine whether an employee is indebted to the United States and to take action to collect such debts.

Hearing official means an individual responsible for conducting a hearing with respect to the existence or amount of a debt claimed, or the repayment schedule of a debt, and who renders a decision on the basis of such hearing. A hearing official may not be under the supervision or control of the Chairman of the Commission.

Paying agency means the agency that employs the individual who owes the debt and authorizes the payments of his/her current pay.

Salary offset means an administrative offset to collect a debt pursuant to 5 U.S.C. 5514 by deduction(s) at one or more officially established pay intervals from the current pay account of an employee without his/her consent.

§ 1027.3 Applicability.

(a) These regulations are to be followed when:

(1) The Commission is owed a debt by an individual who is a current employee of the CPSC; or

(2) The Commission is owed a debt by an individual currently employed by another Federal agency; or

(3) The Commission employs an individual who owes a debt to another federal agency.

§ 1027.4 Notice requirements before offset.

(a) Salary offset shall not be made against an employee's pay unless the employee is provided with written notice signed by the Executive Director of the debt at least 30 days before salary offset commences.

(b) The written notice shall contain:

(1) A statement that the debt is owed and an explanation of its nature and amount;

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(2) The agency's intention to collect the debt by deducting from the employee's current disposable pay account;

(3) The amount, frequency, proposed beginning date, and duration of the intended deduction(s);

(4) An explanation of interest, penalties, and administrative charges, including a statement that such charges will be assessed unless excused in accordance with the Federal Claims Collections Standards at 4 CFR 101.1 *et seq.*;

(5) The employee's right to inspect, request, and receive a copy of government records relating to the debt;

(6) The employee's opportunity to establish a written schedule for the voluntary repayment of the debt in lieu of offset;

(7) The employee's right to an oral hearing or a determination based on a review of the written record ("paper hearing") conducted by an impartial hearing official concerning the existence or the amount of the debt, or the terms of the repayment schedule;

(8) The procedures and time period for petitioning for a hearing;

(9) A statement that a timely filing of a petition for a hearing will stay the commencement of collection proceedings;

(10) A statement that a final decision on the hearing (if requested) will be issued by the hearing official not later than 60 days after the filing of the petition requesting the hearing unless the employee requests and the hearing official grants a delay in the proceedings;

(11) A statement that knowingly false or frivolous statements, representations, or evidence may subject the employee to appropriate disciplinary procedures and/or statutory penalties;

(12) A statement of other rights and remedies available to the employee under statutes or regulations governing the program for which the collection is being made;

(13) Unless there are contractual or statutory provisions to the contrary, a statement that amounts paid on or deducted for the debt which are later waived or found not owed to the United States will be promptly refunded to the employee; and

(14) A statement that the proceedings regarding such debt are governed by

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section 5 of the Debt Collection Act of 1982 (5 U.S.C. 5514).

§ 1027.5 Hearing.

(a) *Request for hearing.* (1) An employee may file a petition for an oral or paper hearing in accordance with the instructions outlined in the agency's notice to offset.

(2) A hearing may be requested by filing a written petition addressed to the Executive Director stating why the employee disputes the existence or amount of the debt or, in the case of an individual whose repayment schedule has been established other than by a written agreement, concerning the terms of the repayment schedule. The petition for a hearing must be received by the Executive Director not later than fifteen (15) calendar days after the employee's receipt of the offset notice, or notice of the terms of the payment schedule, unless the employee can show good cause for failing to meet the filing deadline.

(b) *Hearing procedures.* (1) The hearing will be presided over by an impartial hearing official.

(2) The hearing shall conform to procedures contained in the Federal Claims Collection Standards, 4 CFR 102.3(c). The burden shall be on the employee to demonstrate that the existence or the amount of the debt is in error.

§ 1027.6 Written decision.

(a) The hearing official shall issue a final written opinion no later than 60 days after the filing of the petition.

(b) The written opinion will include: A statement of the facts presented to demonstrate the nature and origin of the alleged debt; the hearing official's analysis, findings, and conclusions; the amount and validity of the debt; and the repayment schedule.

§ 1027.7 Coordinating offset with another Federal agency.

(a) *The CPSC as the creditor agency.* (1) When the Executive Director determines that an employee of another agency (i.e., the paying agency) owes a debt to the CPSC, the Executive Director shall, as appropriate:

(i) Certify in writing to the paying agency that the employee owes the

debt, the amount and basis of the debt, the date on which payment was due, and the date the Government's right to collect the debt accrued, and that this part 1027 has been approved by the Office of Personnel Management.

(ii) Unless the employee has consented to salary offset in writing or signed a statement acknowledging receipt of the required procedures, and the written consent is sent to the paying agency, the Executive Director must advise the paying agency of the action(s) taken under this part 1027, and the date(s) they were taken.

(iii) Request the paying agency to collect the debt by salary offset. If deductions must be made in installments, the Executive Director may recommend to the paying agency the amount or percentage of disposable pay to be collected in each installment;

(iv) Arrange for a hearing upon the proper petitioning by the employee;

(v) If the employee is in the process of separating from the Federal service, the CPSC must submit its debt claim to the paying agency as provided in this part. The paying agency must certify the total amount collected, give a copy of the certification to the employee, and send a copy of the certification and notice of the employee's separation to the CPSC. If the paying agency is aware that the employee is entitled to Civil Service Retirement and Disability Fund or other similar payments, it must certify to the agency responsible for making such payments that the debtor owes a debt, including the amount of the debt, and that the provisions of 5 CFR 550.1108 have been followed; and

(vi) If the employee has already separated from federal service and all payments due from the paying agency have been paid, the Executive Director may request, unless otherwise prohibited, that money payable to the employee from the Civil Service Retirement and Disability Fund or other similar funds be collected by administrative offset.

(2) [Reserved]

(b) *The CPSC as the paying agency.* (1) Upon receipt of a properly certified debt claim from another agency, deductions will be scheduled to begin at the next established pay interval. The

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employee must receive written notice that CPSC has received a certified debt claim from the creditor agency, the amount of the debt, the date salary offset will begin, and the amount of the deduction(s). CPSC shall not review the merits of the creditor agency's determination of the validity or the amount of the certified claim.

(2) If the employee transfers to another agency after the creditor agency has submitted its debt claim to CPSC and before the debt is collected completely, CPSC must certify the amount collected. One copy of the certification must be furnished to the employee. A copy must be furnished to the creditor agency with notice of the employee's transfer.

§ 1027.8 Procedures for salary offset.

(a) Deductions to liquidate an employee's debt will be by the method and in the amount stated in the Executive Director's notice of intention to offset as provided in § 1027.4. Debts will be collected in one lump sum where possible. If the employee is financially unable to pay in one lump sum, collection must be made in installments.

(b) Debts will be collected by deduction at officially established pay intervals from an employee's current pay account unless alternative arrangements for repayment are made.

(c) Installment deductions will be made over a period not greater than the anticipated period of employment. The size of installment deductions must bear a reasonable relationship to the size of the debt and the employee's ability to pay. The deduction for the pay intervals for any period must not exceed 15% of disposable pay unless the employee has agreed in writing to a deduction of a greater amount.

(d) Unliquidated debts may be offset against any financial payment due to a separated employee including but not limited to final salary or leave payment in accordance with 31 U.S.C. 3716.

§ 1027.9 Refunds.

(a) CPSC will promptly refund to an employee any amounts deducted to satisfy debts owed to CPSC when the debt is waived, found not owed to CPSC, or when directed by an administrative or judicial order.

(b) Another creditor agency will promptly return to CPSC any amounts deducted by CPSC to satisfy debts owed to the creditor agency when the debt is waived, found not owed, or when directed by an administrative or judicial order.

(c) Unless required by law, refunds under this paragraph shall not bear interest.

§ 1027.10 Statute of limitations.

(a) If a debt has been outstanding for more than 10 years after CPSC's right to collect the debt first accrued, the agency may not collect by salary offset unless facts material to the Government's right to collect were not known and could not reasonably have been known by the official or officials who were charged with the responsibility for discovery and collection of such debts.

(b) [Reserved]

§ 1027.11 Non-waiver of rights.

An employee's involuntary payment of all or any part of a debt collected under these regulations will not be construed as a waiver of any rights that the employee may have under 5 U.S.C. 5514 or any other provision of law.

§ 1027.12 Interest, penalties, and administrative costs.

Charges may be assessed on a debt for interest, penalties, and administrative costs in accordance with 31 U.S.C. 3717 and the Federal Claims Collection Standards, 4 CFR 101.1 *et seq.*

PART 1028—PROTECTION OF HUMAN SUBJECTS

Sec.

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AUTHORITY: 5 U.S.C. 301; 42 U.S.C. 300v-1(b).

SOURCE: 56 FR 28012, 28019, June 18, 1991, unless otherwise noted.

§ 1028.101 To what does this policy apply?

(a) Except as provided in paragraph (b) of this section, this policy applies to all research involving human subjects conducted, supported or otherwise subject to regulation by any federal department or agency which takes appropriate administrative action to make the policy applicable to such research. This includes research conducted by federal civilian employees or military personnel, except that each department or agency head may adopt such procedural modifications as may be appropriate from an administrative standpoint. It also includes research conducted, supported, or otherwise subject to regulation by the federal government outside the United States.

(1) Research that is conducted or supported by a federal department or agency, whether or not it is regulated as defined in § 1028.102(e), must comply with all sections of this policy.

(2) Research that is neither conducted nor supported by a federal department or agency but is subject to regulation as defined in § 1028.102(e) must be reviewed and approved, in compliance with §§ 1028.101, 1028.102, and 1028.107 through 1028.117 of this pol-

icy, by an institutional review board (IRB) that operates in accordance with the pertinent requirements of this policy.

(b) Unless otherwise required by department or agency heads, research activities in which the only involvement of human subjects will be in one or more of the following categories are exempt from this policy:

(1) Research conducted in established or commonly accepted educational settings, involving normal educational practices, such as (i) research on regular and special education instructional strategies, or (ii) research on the effectiveness of or the comparison among instructional techniques, curricula, or classroom management methods.

(2) Research involving the use of educational tests (cognitive, diagnostic, aptitude, achievement), survey procedures, interview procedures or observation of public behavior, unless:

(i) Information obtained is recorded in such a manner that human subjects can be identified, directly or through identifiers linked to the subjects; and

(ii) Any disclosure of the human subjects' responses outside the research could reasonably place the subjects at risk of criminal or civil liability or be damaging to the subjects' financial standing, employability, or reputation.

(3) Research involving the use of educational tests (cognitive, diagnostic, aptitude, achievement), survey procedures, interview procedures, or observation of public behavior that is not exempt under paragraph (b)(2) of this section, if:

(i) The human subjects are elected or appointed public officials or candidates for public office; or

(ii) Federal statute(s) require(s) without exception that the confidentiality of the personally identifiable information will be maintained throughout the research and thereafter.

(4) Research, involving the collection or study of existing data, documents, records, pathological specimens, or diagnostic specimens, if these sources are publicly available or if the information is recorded by the investigator in such a manner that subjects cannot be identified, directly or through identifiers linked to the subjects.

(5) Research and demonstration projects which are conducted by or subject to the approval of department or agency heads, and which are designed to study, evaluate, or otherwise examine:

(i) Public benefit or service programs;

(ii) Procedures for obtaining benefits or services under those programs;

(iii) Possible changes in or alternatives to those programs or procedures; or

(iv) Possible changes in methods or levels of payment for benefits or services under those programs.

(6) Taste and food quality evaluation and consumer acceptance studies, (i) if wholesome foods without additives are consumed or (ii) if a food is consumed that contains a food ingredient at or below the level and for a use found to be safe, or agricultural chemical or environmental contaminant at or below the level found to be safe, by the Food and Drug Administration or approved by the Environmental Protection Agency or the Food Safety and Inspection Service of the U.S. Department of Agriculture.

(c) Department or agency heads retain final judgment as to whether a particular activity is covered by this policy.

(d) Department or agency heads may require that specific research activities or classes of research activities conducted, supported, or otherwise subject to regulation by the department or agency but not otherwise covered by this policy, comply with some or all of the requirements of this policy.

(e) Compliance with this policy requires compliance with pertinent federal laws or regulations which provide additional protections for human subjects.

(f) This policy does not affect any state or local laws or regulations which may otherwise be applicable and which provide additional protections for human subjects.

(g) This policy does not affect any foreign laws or regulations which may otherwise be applicable and which provide additional protections to human subjects of research.

(h) When research covered by this policy takes place in foreign countries,

procedures normally followed in the foreign countries to protect human subjects may differ from those set forth in this policy. (An example is a foreign institution which complies with guidelines consistent with the World Medical Assembly Declaration (Declaration of Helsinki amended 1989) issued either by sovereign states or by an organization whose function for the protection of human research subjects is internationally recognized.) In these circumstances, if a department or agency head determines that the procedures prescribed by the institution afford protections that are at least equivalent to those provided in this policy, the department or agency head may approve the substitution of the foreign procedures in lieu of the procedural requirements provided in this policy. Except when otherwise required by statute, Executive Order, or the department or agency head, notices of these actions as they occur will be published in the FEDERAL REGISTER or will be otherwise published as provided in department or agency procedures.

(i) Unless otherwise required by law, department or agency heads may waive the applicability of some or all of the provisions of this policy to specific research activities or classes of research activities otherwise covered by this policy. Except when otherwise required by statute or Executive Order, the department or agency head shall forward advance notices of these actions to the Office for Human Research Protections, Department of Health and Human Services (HHS), or any successor office, and shall also publish them in the FEDERAL REGISTER or in such other manner as provided in department or agency procedures.¹

[56 FR 28012, 28019, June 18, 1991; 56 FR 29756, June 28, 1991, as amended at 70 FR 36328, June 23, 2005]

¹Institutions with HHS-approved assurances on file will abide by provisions of title 45 CFR part 46, subparts A-D. Some of the other Departments and Agencies have incorporated all provisions of title 45 CFR part 46 into their policies and procedures as well. However, the exemptions at 45 CFR 46.101(b) do not apply to research involving prisoners, subpart C. The exemption at 45 CFR 46.101(b)(2), for research involving survey or interview procedures or observation of public

§ 1028.102 Definitions.

(a) *Department or agency head* means the head of any federal department or agency and any other officer or employee of any department or agency to whom authority has been delegated.

(b) *Institution* means any public or private entity or agency (including federal, state, and other agencies).

(c) *Legally authorized representative* means an individual or judicial or other body authorized under applicable law to consent on behalf of a prospective subject to the subject's participation in the procedure(s) involved in the research.

(d) *Research* means a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge. Activities which meet this definition constitute research for purposes of this policy, whether or not they are conducted or supported under a program which is considered research for other purposes. For example, some demonstration and service programs may include research activities.

(e) *Research subject to regulation*, and similar terms are intended to encompass those research activities for which a federal department or agency has specific responsibility for regulating as a research activity, (for example, Investigational New Drug requirements administered by the Food and Drug Administration). It does not include research activities which are incidentally regulated by a federal department or agency solely as part of the department's or agency's broader responsibility to regulate certain types of activities whether research or non-research in nature (for example, Wage and Hour requirements administered by the Department of Labor).

(f) *Human subject* means a living individual about whom an investigator (whether professional or student) conducting research obtains:

(1) Data through intervention or interaction with the individual, or

behavior, does not apply to research with children, subpart D, except for research involving observations of public behavior when the investigator(s) do not participate in the activities being observed.

(2) Identifiable private information.

Intervention includes both physical procedures by which data are gathered (for example, venipuncture) and manipulations of the subject or the subject's environment that are performed for research purposes. Interaction includes communication or interpersonal contact between investigator and subject. "Private information" includes information about behavior that occurs in a context in which an individual can reasonably expect that no observation or recording is taking place, and information which has been provided for specific purposes by an individual and which the individual can reasonably expect will not be made public (for example, a medical record). Private information must be individually identifiable (i.e., the identity of the subject is or may readily be ascertained by the investigator or associated with the information) in order for obtaining the information to constitute research involving human subjects.

(g) *IRB* means an institutional review board established in accord with and for the purposes expressed in this policy.

(h) *IRB approval* means the determination of the IRB that the research has been reviewed and may be conducted at an institution within the constraints set forth by the IRB and by other institutional and federal requirements.

(i) *Minimal risk* means that the probability and magnitude of harm or discomfort anticipated in the research are not greater in and of themselves than those ordinarily encountered in daily life or during the performance of routine physical or psychological examinations or tests.

(j) *Certification* means the official notification by the institution to the supporting department or agency, in accordance with the requirements of this policy, that a research project or activity involving human subjects has been reviewed and approved by an IRB in accordance with an approved assurance.

§ 1028.103 Assuring compliance with this policy—research conducted or supported by any Federal Department or Agency.

(a) Each institution engaged in research which is covered by this policy and which is conducted or supported by a Federal department or agency shall provide written assurance satisfactory to the department or agency head that it will comply with the requirements set forth in this policy. In lieu of requiring submission of an assurance, individual department or agency heads shall accept the existence of a current assurance, appropriate for the research in question, on file with the Office for Human Research Protections, HHS, or any successor office, and approved for federalwide use by that office. When the existence of an HHS-approved assurance is accepted in lieu of requiring submission of an assurance, reports (except certification) required by this policy to be made to department and agency heads shall also be made to the Office for Human Research Protections, HHS, or any successor office.

(b) Departments and agencies will conduct or support research covered by this policy only if the institution has an assurance approved as provided in this section, and only if the institution has certified to the department or agency head that the research has been reviewed and approved by an IRB provided for in the assurance, and will be subject to continuing review by the IRB. Assurances applicable to federally supported or conducted research shall at a minimum include:

(1) A statement of principles governing the institution in the discharge of its responsibilities for protecting the rights and welfare of human subjects of research conducted at or sponsored by the institution, regardless of whether the research is subject to federal regulation. This may include an appropriate existing code, declaration, or statement of ethical principles, or a statement formulated by the institution itself. This requirement does not preempt provisions of this policy applicable to department- or agency-supported or regulated research and need not be applicable to any research exempted or waived under § 1028.101 (b) or (i).

(2) Designation of one or more IRBs established in accordance with the requirements of this policy, and for which provisions are made for meeting space and sufficient staff to support the IRB's review and recordkeeping duties.

(3) A list of IRB members identified by name; earned degrees; representative capacity; indications of experience such as board certifications, licenses, etc., sufficient to describe each member's chief anticipated contributions to IRB deliberations; and any employment or other relationship between each member and the institution; for example: full-time employee, part-time employee, member of governing panel or board, stockholder, paid or unpaid consultant. Changes in IRB membership shall be reported to the department or agency head, unless in accord with § 1028.103(a) of this policy, the existence of an HHS-approved assurance is accepted. In this case, change in IRB membership shall be reported to the Office for Human Research Protections, HHS, or any successor office.

(4) Written procedures which the IRB will follow:

(i) For conducting its initial and continuing review of research and for reporting its findings and actions to the investigator and the institution;

(ii) For determining which projects require review more often than annually and which projects need verification from sources other than the investigators that no material changes have occurred since previous IRB review; and

(iii) For ensuring prompt reporting to the IRB of proposed changes in a research activity, and for ensuring that such changes in approved research, during the period for which IRB approval has already been given, may not be initiated without IRB review and approval except when necessary to eliminate apparent immediate hazards to the subject.

(5) Written procedures for ensuring prompt reporting to the IRB, appropriate institutional officials, and the department or agency head of (i) any unanticipated problems involving risks to subjects or others or any serious or continuing noncompliance with this

policy or the requirements or determinations of the IRB and (ii) any suspension or termination of IRB approval.

(c) The assurance shall be executed by an individual authorized to act for the institution and to assume on behalf of the institution the obligations imposed by this policy and shall be filed in such form and manner as the department or agency head prescribes.

(d) The department or agency head will evaluate all assurances submitted in accordance with this policy through such officers and employees of the department or agency and such experts or consultants engaged for this purpose as the department or agency head determines to be appropriate. The department or agency head's evaluation will take into consideration the adequacy of the proposed IRB in light of the anticipated scope of the institution's research activities and the types of subject populations likely to be involved, the appropriateness of the proposed initial and continuing review procedures in light of the probable risks, and the size and complexity of the institution.

(e) On the basis of this evaluation, the department or agency head may approve or disapprove the assurance, or enter into negotiations to develop an approvable one. The department or agency head may limit the period during which any particular approved assurance or class of approved assurances shall remain effective or otherwise condition or restrict approval.

(f) Certification is required when the research is supported by a federal department or agency and not otherwise exempted or waived under §1028.101 (b) or (i). An institution with an approved assurance shall certify that each application or proposal for research covered by the assurance and by §1028.103 of this Policy has been reviewed and approved by the IRB. Such certification must be submitted with the application or proposal or by such later date as may be prescribed by the department or agency to which the application or proposal is submitted. Under no condition shall research covered by §1028.103 of the Policy be supported prior to receipt of the certification that the research has been reviewed and approved by the IRB. Institutions without an ap-

proved assurance covering the research shall certify within 30 days after receipt of a request for such a certification from the department or agency, that the application or proposal has been approved by the IRB. If the certification is not submitted within these time limits, the application or proposal may be returned to the institution.

(Approved by the Office of Management and Budget under Control Number 0990-0260)

[56 FR 28012, 28019, June 18, 1991; 56 FR 29756, June 28, 1991, as amended at 70 FR 36328, June 23, 2005]

§§ 1028.104–1028.106 [Reserved]

§ 1028.107 IRB membership.

(a) Each IRB shall have at least five members, with varying backgrounds to promote complete and adequate review of research activities commonly conducted by the institution. The IRB shall be sufficiently qualified through the experience and expertise of its members, and the diversity of the members, including consideration of race, gender, and cultural backgrounds and sensitivity to such issues as community attitudes, to promote respect for its advice and counsel in safeguarding the rights and welfare of human subjects. In addition to possessing the professional competence necessary to review specific research activities, the IRB shall be able to ascertain the acceptability of proposed research in terms of institutional commitments and regulations, applicable law, and standards of professional conduct and practice. The IRB shall therefore include persons knowledgeable in these areas. If an IRB regularly reviews research that involves a vulnerable category of subjects, such as children, prisoners, pregnant women, or handicapped or mentally disabled persons, consideration shall be given to the inclusion of one or more individuals who are knowledgeable about and experienced in working with these subjects.

(b) Every nondiscriminatory effort will be made to ensure that no IRB consists entirely of men or entirely of women, including the institution's consideration of qualified persons of both sexes, so long as no selection is made to the IRB on the basis of gender. No

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IRB may consist entirely of members of one profession.

(c) Each IRB shall include at least one member whose primary concerns are in scientific areas and at least one member whose primary concerns are in nonscientific areas.

(d) Each IRB shall include at least one member who is not otherwise affiliated with the institution and who is not part of the immediate family of a person who is affiliated with the institution.

(e) No IRB may have a member participate in the IRB's initial or continuing review of any project in which the member has a conflicting interest, except to provide information requested by the IRB.

(f) An IRB may, in its discretion, invite individuals with competence in special areas to assist in the review of issues which require expertise beyond or in addition to that available on the IRB. These individuals may not vote with the IRB.

§ 1028.108 IRB functions and operations.

In order to fulfill the requirements of this policy each IRB shall:

(a) Follow written procedures in the same detail as described in §1028.103(b)(4) and, to the extent required by, §1028.103(b)(5).

(b) Except when an expedited review procedure is used (see §1028.110), review proposed research at convened meetings at which a majority of the members of the IRB are present, including at least one member whose primary concerns are in nonscientific areas. In order for the research to be approved, it shall receive the approval of a majority of those members present at the meeting.

§ 1028.109 IRB review of research.

(a) An IRB shall review and have authority to approve, require modifications in (to secure approval), or disapprove all research activities covered by this policy.

(b) An IRB shall require that information given to subjects as part of informed consent is in accordance with §1028.116. The IRB may require that information, in addition to that specifically mentioned in §1028.116, be given

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to the subjects when in the IRB's judgment the information would meaningfully add to the protection of the rights and welfare of subjects.

(c) An IRB shall require documentation of informed consent or may waive documentation in accordance with §1028.117.

(d) An IRB shall notify investigators and the institution in writing of its decision to approve or disapprove the proposed research activity, or of modifications required to secure IRB approval of the research activity. If the IRB decides to disapprove a research activity, it shall include in its written notification a statement of the reasons for its decision and give the investigator an opportunity to respond in person or in writing.

(e) An IRB shall conduct continuing review of research covered by this policy at intervals appropriate to the degree of risk, but not less than once per year, and shall have authority to observe or have a third party observe the consent process and the research.

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[56 FR 28012, 28019, June 18, 1991, as amended at 70 FR 36328, June 23, 2005]

§ 1028.110 Expedited review procedures for certain kinds of research involving no more than minimal risk, and for minor changes in approved research.

(a) The Secretary, HHS, has established, and published as a Notice in the FEDERAL REGISTER, a list of categories of research that may be reviewed by the IRB through an expedited review procedure. The list will be amended, as appropriate after consultation with other departments and agencies, through periodic republication by the Secretary, HHS, in the FEDERAL REGISTER. A copy of the list is available from the Office for Human Research Protections, HHS, or any successor office.

(b) An IRB may use the expedited review procedure to review either or both of the following:

(1) Some or all of the research appearing on the list and found by the reviewer(s) to involve no more than minimal risk,

(2) Minor changes in previously approved research during the period (of one year or less) for which approval is authorized.

Under an expedited review procedure, the review may be carried out by the IRB chairperson or by one or more experienced reviewers designated by the chairperson from among members of the IRB. In reviewing the research, the reviewers may exercise all of the authorities of the IRB except that the reviewers may not disapprove the research. A research activity may be disapproved only after review in accordance with the non-expedited procedure set forth in §1028.108(b).

(c) Each IRB which uses an expedited review procedure shall adopt a method for keeping all members advised of research proposals which have been approved under the procedure.

(d) The department or agency head may restrict, suspend, terminate, or choose not to authorize an institution's or IRB's use of the expedited review procedure.

[56 FR 28012, 28019, June 18, 1991, as amended at 70 FR 36328, June 23, 2005]

§ 1028.111 Criteria for IRB approval of research.

(a) In order to approve research covered by this policy the IRB shall determine that all of the following requirements are satisfied:

(1) Risks to subjects are minimized:

(i) By using procedures which are consistent with sound research design and which do not unnecessarily expose subjects to risk, and

(ii) Whenever appropriate, by using procedures already being performed on the subjects for diagnostic or treatment purposes.

(2) Risks to subjects are reasonable in relation to anticipated benefits, if any, to subjects, and the importance of the knowledge that may reasonably be expected to result. In evaluating risks and benefits, the IRB should consider only those risks and benefits that may result from the research (as distinguished from risks and benefits of therapies subjects would receive even if not participating in the research). The IRB should not consider possible long-range effects of applying knowledge gained in the research (for example,

the possible effects of the research on public policy) as among those research risks that fall within the purview of its responsibility.

(3) Selection of subjects is equitable. In making this assessment the IRB should take into account the purposes of the research and the setting in which the research will be conducted and should be particularly cognizant of the special problems of research involving vulnerable populations, such as children, prisoners, pregnant women, mentally disabled persons, or economically or educationally disadvantaged persons.

(4) Informed consent will be sought from each prospective subject or the subject's legally authorized representative, in accordance with, and to the extent required by §1028.116.

(5) Informed consent will be appropriately documented, in accordance with, and to the extent required by §1028.117.

(6) When appropriate, the research plan makes adequate provision for monitoring the data collected to ensure the safety of subjects.

(7) When appropriate, there are adequate provisions to protect the privacy of subjects and to maintain the confidentiality of data.

(b) When some or all of the subjects are likely to be vulnerable to coercion or undue influence, such as children, prisoners, pregnant women, mentally disabled persons, or economically or educationally disadvantaged persons, additional safeguards have been included in the study to protect the rights and welfare of these subjects.

§ 1028.112 Review by institution.

Research covered by this policy that has been approved by an IRB may be subject to further appropriate review and approval or disapproval by officials of the institution. However, those officials may not approve the research if it has not been approved by an IRB.

§ 1028.113 Suspension or termination of IRB approval of research.

An IRB shall have authority to suspend or terminate approval of research that is not being conducted in accordance with the IRB's requirements or

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that has been associated with unexpected serious harm to subjects. Any suspension or termination of approval shall include a statement of the reasons for the IRB's action and shall be reported promptly to the investigator, appropriate institutional officials, and the department or agency head.

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[56 FR 28012, 28019, June 18, 1991, as amended at 70 FR 36328, June 23, 2005]

§ 1028.114 Cooperative research.

Cooperative research projects are those projects covered by this policy which involve more than one institution. In the conduct of cooperative research projects, each institution is responsible for safeguarding the rights and welfare of human subjects and for complying with this policy. With the approval of the department or agency head, an institution participating in a cooperative project may enter into a joint review arrangement, rely upon the review of another qualified IRB, or make similar arrangements for avoiding duplication of effort.

§ 1028.115 IRB records.

(a) An institution, or when appropriate an IRB, shall prepare and maintain adequate documentation of IRB activities, including the following:

(1) Copies of all research proposals reviewed, scientific evaluations, if any, that accompany the proposals, approved sample consent documents, progress reports submitted by investigators, and reports of injuries to subjects.

(2) Minutes of IRB meetings which shall be in sufficient detail to show attendance at the meetings; actions taken by the IRB; the vote on these actions including the number of members voting for, against, and abstaining; the basis for requiring changes in or disapproving research; and a written summary of the discussion of controverted issues and their resolution.

(3) Records of continuing review activities.

(4) Copies of all correspondence between the IRB and the investigators.

(5) A list of IRB members in the same detail as described in §1028.103(b)(3).

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(6) Written procedures for the IRB in the same detail as described in §§1028.103(b)(4) and 1028.103(b)(5).

(7) Statements of significant new findings provided to subjects, as required by §1028.116(b)(5).

(b) The records required by this policy shall be retained for at least 3 years, and records relating to research which is conducted shall be retained for at least 3 years after completion of the research. All records shall be accessible for inspection and copying by authorized representatives of the department or agency at reasonable times and in a reasonable manner.

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[56 FR 28012, 28019, June 18, 1991, as amended at 70 FR 36328, June 23, 2005]

§ 1028.116 General requirements for informed consent.

Except as provided elsewhere in this policy, no investigator may involve a human being as a subject in research covered by this policy unless the investigator has obtained the legally effective informed consent of the subject or the subject's legally authorized representative. An investigator shall seek such consent only under circumstances that provide the prospective subject or the representative sufficient opportunity to consider whether or not to participate and that minimize the possibility of coercion or undue influence. The information that is given to the subject or the representative shall be in language understandable to the subject or the representative. No informed consent, whether oral or written, may include any exculpatory language through which the subject or the representative is made to waive or appear to waive any of the subject's legal rights, or releases or appears to release the investigator, the sponsor, the institution or its agents from liability for negligence.

(a) Basic elements of informed consent. Except as provided in paragraph (c) or (d) of this section, in seeking informed consent the following information shall be provided to each subject:

(1) A statement that the study involves research, an explanation of the

purposes of the research and the expected duration of the subject's participation, a description of the procedures to be followed, and identification of any procedures which are experimental;

(2) A description of any reasonably foreseeable risks or discomforts to the subject;

(3) A description of any benefits to the subject or to others which may reasonably be expected from the research;

(4) A disclosure of appropriate alternative procedures or courses of treatment, if any, that might be advantageous to the subject;

(5) A statement describing the extent, if any, to which confidentiality of records identifying the subject will be maintained;

(6) For research involving more than minimal risk, an explanation as to whether any compensation and an explanation as to whether any medical treatments are available if injury occurs and, if so, what they consist of, or where further information may be obtained;

(7) An explanation of whom to contact for answers to pertinent questions about the research and research subjects' rights, and whom to contact in the event of a research-related injury to the subject; and

(8) A statement that participation is voluntary, refusal to participate will involve no penalty or loss of benefits to which the subject is otherwise entitled, and the subject may discontinue participation at any time without penalty or loss of benefits to which the subject is otherwise entitled.

(b) Additional elements of informed consent. When appropriate, one or more of the following elements of information shall also be provided to each subject:

(1) A statement that the particular treatment or procedure may involve risks to the subject (or to the embryo or fetus, if the subject is or may become pregnant) which are currently unforeseeable;

(2) Anticipated circumstances under which the subject's participation may be terminated by the investigator without regard to the subject's consent;

(3) Any additional costs to the subject that may result from participation in the research;

(4) The consequences of a subject's decision to withdraw from the research and procedures for orderly termination of participation by the subject;

(5) A statement that significant new findings developed during the course of the research which may relate to the subject's willingness to continue participation will be provided to the subject; and

(6) The approximate number of subjects involved in the study.

(c) An IRB may approve a consent procedure which does not include, or which alters, some or all of the elements of informed consent set forth above, or waive the requirement to obtain informed consent provided the IRB finds and documents that:

(1) The research or demonstration project is to be conducted by or subject to the approval of state or local government officials and is designed to study, evaluate, or otherwise examine:

(i) Public benefit of service programs;

(ii) Procedures for obtaining benefits or services under those programs;

(iii) Possible changes in or alternatives to those programs or procedures; or

(iv) Possible changes in methods or levels of payment for benefits or services under those programs; and

(2) The research could not practicably be carried out without the waiver or alteration.

(d) An IRB may approve a consent procedure which does not include, or which alters, some or all of the elements of informed consent set forth in this section, or waive the requirements to obtain informed consent provided the IRB finds and documents that:

(1) The research involves no more than minimal risk to the subjects;

(2) The waiver or alteration will not adversely affect the rights and welfare of the subjects;

(3) The research could not practicably be carried out without the waiver or alteration; and

(4) Whenever appropriate, the subjects will be provided with additional pertinent information after participation.

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(e) The informed consent requirements in this policy are not intended to preempt any applicable federal, state, or local laws which require additional information to be disclosed in order for informed consent to be legally effective.

(f) Nothing in this policy is intended to limit the authority of a physician to provide emergency medical care, to the extent the physician is permitted to do so under applicable federal, state, or local law.

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[56 FR 28012, 28019, June 18, 1991, as amended at 70 FR 36328, June 23, 2005]

§ 1028.117 Documentation of informed consent.

(a) Except as provided in paragraph (c) of this section, informed consent shall be documented by the use of a written consent form approved by the IRB and signed by the subject or the subject's legally authorized representative. A copy shall be given to the person signing the form.

(b) Except as provided in paragraph (c) of this section, the consent form may be either of the following:

(1) A written consent document that embodies the elements of informed consent required by §1028.116. This form may be read to the subject or the subject's legally authorized representative, but in any event, the investigator shall give either the subject or the representative adequate opportunity to read it before it is signed; or

(2) A short form written consent document stating that the elements of informed consent required by §1028.116 have been presented orally to the subject or the subject's legally authorized representative. When this method is used, there shall be a witness to the oral presentation. Also, the IRB shall approve a written summary of what is to be said to the subject or the representative. Only the short form itself is to be signed by the subject or the representative. However, the witness shall sign both the short form and a copy of the summary, and the person actually obtaining consent shall sign a copy of the summary. A copy of the summary shall be given to the subject

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or the representative, in addition to a copy of the short form.

(c) An IRB may waive the requirement for the investigator to obtain a signed consent form for some or all subjects if it finds either:

(1) That the only record linking the subject and the research would be the consent document and the principal risk would be potential harm resulting from a breach of confidentiality. Each subject will be asked whether the subject wants documentation linking the subject with the research, and the subject's wishes will govern; or

(2) That the research presents no more than minimal risk of harm to subjects and involves no procedures for which written consent is normally required outside of the research context.

In cases in which the documentation requirement is waived, the IRB may require the investigator to provide subjects with a written statement regarding the research.

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[56 FR 28012, 28019, June 18, 1991, as amended at 70 FR 36328, June 23, 2005]

§ 1028.118 Applications and proposals lacking definite plans for involvement of human subjects.

Certain types of applications for grants, cooperative agreements, or contracts are submitted to departments or agencies with the knowledge that subjects may be involved within the period of support, but definite plans would not normally be set forth in the application or proposal. These include activities such as institutional type grants when selection of specific projects is the institution's responsibility; research training grants in which the activities involving subjects remain to be selected; and projects in which human subjects' involvement will depend upon completion of instruments, prior animal studies, or purification of compounds. These applications need not be reviewed by an IRB before an award may be made. However, except for research exempted or waived under §1028.101 (b) or (i), no human subjects may be involved in any project supported by these awards until the project has been reviewed and approved by the IRB, as provided in this policy,

and certification submitted, by the institution, to the department or agency.

§ 1028.119 Research undertaken without the intention of involving human subjects.

In the event research is undertaken without the intention of involving human subjects, but it is later proposed to involve human subjects in the research, the research shall first be reviewed and approved by an IRB, as provided in this policy, a certification submitted, by the institution, to the department or agency, and final approval given to the proposed change by the department or agency.

§ 1028.120 Evaluation and disposition of applications and proposals for research to be conducted or supported by a Federal Department or Agency.

(a) The department or agency head will evaluate all applications and proposals involving human subjects submitted to the department or agency through such officers and employees of the department or agency and such experts and consultants as the department or agency head determines to be appropriate. This evaluation will take into consideration the risks to the subjects, the adequacy of protection against these risks, the potential benefits of the research to the subjects and others, and the importance of the knowledge gained or to be gained.

(b) On the basis of this evaluation, the department or agency head may approve or disapprove the application or proposal, or enter into negotiations to develop an approvable one.

§ 1028.121 [Reserved]

§ 1028.122 Use of Federal funds.

Federal funds administered by a department or agency may not be expended for research involving human subjects unless the requirements of this policy have been satisfied.

§ 1028.123 Early termination of research support: Evaluation of applications and proposals.

(a) The department or agency head may require that department or agency support for any project be terminated or suspended in the manner prescribed

in applicable program requirements, when the department or agency head finds an institution has materially failed to comply with the terms of this policy.

(b) In making decisions about supporting or approving applications or proposals covered by this policy the department or agency head may take into account, in addition to all other eligibility requirements and program criteria, factors such as whether the applicant has been subject to a termination or suspension under paragraph (a) of this section and whether the applicant or the person or persons who would direct or has have directed the scientific and technical aspects of an activity has have, in the judgment of the department or agency head, materially failed to discharge responsibility for the protection of the rights and welfare of human subjects (whether or not the research was subject to federal regulation).

§ 1028.124 Conditions.

With respect to any research project or any class of research projects the department or agency head may impose additional conditions prior to or at the time of approval when in the judgment of the department or agency head additional conditions are necessary for the protection of human subjects.

PART 1030—EMPLOYEE STANDARDS OF CONDUCT

Subpart A—General

Sec.

1030.101 Cross-references to employee ethical conduct standards and financial disclosure regulations.

Subparts B–D [Reserved]

AUTHORITY: 5 U.S.C. 552a, 7301; 15 U.S.C. 2053(c).

SOURCE: 61 FR 65458, Dec. 13, 1996, unless otherwise noted.

Subpart A—General

§ 1030.101 Cross-references to employee ethical conduct standards and financial disclosure regulations.

Employees of the Consumer Product Safety Commission are subject to the Standards of Ethical Conduct, 5 CFR part 2635, which are applicable to all executive branch personnel; the CPSC regulations at 5 CFR part 8101, which supplement the executive branch standards; the Office of Personnel Management regulations on employee conduct at 5 CFR part 735; and the financial disclosure regulations at 5 CFR part 2634, which are applicable to all executive branch personnel. In addition, the Commissioners of the CPSC are subject to the statutory provisions of 15 U.S.C. 2053(c).

Subparts B–D [Reserved]

PART 1031—COMMISSION PARTICIPATION AND COMMISSION EMPLOYEE INVOLVEMENT IN VOLUNTARY STANDARDS ACTIVITIES

Subpart A—General Policies

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- 1031.1 Purpose and scope.
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- 1031.3 Consumer Product Safety Act amendments.
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- 1031.8 Voluntary Standards Coordinator.

Subpart B—Employee Involvement

- 1031.9 Purpose and scope.
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Subpart C—Public Participation and Comment

- 1031.16 Purpose and scope.
- 1031.17 Background.
- 1031.18 Method of review and comment.

AUTHORITY: 15 U.S.C. 2051–2083; 15 U.S.C. 1261–1276; 15 U.S.C. 1191–1204.

SOURCE: 71 FR 38755, July 10, 2006, unless otherwise noted.

Subpart A—General Policies

§ 1031.1 Purpose and scope.

(a) This part 1031 sets forth the Consumer Product Safety Commission’s guidelines and requirements on participating in the activities of voluntary standards bodies. Subpart A sets forth general policies on Commission involvement, and subpart B sets forth policies and guidelines on employee involvement in voluntary standards activities. Subpart C sets forth the criteria governing public review and comment on staff involvement in voluntary standards activities.

(b) For purposes of both subpart A and subpart B of this part 1031, voluntary standards bodies are private sector domestic or multinational organizations or groups, or combinations thereof, such as, but not limited to, all non-profit organizations, industry associations, professional and technical societies, institutes, and test laboratories, that are involved in the planning, development, establishment, revision, review or coordination of voluntary standards. Voluntary standards development bodies are voluntary standards bodies, or their sub-groups, that are devoted to developing or establishing voluntary standards.

§ 1031.2 Background.

(a) Congress enacted the Consumer Product Safety Act in 1972 to protect consumers against unreasonable risks of injury associated with consumer products. In order to achieve that goal, Congress established the Consumer Product Safety Commission as an independent regulatory agency and granted it broad authority to promulgate mandatory safety standards for consumer products as a necessary alternative to industry self regulation.

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(b) In 1981, the Congress amended the Consumer Product Safety Act, the Federal Hazardous Substances Act, and the Flammable Fabrics Act, to require the Commission to rely on voluntary standards rather than promulgate a mandatory standard when voluntary standards would eliminate or adequately reduce the risk of injury addressed and it is likely that there will be substantial compliance with the voluntary standards. (15 U.S.C. 2056(b), 15 U.S.C. 1262(g)(2), 15 U.S.C. 1193(h)(2)). The 1981 Amendments also require the Commission, after any notice or advance notice of proposed rulemaking, to provide technical and administrative assistance to persons or groups who propose to develop or modify an appropriate voluntary standard. (15 U.S.C. 2054(a)(3)). Additionally, the amendments encourage the Commission to provide technical and administrative assistance to groups developing product safety standards and test methods, taking into account Commission resources and priorities (15 U.S.C. 2054(a)(4)). Although the Commission is required to provide assistance to such groups, it may determine the level of assistance in accordance with the level of its own administrative and technical resources and in accordance with its assessment of the likelihood that the groups being assisted will successfully develop a voluntary standard that will preclude the need for a mandatory standard.

(c) In 1990, Congress passed the Consumer Product Safety Improvement Act (CPSIA), amending section 15(b) of the CPSA to require that manufacturers, distributors, and retailers notify the Commission about products that fail to comply with an applicable voluntary standard upon which the Commission has relied under section 9 of the CPSA. CPSIA also amended section 9(b)(2) of the CPSA to require that the CPSC afford interested persons the opportunity to comment regarding any voluntary standard prior to CPSC termination and reliance.

§ 1031.3 Consumer Product Safety Act amendments.

The Consumer Product Safety Act, as amended, contains several sections pertaining to the Commission's participa-

tion in the development and use of voluntary standards.

(a) Section 7(b) provides that the Commission shall rely on voluntary consumer product safety standards prescribing requirements described in subsection (a) whenever compliance with such voluntary standards would eliminate or adequately reduce the risk of injury addressed and it is likely that there will be substantial compliance with such voluntary standards. (15 U.S.C. 2056(b)).

(b) Section 5(a)(3) provides that the Commission shall, following publication of an advance notice of proposed rulemaking or a notice of proposed rulemaking for a product safety rule under any rulemaking authority administered by the Commission, assist public and private organizations or groups of manufacturers, administratively and technically, in the development of safety standards addressing the risk of injury identified in such notice. (15 U.S.C. 2054(a)(3)).

(c) Section 5(a)(4) provides that the Commission shall, to the extent practicable and appropriate (taking into account the resources and priorities of the Commission), assist public and private organizations or groups of manufacturers, administratively and technically, in the development of product safety standards and test methods. (15 U.S.C. 2054(a)(4)).

§ 1031.4 Effect of voluntary standards activities on Commission activities.

(a)(1) The Commission, in determining whether to begin proceedings to develop mandatory standards under the acts it administers, considers whether mandatory regulation is necessary or whether there is an existing voluntary standard that adequately addresses the problem and the extent to which that voluntary standard is complied with by the affected industry.

(2) The Commission acknowledges that there are situations in which adequate voluntary standards, in combination with appropriate certification programs, may be appropriate to support a conclusion that a mandatory standard is not necessary. The Commission may find that a mandatory standard is not necessary where compliance with an existing voluntary standard would

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eliminate or adequately reduce the risk of injury associated with the product, contains requirements and test methods that have been evaluated and found acceptable by the Commission, and it is likely that there will be substantial and timely compliance with the voluntary standard. Under such circumstances, the Commission may agree to encourage industry compliance with the voluntary standard and subsequently evaluate the effectiveness of the standard in terms of accident and injury reduction for products produced in compliance with the standard.

(3) In evaluating voluntary standards, the Commission will relate the requirements of the standard to the identified risks of injury and evaluate the requirements in terms of their effectiveness in eliminating or reducing the risks of injury. The evaluation of voluntary standards will be conducted by Commission staff members, including representatives of legal, economics, engineering, epidemiological, health sciences, human factors, other appropriate interests, and the Voluntary Standards Coordinator. The staff evaluation will be conducted in a manner similar to evaluations of standards being considered for promulgation as mandatory standards.

(4) In the event that the Commission has evaluated an existing voluntary standard and found it to be adequate in all but a few areas, the Commission may defer the initiation of a mandatory rulemaking proceeding and request the voluntary standards organization to revise the standard to address the identified inadequacies expeditiously.

(b) In the event the Commission determines that there is no existing voluntary standard that will eliminate or adequately reduce a risk of injury the Commission may commence a proceeding for the development of a consumer product safety rule or a regulation in accordance with section 9 of the Consumer Product Safety Act, 15 U.S.C. 2058, section 3(f) of the Federal Hazardous Substances Act, 15 U.S.C. 1262(f), or section 4(a) of the Flammable Fabrics Act, 15 U.S.C. 1193(g), as may be applicable. In commencing such a proceeding, the Commission will publish an advance notice of proposed

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rulemaking which shall, among other things, invite any person to submit to the Commission an existing standard or portion of an existing standard, or to submit a statement of intention to modify or develop, within a reasonable period of time, a voluntary standard to address the risk of injury.

(c) The Commission will consider those provisions of a voluntary standard that have been reviewed, evaluated, and deemed to be adequate in addressing the specified risks of injury when initiating a mandatory consumer product safety rule or regulation under the Consumer Product Safety Act, the Federal Hazardous Substances Act, or the Flammable Fabrics Act, as may be applicable. Comments will be requested in the advance notice of proposed rulemaking on the adequacy of such voluntary standard provisions.

§ 1031.5 Criteria for Commission involvement in voluntary standards activities.

The Commission will consider the extent to which the following criteria are met in considering Commission involvement in the development of voluntary safety standards for consumer products:

(a) The likelihood the voluntary standard will eliminate or adequately reduce the risk of injury addressed and that there will be substantial and timely compliance with the voluntary standard.

(b) The likelihood that the voluntary standard will be developed within a reasonable period of time.

(c) Exclusion, to the maximum extent possible, from the voluntary standard being developed, of requirements which will create anticompetitive effects or promote restraint of trade.

(d) Provisions for periodic and timely review of the standard, including review for anticompetitive effects, and revision or amendment as the need arises.

(e) Performance-oriented and not design-restrictive requirements, to the maximum practical extent, in any standard developed.

(f) Industry arrangements for achieving substantial and timely industry

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compliance with the voluntary standard once it is issued, and the means of ascertaining such compliance based on overall market share of product production.

(g) Provisions in the standard for marking products conforming to the standard so that future Commission investigation can indicate the involvement of such products in accidents and patterns of injury.

(h) Provisions for insuring that products identified as conforming to such standards will be subjected to a testing and certification (including self-certification) procedure, which will provide assurance that the products comply with the standard.

(i) The openness to all interested parties, and the establishment of procedures which will provide for meaningful participation in the development of such standards by representatives of producers, suppliers, distributors, retailers, consumers, small business, public interests and other individuals having knowledge or expertise in the areas under consideration, and procedures for affording other due process considerations.

§ 1031.6 Extent and form of Commission involvement in the development of voluntary standards.

(a) The extent of Commission involvement will be dependent upon the Commission's interest in the particular standards development activity and the Commission's priorities and resources.

(b) The Commission's interest in a specific voluntary standards activity will be based in part on the frequency and severity of injuries associated with the product, the involvement of the product in accidents, the susceptibility of the hazard to correction through standards, and the overall resources and priorities of the Commission. Commission involvement in voluntary standards activities generally will be guided by the Commission's operating plan and performance budget.

(c) Commission involvement in voluntary standards activities varies.

(1) The Commission staff may maintain an awareness of the voluntary standards development process through oral or written inquiries, receiving and

reviewing minutes of meetings and copies of draft standards, or attending meetings for the purpose of observing and commenting during the standards development process in accordance with subpart B of this part. For example, Commission staff may respond to requests from voluntary standards organizations, standards development committees, trade associations and consumer organizations; by providing information concerning the risks of injury associated with particular products, National Electronic Injury Surveillance System (NEISS) data, death, injury, and incident data, summaries and analyses of in-depth investigation reports; discussing Commission goals and objectives with regard to voluntary standards and improved consumer product safety; responding to requests for information concerning Commission programs; and initiating contacts with voluntary standards organizations to discuss cooperative voluntary standards activities.

(2) Employee involvement may include membership as defined in § 1031.10(a). Commission staff may regularly attend meetings of a standard development committee or group and take an active part in the discussions of the committee and in developing the standard, in accordance with subpart B of this part. The Commission may contribute to the deliberations of the committee by expending resources to provide technical assistance (e.g., research, engineering support, and information and education programs) and administrative assistance (e.g., travel costs, hosting meetings, and secretarial functions) in support of the development and implementation of those voluntary standards referenced in the Commission's operating plan, performance budget, mid-year review, or other official Commission document. The Commission may also support voluntary standards activities as described in § 1031.7. Employee involvement may include observation as defined in § 1031.10(c).

(d) Normally, the total amount of Commission support given to a voluntary standards activity shall be no greater than that of all non-Federal participants in that activity, except

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where it is in the public interest to do so.

(e) In the event of duplication of effort by two or more groups (either inside or outside the Commission) in developing a voluntary standard for the same product or class of products, the Commission shall encourage the several groups to cooperate in the development of a single voluntary standard.

§ 1031.7 Commission support of voluntary standards activities.

(a) The Commission's support of voluntary safety standards development activities may include any one or a combination of the following actions:

(1) Providing epidemiological and health science information and explanations of hazards for consumer products.

(2) Encouraging the initiation of the development of voluntary standards for specific consumer products.

(3) Identifying specific risks of injury to be addressed in a voluntary standard.

(4) Performing or subsidizing technical assistance, including research, health science data, and engineering support, in the development of a voluntary standard activity in which the Commission staff is participating.

(5) Providing assistance on methods of disseminating information and education about the voluntary standard or its use.

(6) Performing a staff evaluation of a voluntary standard to determine its adequacy and efficacy in reducing the risks of injury that have been identified by the Commission as being associated with the use of the product.

(7) Encouraging state and local governments to reference or incorporate the provisions of a voluntary standard in their regulations or ordinances and to participate in government or industrial model code development activities, so as to develop uniformity and minimize conflicting State and local regulations.

(8) Monitoring the number and market share of products conforming to a voluntary safety standard.

(9) Providing for the involvement of agency personnel in voluntary standards activities as described in subpart B of this part.

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(10) Providing administrative assistance, such as hosting meetings and secretarial assistance.

(11) Providing funding support for voluntary standards development, as permitted by the operating plan, performance budget, mid-year review, or other official Commission document.

(12) Taking other actions that the Commission believes appropriate in a particular situation.

(b) [Reserved]

§ 1031.8 Voluntary Standards Coordinator.

(a) The Executive Director shall appoint a Voluntary Standards Coordinator to coordinate agency participation in voluntary standards bodies so that:

(1) The most effective use is made of agency personnel and resources, and

(2) The views expressed by such personnel are in the public interest and, at a minimum, do not conflict with the interests and established views of the agency.

(b) The Voluntary Standards Coordinator is responsible for managing the Commission's voluntary standards program, as well as preparing and submitting to the Commission a semiannual summary of staff's voluntary standards activities. The summary shall set forth, among other things, the goals of each voluntary standard under development, the extent of CPSC staff activity, the current status of standards development and implementation, and, if any, recommendations for additional Commission action. The Voluntary Standards Coordinator shall also compile information on the Commission's voluntary standards activities for the Commission's annual report.

Subpart B—Employee Involvement

§ 1031.9 Purpose and scope.

(a) This subpart sets forth the Consumer Product Safety Commission's criteria and requirements governing membership and involvement by Commission officials and employees in the activities of voluntary standards development bodies.

(b) The Commission realizes there are advantages and benefits afforded by

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greater involvement of Commission personnel in the standards activities of domestic and international voluntary standards organizations. However, such involvement might present an appearance or possibility of the Commission giving preferential treatment to an organization or group or of the Commission losing its independence or impartiality. Also, such involvement may present real or apparent conflict of interest situations.

(c) The purpose of this subpart is to further the objectives and programs of the Commission and to do so in a manner that ensures that such involvement:

(1) Is consistent with the intent of the Consumer Product Safety Act and the other acts administered by the Commission;

(2) Is not contrary to the public interest;

(3) Presents no real or apparent conflict of interest, and does not result in or create the appearance of the Commission giving preferential treatment to an organization or group or the Commission compromising its independence or impartiality; and

(4) Takes into account Commission resources and priorities.

(d) Commission employees must obtain approval from their supervisor and the Office of the Executive Director to be involved in voluntary standards activities. They must regularly report to the Voluntary Standards Coordinator regarding their involvement in standards activities, and provide copies of all official correspondence and other communications between the CPSC and the standards developing entities.

(e) All Commission employees involved in voluntary standards activities are subject to any restrictions for avoiding conflicts of interest and for avoiding situations that would present an appearance of bias.

§ 1031.10 Definitions.

For purposes of describing the level of involvement in voluntary standards activities for which Commission employees may be authorized, the following definitions apply:

(a) *Membership*. Membership is the status of an employee who joins a voluntary standards development or advisory

organization or subgroup and is listed as a member. It includes all oral and written communications which are incidental to such membership.

(b) *Employee involvement*. Employee involvement may include the active, ongoing involvement of an official or employee in the development of a new or revised voluntary standard pertaining to a particular consumer product or to a group of products that is the subject of a Commission voluntary standards project. These projects should be those that are approved by the Commission, either by virtue of the agency's annual budget or operating plan, or by other specific agency authorization or decision, and are in accord with subpart A. Employee involvement may include regularly attending meetings of a standards development committee or group, taking an active part in discussions and technical debates, expressing opinions and expending other resources in support of a voluntary standard development activity. It includes all oral and written communications which are part of the process. Employee involvement may also involve maintaining an awareness related to general voluntary standards projects set forth in the agency's annual budget or operating plan or otherwise approved by the agency.

(c) *Observation*. Observation is the attendance by an official or employee at a meeting of a voluntary standards development group for the purpose of observing and gathering information.

§ 1031.11 Procedural safeguards.

(a) Subject to the provisions of this subpart and budgetary and time constraints, Commission employees may be involved in voluntary standards activities that will further the objectives and programs of the Commission, are consistent with ongoing and anticipated Commission regulatory programs as set forth in the agency's operating plan, and are in accord with the Commission's policy statement on involvement in voluntary standards activities set forth in subpart A of this part.

(b) Commission employees who are involved in the development of a voluntary standard and who later participate in an official evaluation of that

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standard for the Commission shall describe in any information, oral or written, presented to the Commission, the extent of their involvement in the development of the standard. Any evaluation or recommendation for Commission actions by such employee shall strive to be as objective as possible and be reviewed by higher-level Commission officials or employees prior to submission to the Commission.

(c) Involvement of a Commission official or employee in a voluntary standards committee shall be predicated on an understanding by the voluntary standards group that such involvement by Commission officials and employees is on a non-voting basis.

(d) In no case shall Commission employees or officials vote or otherwise formally indicate approval or disapproval of a voluntary standard during the course of a voluntary standard development process.

(e) Commission employees and officials who are involved in the development of voluntary standards may not accept voluntary standards committee leadership positions, e.g., committee chairman or secretary. Subject to prior approval by the Executive Director, the Voluntary Standards Coordinator may accept leadership positions with the governing bodies of standards making entities.

(f) Attendance of Commission personnel at voluntary standards meetings shall be noted in the public calendar and meeting summaries shall be submitted to the Office of the Secretary as required by the Commission's meetings policy, 16 CFR part 1012.

§ 1031.12 Membership criteria.

(a) The Commissioners, their special assistants, and Commission officials and employees holding the positions listed below, may not become members of a voluntary standards group because they either have the responsibility for making final decisions, or advise those who make final decisions, on whether to rely on a voluntary standard, promulgate a consumer product safety standard, or to take other action to prevent or reduce an unreasonable risk of injury associated with a product.

(1) The Commissioners;

(2) The Commissioners' Special Assistants;

(3) The General Counsel and General Counsel Staff;

(4) The Executive Director, the Deputy Executive Director, and Special Assistants to the Executive Director;

(5) The Associate Executive Directors and Office Directors;

(6) The Assistant Executive Director of the Office of Hazard Identification and Reduction, the Deputy Assistant Executive Director of the Office of Hazard Identification and Reduction and any Special Assistants to the Assistant Executive Director of that office.

(b) All other officials and employees not covered under §1031.12(a) may be advisory, non-voting members of voluntary standards development and advisory groups with the advance approval of the Executive Director. In particular, the Commission's Voluntary Standards Coordinator may accept such membership.

(c) Commission employees or officials who have the approval of the Executive Director to accept membership in a voluntary standards organization or group pursuant to paragraph (b) of this section shall apprise the General Counsel and the Voluntary Standards Coordinator prior to their acceptance.

(d) Commission officials or employees who desire to become a member of a voluntary standards body or group in their individual capacity must obtain prior approval of the Commission's Ethics Counselor for an outside activity pursuant to the Commission's Employee Standards of Conduct, 16 CFR part 1030.

§ 1031.13 Criteria for employee involvement.

(a) Commission officials, other than those positions listed in §1031.12(a), may be involved in the development of voluntary safety standards for consumer products, but only in their official capacity as employees of the Commission and if permitted to do so by their supervisor and any other person designated by agency management procedures. Such involvement shall be in accordance with Commission procedures.

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(b) Employees in positions listed in §1031.12(a)(4), (5), and (6) may be involved, on a case-by-case basis, in the development of a voluntary standard provided that they have the specific advance approval of the Commission.

(c) Except in extraordinary circumstances and when approved in advance by the Executive Director in accordance with the provisions of the Commission's meetings policy, 16 CFR part 1012, Commission personnel shall not become involved in meetings concerning the development of voluntary standards that are not open to the public for attendance and observation. Attendance of Commission personnel at a voluntary standard meeting shall be noted in the public calendar and meeting logs filed with the Office of the Secretary in accordance with the Commission's meetings policy.

(d) Generally, Commission employees may become involved in the development of voluntary standards only if they are made available for comment by all interested parties prior to their use or adoption.

(e) Involvement by Commission officials and employees in voluntary standards bodies or standards-developing groups does not, of itself, connote Commission agreement with, or endorsement of, decisions reached, approved or published by such bodies or groups.

§ 1031.14 Observation criteria.

A Commission official or employee may, on occasion, attend voluntary standards meetings for the sole purpose of observation, with the advance approval of his or her supervisor and any other person designated by agency management procedures. Commission officials and employees shall notify the Voluntary Standard Coordinator, for information purposes, prior to observing a voluntary standards meeting.

§ 1031.15 Communication criteria.

(a) Commission officials and employees, who are not in the positions listed in §1031.12(a), or who are not already authorized to communicate with a voluntary standards group or representative incidental to their approved membership in a voluntary standard organi-

zation or group or as part of a voluntary standard, may:

(1) Communicate, within the scope of their duties, with a voluntary standard group, representative, or other committee member, on voluntary standards matters which are substantive in nature, i.e., matters that pertain to the formulation of the technical aspects of a specific voluntary standard or the course of conduct for developing the standard, only with the specific advance approval from the person or persons to whom they apply to obtain approval for involvement pursuant to §1031.13. The approval may indicate the duration of the approval and any other conditions.

(2) Communicate, within the scope of their duties, with a voluntary standard group, representative, or other committee member, concerning voluntary standards activities which are not substantive in nature.

(b) Commission employees may communicate with voluntary standards organizations only in accordance with Commission procedures.

(c) Commissioners can engage in substantive and non-substantive written communications with voluntary standards bodies or representatives, provided a disclaimer in such communications indicates that any substantive views expressed are only their individual views and are not necessarily those of the Commission. Where a previous official Commission vote has taken place, that vote should also be noted in any such communication. Copies of such communications shall thereafter be provided to the other Commissioners, the Office of the Secretary, and the Voluntary Standards Coordinator.

(d) The Voluntary Standards Coordinator shall be furnished a copy of each written communication of a substantive nature and a report of each oral communication of a substantive nature between a Commission official or employee and a voluntary standards organization or representative which pertains to a voluntary standards activity. The information shall be provided to the Voluntary Standards Coordinator as soon as practicable after the communication has taken place.

Subpart C—Public Participation and Comment

§ 1031.16 Purpose and scope.

(a) This subpart sets forth the Consumer Product Safety Commission's criteria and requirements governing public review and comment on staff involvement in the activities of voluntary standards development bodies.

(b) The Commission realizes there are advantages and benefits afforded by greater public awareness of staff involvement in standards development activities. Furthermore, the Commission recognizes public comment and input as an important part of the voluntary standards development process.

(c) The purpose of this subpart is to further the objectives and programs of the Commission and to do so in a manner that ensures openness and transparency.

§ 1031.17 Background.

(a) In a FEDERAL REGISTER Notice (Vol. 69, No. 200) dated October 18, 2004, the CPSC announced that it was launching a pilot program to open CPSC staff activities for public review and comment. The pilot program covered information on CPSC staff participation with respect to a cross-section of voluntary standards, including advance notice of proposed staff positions on issues to be considered by voluntary standards organizations. The program was based on the premise that increased public awareness and participation would enhance the quality and conclusions of the proposed recommendations made by CPSC staff.

(b) The pilot program ended on April 18, 2005, after a 6-month period. CPSC invited general comments on whether to continue the programs beyond the pilot period and solicited suggestions for improving the program.

(c) On July 28, 2005, the CPSC staff submitted to the Commission an assessment of the pilot program's results, including data that indicated the voluntary standards site ranked among the top 20 directories visited on the CPSC Web site. Further, the report included the staff's recommendation that the voluntary standards Web site be expanded to include information on all standards activities.

(d) On August 4, 2005, in accordance with the staff's recommendation, the Commission voted unanimously to continue the voluntary standards program and expand it to include all voluntary standards activities.

§ 1031.18 Method of review and comment.

(a) Each of the voluntary standards activities in which Commission staff is involved shall have a unique Web link on the Commission Web site with relevant information regarding CPSC activity, including:

(1) The name(s) of CPSC staff working on the activity; and

(2) The e-mail and mailing addresses of the CPSC Office of the Secretary, to which any interested party may communicate their particular interest.

(b) E-mail and written comments on voluntary standards from the public to the CPSC shall be managed by the Office of the Secretary. Such communication shall be forwarded to appropriate staff for consideration and/or response.

(c) On the voluntary standards Web site, consumers shall have the opportunity to register for periodic e-mail notices from the Commission with respect to their standard of interest. Such notices shall be issued by the CPSC each time a voluntary standard site has been updated and no less than once every calendar year.

PART 1033—DISPLAY OF CONTROL NUMBERS FOR COLLECTION OF INFORMATION REQUIREMENTS UNDER THE PAPERWORK REDUCTION ACT

Sec.

1033.1 Purpose.

1033.2 Display of control numbers.

AUTHORITY: 44 U.S.C. 3506(c)(1); 5 U.S.C. 553.

§ 1033.1 Purpose.

The purpose of this part 1033 is to display all control numbers assigned by the Office of Management and Budget (OMB) to collection of information requirements contained in rules enforced by the Consumer Product Safety Commission. Display of OMB control numbers is required by provisions of the Paperwork Reduction Act at 44 U.S.C.

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3507(f) and by regulations issued by OMB to implement that act at 5 CFR 1320.7(f)(2), 1320.12(d), 1320.13(j), and 1320.14(e).

[48 FR 57478, Dec. 30, 1983]

§ 1033.2 Display of control numbers.

The following rules enforced by the Consumer Product Safety Commission containing collections of information are listed with the control numbers assigned by the Office of Management and Budget:

Part or section of title 16 Code of Federal Regulations	Currently assigned OMB control No.
Part 1019	3041-0003
Part 1204	3041-0006
Part 1509	3041-0012
Part 1508	3041-0013
Part 1632	3041-0014
Part 1210	3041-0016
Part 1630, 1631	3041-0017
Sections 1500.18(a)(6), 1500.86(a)(4)	3041-0019
Part 1209	3041-0022
Parts 1610, 1611	3041-0024
Parts 1615, 1616	3041-0027
Part 1505	3041-0035
Part 1406	3041-0040
Part 1205	3041-0091
Part 1211	3041-0125

(44 U.S.C. 3506(c)(1); 5 U.S.C. 553)

[62 FR 42397, Aug. 7, 1997]

PART 1034—ENFORCEMENT OF NONDISCRIMINATION ON THE BASIS OF HANDICAP IN PROGRAMS OR ACTIVITIES CONDUCTED BY THE CONSUMER PRODUCT SAFETY COMMISSION

- Sec.
- 1034.101 Purpose.
- 1034.102 Application.
- 1034.103 Definitions.
- 1034.104-1034.109 [Reserved]
- 1034.110 Self-evaluation.
- 1034.111 Notice.
- 1034.112-1034.129 [Reserved]
- 1034.130 General prohibitions against discrimination.
- 1034.131-1034.139 [Reserved]
- 1034.140 Employment.
- 1034.141-1034.148 [Reserved]
- 1034.149 Program accessibility: Discrimination prohibited.
- 1034.150 Program accessibility: Existing facilities.
- 1034.151 Program accessibility: New construction and alterations.
- 1034.152-1034.159 [Reserved]

- 1034.160 Communications.
- 1034.161-1034.169 [Reserved]
- 1034.170 Compliance procedures.
- 1034.171-1034.999 [Reserved]

AUTHORITY: 29 U.S.C. 794.

SOURCE: 51 FR 4575, 4579, Feb. 5, 1986; 52 FR 405, Jan. 6, 1987, unless otherwise noted.

§ 1034.101 Purpose.

This part effectuates section 119 of the Rehabilitation, Comprehensive Services, and Developmental Disabilities Amendments of 1978, which amended section 504 of the Rehabilitation Act of 1973 to prohibit discrimination on the basis of handicap in programs or activities conducted by Executive agencies or the United States Postal Service.

§ 1034.102 Application.

This part applies to all programs or activities conducted by the agency.

§ 1034.103 Definitions.

For purposes of this part, the term—
Assistant Attorney General means the Assistant Attorney General, Civil Rights Division, United States Department of Justice.

Auxiliary aids means services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in, and enjoy the benefits of, programs or activities conducted by the agency. For example, auxiliary aids useful for persons with impaired vision include readers, Brailled materials, audio recordings, telecommunications devices and other similar services and devices. Auxiliary aids useful for persons with impaired hearing include telephone handset amplifiers, telephones compatible with hearing aids, telecommunication devices for deaf persons (TDD's), interpreters, notetakers, written materials, and other similar services and devices.

Complete complaint means a written statement that contains the complainant's name and address and describes the agency's alleged discriminatory action in sufficient detail to inform the agency of the nature and date of the alleged violation of section 504. It shall be signed by the complainant or by someone authorized to do so on his or her behalf. Complaints filed on behalf

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of classes or third parties shall describe or identify (by name, if possible) the alleged victims of discrimination.

Facility means all or any portion of buildings, structures, equipment, roads, walks, parking lots, rolling stock or other conveyances, or other real or personal property.

Handicapped person means any person who has a physical or mental impairment that substantially limits one or more major life activities, has a record of such an impairment, or is regarded as having such an impairment.

As used in this definition, the phrase:

(1) *Physical or mental impairment* includes—

(i) Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one of more of the following body systems: Neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genitourinary; hemic and lymphatic; skin; and endocrine; or

(ii) Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term *physical or mental impairment* includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech, and hearing impairments, cerebral palsy, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, and drug addition and alcoholism.

(2) *Major life activities* includes functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, and working.

(3) *Has a record of such an impairment* means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

(4) *Is regarded as having an impairment* means—

(i) Has a physical or mental impairment that does not substantially limit major life activities but is treated by the agency as constituting such a limitation;

(ii) Has a physical or mental impairment that substantially limits major

life activities only as a result of the attitudes of others toward such impairment; or

(iii) Has none of the impairments defined in subparagraph (1) of this definition but is treated by the agency as having such an impairment.

Qualified handicapped person means—

(1) With respect to any agency program or activity under which a person is required to perform services or to achieve a level of accomplishment, a handicapped person who meets the essential eligibility requirements and who can achieve the purpose of the program or activity without modifications in the program or activity that the agency can demonstrate would result in a fundamental alteration in its nature; or

(2) With respect to any other program or activity, a handicapped person who meets the essential eligibility requirements for participation in, or receipt of benefits from, that program or activity.

(3) *Qualified handicapped person* is defined for purposes of employment in 29 CFR 1613.702(f), which is made applicable to this part by §1034.140.

Section 504 means section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112, 87 Stat. 394 (29 U.S.C. 794)), as amended by the Rehabilitation Act Amendments of 1974 (Pub. L. 93-516, 88 Stat. 1617), and the Rehabilitation, Comprehensive Services, and Developmental Disabilities Amendments of 1978 (Pub. L. 95-602, 92 Stat. 2955). As used in this part, section 504 applies only to programs or activities conducted by Executive agencies and not to federally assisted programs.

[51 FR 4575, 4579, Feb. 5, 1986; 51 FR 7543, Mar. 5, 1986]

§§ 1034.104–1034.109 [Reserved]

§ 1034.110 Self-evaluation.

(a) The agency shall, by April 9, 1987, evaluate its current policies and practices, and the effects thereof, that do not or may not meet the requirements of this part, and, to the extent modification of any such policies and practices is required, the agency shall proceed to make the necessary modifications.

(b) The agency shall provide an opportunity to interested persons, including handicapped persons or organizations representing handicapped persons, to participate in the self-evaluation process by submitting comments (both oral and written).

(c) The agency shall, until three years following the completion of the self-evaluation, maintain on file and make available for public inspections:

(1) A description of areas examined and any problems identified, and

(2) A description of any modifications made.

§ 1034.111 Notice.

The agency shall make available to employees, applicants, participants, beneficiaries, and other interested persons such information regarding the provisions of this part and its applicability to the programs or activities conducted by the agency, and make such information available to them in such manner as the head of the agency finds necessary to apprise such persons of the protections against discrimination assured them by section 504 and this regulation.

§§ 1034.112-1034.129 [Reserved]

§ 1034.130 General prohibitions against discrimination.

(a) No qualified handicapped person shall, on the basis of handicap, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity conducted by the agency.

(b)(1) The agency, in providing any aid, benefit, or service, may not, directly or through contractual, licensing, or other arrangements, on the basis of handicap—

(i) Deny a qualified handicapped person the opportunity to participate in or benefit from the aid, benefit, or service;

(ii) Afford a qualified handicapped person an opportunity to participate in or benefit from the aid, benefit, or service that is not equal to that afforded others;

(iii) Provide a qualified handicapped person with an aid, benefit, or service that is not as effective in affording

equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement as that provided to others;

(iv) Provide different or separate aid, benefits, or services to handicapped persons or to any class of handicapped persons than is provided to others unless such action is necessary to provide qualified handicapped persons with aid, benefits, or services that are as effective as those provided to others;

(v) Deny a qualified handicapped person the opportunity to participate as a member of planning or advisory boards; or

(vi) Otherwise limit a qualified handicapped person in the enjoyment of any right, privilege, advantage, or opportunity enjoyed by others receiving the aid, benefit, or service.

(2) The agency may not deny a qualified handicapped person the opportunity to participate in programs or activities that are not separate or different, despite the existence of permissibly separate or different programs or activities.

(3) The agency may not, directly or through contractual or other arrangements, utilize criteria or methods of administration the purpose or effect of which would—

(i) Subject qualified handicapped persons to discrimination on the basis of handicap; or

(ii) Defeat or substantially impair accomplishment of the objectives of a program or activity with respect to handicapped persons.

(4) The agency may not, in determining the site or location of a facility, make selections the purpose or effect of which would—

(i) Exclude handicapped persons from, deny them the benefits of, or otherwise subject them to discrimination under any program or activity conducted by the agency; or

(ii) Defeat or substantially impair the accomplishment of the objectives of a program or activity with respect to handicapped persons.

(5) The agency, in the selection of procurement contractors, may not use criteria that subject qualified handicapped persons to discrimination on the basis of handicap.

(c) The exclusion of nonhandicapped persons from the benefits of a program limited by Federal statute or Executive order to handicapped persons or the exclusion of a specific class of handicapped persons from a program limited by Federal statute or Executive order to a different class of handicapped persons is not prohibited by this part.

(d) The agency shall administer programs and activities in the most integrated setting appropriate to the needs of qualified handicapped persons.

§§ 1034.131–1034.139 [Reserved]

§ 1034.140 Employment.

No qualified handicapped person shall, on the basis of handicap, be subjected to discrimination in employment under any program or activity conducted by the agency. The definitions, requirements, and procedures of section 501 of the Rehabilitation Act of 1973 (29 U.S.C. 791), as established by the Equal Employment Opportunity Commission in 29 CFR part 1613, shall apply to employment in federally conducted programs or activities.

§§ 1034.141–1034.148 [Reserved]

§ 1034.149 Program accessibility: Discrimination prohibited.

Except as otherwise provided in § 1034.150, no qualified handicapped person shall, because the agency's facilities are inaccessible to or unusable by handicapped persons, be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination under any program or activity conducted by the agency.

§ 1034.150 Program accessibility: Existing facilities.

(a) *General.* The agency shall operate each program or activity so that the program or activity, when viewed in its entirety, is readily accessible to and usable by handicapped persons. This paragraph does not—

(1) Necessarily require the agency to make each of its existing facilities accessible to and usable by handicapped persons; or

(2) Require the agency to take any action that it can demonstrate would result in a fundamental alteration in

the nature of a program or activity or in undue financial and administrative burdens. In those circumstances where agency personnel believe that the proposed action would fundamentally alter the program or activity or would result in undue financial and administrative burdens, the agency has the burden of proving that compliance with § 1034.150(a) would result in such alteration or burdens. The decision that compliance would result in such alteration or burdens must be made by the agency head or his or her designee after considering all agency resources available for use in the funding and operation of the conducted program or activity, and must be accompanied by a written statement of the reasons for reaching that conclusion. If an action would result in such an alteration or such burdens, the agency shall take any other action that would not result in such an alteration or such burdens but would nevertheless ensure that handicapped persons receive the benefits and services of the program or activity.

(b) *Methods.* The agency may comply with the requirements of this section through such means as redesign of equipment, reassignment of services to accessible buildings, assignment of aides to beneficiaries, home visits, delivery of services at alternate accessible sites, alteration of existing facilities and construction of new facilities, use of accessible rolling stock, or any other methods that result in making its programs or activities readily accessible to and usable by handicapped persons. The agency is not required to make structural changes in existing facilities where other methods are effective in achieving compliance with this section. The agency, in making alterations to existing buildings, shall meet accessibility requirements to the extent compelled by the Architectural Barriers Act of 1968, as amended (42 U.S.C. 4151–4157), and any regulations implementing it. In choosing among available methods for meeting the requirements of this section, the agency shall give priority to those methods that offer programs and activities to qualified handicapped persons in the most integrated setting appropriate.

(c) *Time period for compliance.* The agency shall comply with the obligations established under this section by June 6, 1986, except that where structural changes in facilities are undertaken, such changes shall be made by April 7, 1989, but in any event as expeditiously as possible.

(d) *Transition plan.* In the event that structural changes to facilities will be undertaken to achieve program accessibility, the agency shall develop, by October 7, 1986, a transition plan setting forth the steps necessary to complete such changes. The agency shall provide an opportunity to interested persons, including handicapped persons or organizations representing handicapped persons, to participate in the development of the transition plan by submitting comments (both oral and written). A copy of the transition plan shall be made available for public inspection. The plan shall, at a minimum—

(1) Identify physical obstacles in the agency's facilities that limit the accessibility of its programs or activities to handicapped persons;

(2) Describe in detail the methods that will be used to make the facilities accessible;

(3) Specify the schedule for taking the steps necessary to achieve compliance with this section and, if the time period of the transition plan is longer than one year, identify steps that will be taken during each year of the transition period; and

(4) Indicate the official responsible for implementation of the plan.

[51 FR 4575, 4579, Feb. 5, 1986; 51 FR 7543, Mar. 5, 1986]

§ 1034.151 Program accessibility: New construction and alterations.

Each building or part of a building that is constructed or altered by, on behalf of, or for the use of the agency shall be designed, constructed, or altered so as to be readily accessible to and usable by handicapped persons. The definitions, requirements, and standards of the Architectural Barriers Act (42 U.S.C. 4151–4157), as established in 41 CFR 101–19.600 to 101–19.607, apply to buildings covered by this section.

§§ 1034.152–1034.159 [Reserved]

§ 1034.160 Communications.

(a) The agency shall take appropriate steps to ensure effective communication with applicants, participants, personnel of other Federal entities, and members of the public.

(1) The agency shall furnish appropriate auxiliary aids where necessary to afford a handicapped person an equal opportunity to participate in, and enjoy the benefits of, a program or activity conducted by the agency.

(i) In determining what type of auxiliary aid is necessary, the agency shall give primary consideration to the requests of the handicapped person.

(ii) The agency need not provide individually prescribed devices, readers for personal use or study, or other devices of a personal nature.

(2) Where the agency communicates with applicants and beneficiaries by telephone, telecommunication devices for deaf persons (TDD's) or equally effective telecommunication systems shall be used.

(b) The agency shall ensure that interested persons, including persons with impaired vision or hearing, can obtain information as to the existence and location of accessible services, activities, and facilities.

(c) The agency shall provide signage at a primary entrance to each of its inaccessible facilities, directing users to a location at which they can obtain information about accessible facilities. The international symbol for accessibility shall be used at each primary entrance of an accessible facility.

(d) This section does not require the agency to take any action that it can demonstrate would result in a fundamental alteration in the nature of a program or activity or in undue financial and administrative burdens. In those circumstances where agency personnel believe that the proposed action would fundamentally alter the program or activity or would result in undue financial and administrative burdens, the agency has the burden of proving that compliance with § 1034.160 would result in such alteration or burdens. The decision that compliance would result in such alteration or burdens must be made by the agency head or his or

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her designee after considering all agency resources available for use in the funding and operation of the conducted program or activity, and must be accompanied by a written statement of the reasons for reaching that conclusion. If an action required to comply with this section would result in such an alteration or such burdens, the agency shall take any other action that would not result in such an alteration or such burdens but would nevertheless ensure that, to the maximum extent possible, handicapped persons receive the benefits and services of the program or activity.

§§ 1034.161–1034.169 [Reserved]

§ 1034.170 Compliance procedures.

(a) Except as provided in paragraph (b) of this section, this section applies to all allegations of discrimination on the basis of handicap in programs or activities conducted by the agency.

(b) The agency shall process complaints alleging violations of section 504 with respect to employment according to the procedures established by the Equal Employment Opportunity Commission in 29 CFR part 1613 pursuant to section 501 of the Rehabilitation Act of 1973 (29 U.S.C. 791).

(c) The Office of Equal Employment Opportunity and Minority Enterprise shall be responsible for coordinating implementation of this section. Complaints may be sent to the Director, Office of Equal Employment Opportunity and Minority Enterprise, Consumer Product Safety Commission, Washington, D.C. 20207.

(d) The agency shall accept and investigate all complete complaints for which it has jurisdiction. All complete complaints must be filed within 180 days of the alleged act of discrimination. The agency may extend this time period for good cause.

(e) If the agency receives a complaint over which it does not have jurisdiction, it shall promptly notify the complainant and shall make reasonable efforts to refer the complaint to the appropriate government entity.

(f) The agency shall notify the Architectural and Transportation Barriers Compliance Board upon receipt of any complaint alleging that a building or

facility that is subject to the Architectural Barriers Act of 1968, as amended (42 U.S.C. 4151–4157), or section 502 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 792), is not readily accessible to and usable by handicapped persons.

(g) Within 180 days of the receipt of a complete complaint for which it has jurisdiction, the agency shall notify the complainant of the results of the investigation in a letter containing—

(1) Findings of fact and conclusions of law;

(2) A description of a remedy for each violation found; and

(3) A notice of the right to appeal.

(h) Appeals of the findings of fact and conclusions of law or remedies must be filed by the complainant within 90 days of receipt from the agency of the letter required by §1034.170(g). The agency may extend this time for good cause.

(i) Timely appeals shall be accepted and processed by the head of the agency.

(j) The head of the agency shall notify the complainant of the results of the appeal within 60 days of the receipt of the request. If the head of the agency determines that additional information is needed from the complainant, he or she shall have 60 days from the date of receipt of the additional information to make his or her determination on the appeal.

(k) The time limits cited in paragraphs (g) and (j) of this section may be extended with the permission of the Assistant Attorney General.

(l) The agency may delegate its authority for conducting complaint investigations to other Federal agencies, except that the authority for making the final determination may not be delegated to another agency.

[51 FR 4575, 4579, Feb. 5, 1986, as amended at 51 FR 4575, Feb. 5, 1986]

§§ 1034.171–1034.999 [Reserved]

PART 1051—PROCEDURE FOR PETITIONING FOR RULEMAKING

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- 1051.11 Denial of petitions.

AUTHORITY: 5 U.S.C. 553(e), 5 U.S.C. 555(e).

SOURCE: 48 FR 57123, Dec. 28, 1983, unless otherwise noted.

§ 1051.1 Scope.

(a) This part establishes procedures for the submission and disposition of petitions for the issuance, amendment or revocation of rules under the Consumer Product Safety Act (CPSA) (15 U.S.C. 2051 *et seq.*) or other statutes administered by the Consumer Product Safety Commission.

(b) Persons filing petitions for rule-making shall follow as closely as possible the requirements and are encouraged to follow as closely as possible the recommendations for filing petitions under § 1051.5.

(c) Petitions regarding products regulated under the Federal Hazardous Substances Act (FHSA) (15 U.S.C. 1261 *et seq.*) are governed by existing Commission procedures at 16 CFR 1500.82. Petitions regarding the exemption of products regulated under the Poison Prevention Packaging Act of 1970 (PPPA) (15 U.S.C. 1471 *et seq.*) are governed by existing Commission procedures at 16 CFR part 1702. In addition, however, persons filing such petitions shall follow the requirements and are encouraged to follow the recommendations for filing petitions as set forth in § 1051.5.

[48 FR 57123, Dec. 28, 1983 as amended at 64 FR 48704, Sept. 8, 1999]

§ 1051.2 General.

(a) Any person may file with the Commission a petition requesting the Commission to begin a proceeding to issue, amend or revoke a regulation under any of the statutes it administers.

(b) A petition which addresses a risk of injury associated with a product which could be eliminated or reduced

to a sufficient extent by action taken under the Federal Hazardous Substances Act, the Poison Prevention Packaging Act of 1970, or the Flammable Fabrics Act may be considered by the Commission under those Acts. However, if the Commission finds by rule, in accordance with section 30(d) of the CPSA, as amended by Public Law 94-284, that it is in the public interest to regulate such risk of injury under the CPSA, it may do so. Upon determination by the Office of the General Counsel that a petition should be considered under one of these acts rather than the CPSA, the Office of the Secretary shall docket and process the petition under the appropriate act and inform the petitioner of this determination. Such docketing, however, shall not preclude the Commission from proceeding to regulate the product under the CPSA after making the necessary findings.

§ 1051.3 Place of filing.

A petition should be mailed to: Office of the Secretary, Consumer Product Safety Commission, Washington, DC 20207. Persons wishing to file a petition in person may do so in the Office of the Secretary, at 4330 East West Highway, Bethesda, Maryland.

[48 FR 57123, Dec. 28, 1983, as amended at 62 FR 46667, Sept. 4, 1997]

§ 1051.4 Time of filing.

For purposes of computing time periods under this part, a petition shall be considered filed when time-date stamped by the Office of the Secretary. A document is time-date stamped when it is received in the Office of the Secretary.

§ 1051.5 Requirements and recommendations for petitions.

(a) *Requirements.* To be considered a petition under this part, any request to issue, amend or revoke a rule shall meet the requirements of this paragraph (a). A petition shall:

- (1) Be written in the English language;
- (2) Contain the name and address of the petitioner;
- (3) Indicate the product (or products) regulated under the Consumer Product

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Safety Act or other statute the Commission administers for which a rule is sought or for which there is an existing rule sought to be modified or revoked. (If the petition regards a procedural or other rule not involving a specific product, the type of rule involved must be indicated.)

(4) Set forth facts which establish the claim that the issuance, amendment, or revocation of the rule is necessary (for example, such facts may include personal experience; medical, engineering or injury data; or a research study); and

(5) Contain an explicit request to initiate Commission rulemaking and set forth a brief description of the substance of the proposed rule or amendment or revocation thereof which it is claimed should be issued by the Commission. (A general request for regulatory action which does not reasonably specify the type of action requested shall not be sufficient for purposes of this subsection.)

(b) *Recommendations.* The Commission encourages the submission of as much information as possible related to the petition. Thus, to assist the Commission in its evaluation of a petition, to the extent the information is known and available to the petitioner, the petitioner is encouraged to supply the following information or any other information relating to the petition. The petition will be considered by the Commission even if the petitioner is unable to supply the information recommended in this paragraph (b). However, as applicable, and to the extent possible, the petitioner is encouraged to:

(1) Describe the specific risk(s) of injury to which the petition is addressed, including the degree (severity) and the nature of the risk(s) of injury associated with the product and possible reasons for the existence of the risk of injury (for example, product defect, poor design, faulty workmanship, or intentional or unintentional misuse);

(2) State why a consumer product safety standard would not be feasible if the petition requests the issuance of a rule declaring the product to be a banned hazardous product; and

(3) Supply or reference any known documentation, engineering studies,

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technical studies, reports of injuries, medical findings, legal analyses, economic analyses and environmental impact analyses relating to the petition.

(c) *Procedural recommendations.* The following are procedural recommendations to help the Commission in its consideration of petitions. The Commission requests, but does not require, that a petition filed under this part:

(1) Be typewritten,

(2) Include the word “petition” in a heading preceding the text,

(3) Specify what section of the statute administered by the Commission authorizes the requested rulemaking,

(4) Include the telephone number of the petitioner, and

(5) Be accompanied by at least five (5) copies of the petition.

§ 1051.6 Documents not considered petitions.

(a) A document filed with the Commission which addresses a topic or involves a product outside the jurisdiction of the Commission will not be considered to be a petition. After consultation with the Office of the General Counsel, the Office of the Secretary, if appropriate, will forward to the appropriate agency documents which address products or topics within the jurisdiction of other agencies. The Office of the Secretary shall notify the sender of the document that it has been forwarded to the appropriate agency.

(b) Any other documents filed with the Office of the Secretary that are determined by the Office of the General Counsel not to be petitions shall be evaluated for possible staff action. The Office of the General Counsel shall notify the writer of the manner in which the Commission staff is treating the document. If the writer has indicated an intention to petition the Commission, the Office of the General Counsel shall inform the writer of the procedure to be followed for petitioning.

§ 1051.7 Statement in support of or in opposition to petitions; Duty of petitioners to remain apprised of developments regarding petitions.

(a) Any person may file a statement with the Office of the Secretary in support of or in opposition to a petition

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prior to Commission action on the petition. Persons submitting statements in opposition to a petition are encouraged to provide copies of such statements to the petitioner.

(b) It is the duty of the petitioner, or any person submitting a statement in support of or in opposition to a petition, to keep himself or herself apprised of developments regarding the petition. Information regarding the status of petitions is available from the Office of the Secretary of the Commission.

(c) The Office of the Secretary shall send to the petitioner a copy of the staff briefing package on his or her petition at the same time the package is transmitted to the Commissioners for decision.

§ 1051.8 Public hearings on petitions.

(a) The Commission may hold a public hearing or may conduct such investigation or proceeding, including a public meeting, as it deems appropriate to determine whether a petition should be granted.

(b) If the Commission decides that a public hearing on a petition, or any portion thereof, would contribute to its determination of whether to grant or deny the petition, it shall publish in the FEDERAL REGISTER a notice of a hearing on the petition and invite interested persons to submit their views through an oral or written presentation or both. The hearings shall be informal, nonadversary, legislative-type proceedings in accordance with 16 CFR part 1052.

§ 1051.9 Factors the Commission considers in granting or denying petitions.

(a) The major factors the Commission considers in deciding whether to grant or deny a petition regarding a product include the following items:

(1) Whether the product involved presents an unreasonable risk of injury.

(2) Whether a rule is reasonably necessary to eliminate or reduce the risk of injury.

(3) Whether failure of the Commission to initiate the rulemaking proceeding requested would unreasonably expose the petitioner or other consumers to the risk of injury which the

petitioner alleges is presented by the product.

(4) Whether, in the case of a petition to declare a consumer product a "banned hazardous product" under section 8 of the CPSA, the product is being or will be distributed in commerce and whether a feasible consumer product safety standard would adequately protect the public from the unreasonable risk of injury associated with such product.

(b) In considering these factors, the Commission will treat as an important component of each one the relative priority of the risk of injury associated with the product about which the petition has been filed and the Commission's resources available for rule-making activities with respect to that risk of injury. The CPSC Policy on Establishing Priorities for Commission Action, 16 CFR 1009.8, sets forth the criteria upon which Commission priorities are based.

§ 1051.10 Granting petitions.

(a) The Commission shall either grant or deny a petition within a reasonable time after it is filed, taking into account the resources available for processing the petition. The Commission may also grant a petition in part or deny it in part. If the Commission grants a petition, it shall begin proceedings to issue, amend or revoke the rule under the appropriate provisions of the statutes under its administration. Beginning a proceeding means taking the first step in the rulemaking process (issuance of an advance notice of proposed rulemaking or a notice of proposed rulemaking, whichever is applicable).

(b) Granting a petition and beginning a proceeding does not necessarily mean that the Commission will issue, amend or revoke the rule as requested in the petition. The Commission must make a final decision as to the issuance, amendment, or revocation of a rule on the basis of all available relevant information developed in the course of the rulemaking proceeding. Should later information indicate that the action is unwarranted or not necessary, the Commission may terminate the proceeding.

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§ 1051.11 Denial of petitions.

(a) If the Commission denies a petition it shall promptly notify the petitioner in writing of its reasons for such denial as required by the Administrative Procedure Act, 5 U.S.C. 555(e).

(b) If the Commission denies a petition, the petitioner (or another party) can refile the petition if the party can demonstrate that new or changed circumstances or additional information justify reconsideration by the Commission.

(c) A Commission denial of a petition shall not preclude the Commission from continuing to consider matters raised in the petition.

PART 1052—PROCEDURAL REGULATIONS FOR INFORMAL ORAL PRESENTATIONS IN PROCEEDINGS BEFORE THE CONSUMER PRODUCT SAFETY COMMISSION

Sec.

1052.1 Scope and purpose.

1052.2 Notice of opportunity for oral presentation.

1052.3 Conduct of oral presentation.

1052.4 Presiding officer; appointment, duties, powers.

AUTHORITY: 15 U.S.C. 1193(d), 15 U.S.C. 2058(d)(2), 15 U.S.C. 2076(a), and 5 U.S.C. 553(c).

SOURCE: 48 FR 57122, Dec. 28, 1983, unless otherwise noted.

§ 1052.1 Scope and purpose.

(a) Section 9(d)(2) of the Consumer Product Safety Act, 15 U.S.C. 2058(d)(2), and section 4(d) of the Flammable Fabrics Act, 15 U.S.C. 1193(d), provide that certain rules under those statutes shall be promulgated pursuant to section 4 of the Administrative Procedure Act, 5 U.S.C. 553, except that the Commission shall give interested persons an opportunity for the oral presentation of data, views or arguments in addition to the opportunity to make written submissions. Several rulemaking provisions of the statutes administered by the Commission are subject only to the rulemaking procedures of the Administrative Procedure Act. Section 4(c) of the Administrative Procedure Act provides that the opportunity for oral

presentations may or may not be granted in rulemaking under that section. In addition, section 27(a) of the Consumer Product Safety Act, 15 U.S.C. 2076(a), authorizes informal proceedings that can be conducted in non-rulemaking investigatory situations.

(b) This part sets forth rules of procedure for the oral presentation of data, views or arguments in the informal rulemaking or investigatory situations described in subsection (a) of this section. In situations where the opportunity for an oral presentation is not required by statute, the Commission will determine whether to provide the opportunity on a case-by-case basis.

§ 1052.2 Notice of opportunity for oral presentation.

The Commission will publish in the FEDERAL REGISTER notice of opportunity for an oral presentation in each instance. The notice shall be sufficiently in advance of the oral presentation to allow interested persons to participate. If the oral presentation involves a proposed rule, the notice of opportunity may be in the notice proposing the rule or in a later, separate FEDERAL REGISTER notice.

§ 1052.3 Conduct of oral presentation.

(a) The purpose of the oral presentation is to afford interested persons an opportunity to participate in person in the Commission's rulemaking or other proceedings and to help inform the Commission of relevant data, views and arguments.

(b) The oral presentation, which shall be taped or transcribed, shall be an informal, non-adversarial legislative-type proceeding at which there will be no formal pleadings or adverse parties.

(c) The proceedings for the oral presentation shall be conducted impartially, thoroughly, and expeditiously to allow interested persons an opportunity for oral presentation of data, views or arguments.

§ 1052.4 Presiding officer; appointment, duties, powers.

(a) For oral presentations, the presiding officer shall either be the Chairman of the Commission or a presiding

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officer shall be appointed by the Chairman with the concurrence of the Commission.

(b) The presiding officer shall chair the proceedings, shall make appropriate provision for testimony, comments and questions, and shall be responsible for the orderly conduct of the proceedings. The presiding officer shall have all the powers necessary or appropriate to contribute to the equitable and efficient conduct of the oral proceedings including the following:

(1) The right to apportion the time of persons making presentations in an equitable manner in order to complete the presentations within the time period allotted for the proceedings.

(2) The right to terminate or shorten the presentation of any party when, in the view of the presiding officer, such presentation is repetitive or is not relevant to the purpose of the proceedings.

(3) The right to confine the presentations to the issues specified in the notice of oral proceeding or, where no issues are specified, to matters pertinent to the proposed rule or other proceeding.

(4) The right to require a single representative to present the views of two or more persons or groups who have the same or similar interests. The presiding officer shall have the authority to identify groups or persons with the same or similar interests in the proceedings.

(c) The presiding officer and Commission representatives shall have the right to question persons making an oral presentation as to their testimony and any other relevant matter.

PART 1061—APPLICATIONS FOR EXEMPTION FROM PREEMPTION

Sec.

- 1061.1 Scope and purpose.
- 1061.2 Definitions.
- 1061.3 Statutory considerations.
- 1061.4 Threshold requirements for applications for exemption.
- 1061.5 Form of applications for exemption.
- 1061.6 Contents of applications for exemption.
- 1061.7 Documentation of the State or local requirement.
- 1061.8 Information on the heightened degree of protection afforded.

1061.9 Information about the effect on interstate commerce.

1061.10 Information on affected parties.

1061.11 Incomplete or insufficient applications.

1061.12 Commission consideration on merits.

AUTHORITY: 15 U.S.C. 2075; 15 U.S.C. 1261n; 15 U.S.C. 1203; 15 U.S.C. 1476.

SOURCE: 56 FR 3416, Jan. 30, 1991, unless otherwise noted.

§ 1061.1 Scope and purpose.

(a) This part applies to the submission and consideration of applications by State and local governments for exemption from preemption by statutes, standards, and regulations of the Consumer Product Safety Commission.

(b) This part implements section 26 of the Consumer Product Safety Act (CPSA) (15 U.S.C. 2075), section 18 of the Federal Hazardous Substances Act (FHSA) (15 U.S.C. 1261n), section 16 of the Flammable Fabrics Act (FFA) (15 U.S.C. 1203), and section 7 of the Poison Prevention Packaging Act (PPPA) (15 U.S.C. 1476), all as amended.

§ 1061.2 Definitions.

For the purposes of this part:

(a) *Commission* means the Consumer Product Safety Commission.

(b) *Commission's statutory preemption provisions* and *statutory preemption provisions* means section 26 of the CPSA (15 U.S.C. 2075), section 18 of the FHSA (15 U.S.C. 1261n), section 16 of the FFA (15 U.S.C. 1203) and section 7 of the PPPA (15 U.S.C. 1476).

(c) *Commission statute, standard, or regulation* means a statute, standard, regulation, or requirement that is designated as having a preemptive effect by the Commission's statutory preemption provisions.

(d) *State* means a State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, Wake Island, Midway Island, Kingman Reef, Johnston Island, the Canal Zone, American Samoa, or the Trust Territory of the Pacific Islands.

(e) *Local government* means any political subdivision of a State having the authority to establish or continue in effect any standard, regulation, or requirement that has the force of law and is applicable to a consumer product.

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(f) *State or local requirement* means any statute, standard, regulation, ordinance, or other requirement that applies to a product regulated by the Commission, that is issued by a State or local government, and that is intended to have the force of law when in effect.

§ 1061.3 Statutory considerations.

(a) The Commission's statutory preemption provisions provide, generally, that whenever consumer products are subject to certain Commission statutes, standards, or regulations, a State or local requirement applicable to the same product is preempted, i.e., superseded and made unenforceable, if both are designed to protect against the same risk of injury or illness, unless the State or local requirement is identical to the Commission's statutory requirement, standard, or regulation. A State or local requirement is not preempted if the product it is applicable to is for the State or local government's own use and the requirement provides a higher degree of protection than the Commission's statutory requirement, standard, or regulation.

(b) The Commission's statutory preemption provisions provide, generally, that if a State or local government wants to enforce its own requirement that is preempted, the State or local government must seek an exemption from the Commission before any such enforcement. The Commission may, by regulation, exempt a State or local requirement from preemption if it finds that the State or local requirement affords a significantly higher degree of protection than the Commission's statute, standard, or regulation, and that it does not unduly burden interstate commerce. Such findings must be included in any exemption regulation.

§ 1061.4 Threshold requirements for applications for exemption.

(a) The Commission will consider an application for preemption on its merits, only if the application demonstrates all of the following:

(1) The State or local requirement has been enacted or issued in final form by an authorized official or instrumentality of the State or local government. For purposes of this section, a

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State or local requirement may be considered to have been enacted or issued in final form even though it is preempted by a Commission standard or regulation.

(2) The applicant is an official or instrumentality of a State or local government having authority to act for, or on behalf of, that government in applying for an exemption from preemption for the safety requirement referred to in the application.

(3) The State or local requirement is preempted under a Commission statutory preemption provision by a Commission statute, standard, or regulation. A State or local requirement is preempted if the following tests are met:

(i) There is a Commission statute, standard, or regulation in effect that is applicable to the product covered by the State or local requirement.

(ii) The Commission statute, standard, or regulation is designated as having a preemptive effect under a statutory preemption provision.

(iii) The State or local requirement is designed to protect against the same risk of injury or illness as that addressed by the Commission statute, standard, or regulation.

(iv) The State or local requirement is not identical to the Commission statute, standard, or regulation.

(b) State and local governments may contact the Commission's Office of the General Counsel to obtain informal advice on whether a State or local requirement meets the threshold requirements of paragraph (a) of this section.

§ 1061.5 Form of applications for exemption.

An application for exemption shall:

(a) Be written in the English language.

(b) Clearly indicate that it is an application for an exemption from preemption by a Commission statute, standard, or regulation.

(c) Identify the State or local requirement that is the subject of the application and give the date it was enacted or issued in final form.

(d) Identify the specific Commission statute, standard, or regulation that is believed to preempt the State or local requirement.

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(e) Contain the name and address of the person, branch, department, agency, or other instrumentality of the State or local government that should be notified of the Commission's actions concerning the application.

(f) Document the applicant's authority to act for, or on behalf of, the State or local government in applying for an exemption from preemption for the particular safety requirement in question.

(g) Be signed by an individual having authority to apply for the exemption from federal preemption on behalf of the applicant.

(h) Be submitted, in five copies, to the Secretary, Consumer Product Safety Commission, Washington, DC 20207.

§ 1061.6 Contents of applications for exemption.

Applications for exemption shall include the information specified in §§ 1061.7 through 1061.10. More generally, a State or local government seeking an exemption should provide the Commission with the most complete information possible in support of the findings the Commission is required to make in issuing an exemption regulation. If any of the specified information is omitted because it is unavailable or not relevant, such omission should be explained in the application.

§ 1061.7 Documentation of the State or local requirement.

An application for an exemption from preemption shall contain the following information:

(a) A copy of the State or local requirement that is the subject of the application. Where available, the application shall also include copies of any legislative history or background materials used in issuing the requirement, including hearing reports or studies concerning the development or consideration of the requirement.

(b) A written explanation of why compliance with the State or local requirement would not cause the product to be in violation of the applicable Commission statute, standard, or regulation.

§ 1061.8 Information on the heightened degree of protection afforded.

An application for an exemption from preemption shall also contain information demonstrating that the State or local requirement provides a significantly higher degree of protection from the risk of injury or illness than the preempting Commission statute, standard, or regulation. More specifically, an application shall contain:

(a) A description of the risk of injury or illness addressed by the State or local requirement.

(b) A detailed explanation of the State or local requirement and its rationale.

(c) An analysis of differences between the State or local requirement and the Commission statute, standard, or regulation.

(d) A detailed explanation of the State or local test method and its rationale.

(e) Information comparing available test results for the Commission statute, standard, or regulation and the State or local requirement.

(f) Information to show hazard reduction as a result of the State or local requirement, including injury data and results of accident simulation.

(g) Any other information that is relevant to applicant's contention that the State or local requirement provides a significantly higher degree of protection than does the Commission statute, standard, or regulation.

(h) Information regarding enforcement of the State or local requirement and sanctions that could be imposed for noncompliance.

§ 1061.9 Information about the effect on interstate commerce.

An application for exemption from preemption shall provide information on the effect on interstate commerce a granting of the requested exemption would be expected to cause, including the extent of the burden and the benefit to public health and safety that would be provided by the State or local requirement. More specifically, applications for exemption shall include, where available, information showing:

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(a) That it is technologically feasible to comply with the State or local requirement. Evidence of technological feasibility could take the form of:

(1) Statements by affected persons indicating ability to comply with the State or local government requirement.

(2) Statements indicating that other jurisdictions have established similar requirements that have been, or could be, met by persons affected by the requirement that is the subject of the application.

(3) Information as to technological product or process modifications necessary to achieve compliance with the State or local requirement.

(4) Any other information indicating the technological feasibility of compliance with the State or local requirement.

(b) That it is economically feasible to comply with the State or local requirement, i.e., that there would not be significant adverse effects on the production and distribution of the regulated products. Evidence of economic feasibility could take the form of:

(1) Information showing that the State or local requirement would not result in the unavailability (or result in a significant decline in the availability) of the product, either in the interstate market or within the geographic boundary of the State or local government imposing the requirement.

(2) Statements from persons likely to be affected by the State or local requirement concerning the anticipated effect of the requirement on the availability or continued marketing of the product.

(3) Any other information indicating the economic impact of compliance with the State or local requirement, such as projections of the anticipated effect of the State or local requirement on the sales and prices of the product, both in interstate commerce and within the geographic area of the State or local government.

(c) The present geographic distribution of the product to which the State or local requirement would apply, and projections of future geographic distribution. Evidence of the geographic distribution could take the form of governmental or private information

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or data (including statements from manufacturers, distributors, or retailers of the product) showing advertising in the interstate market, interstate retailing, or interstate distribution.

(d) The probability of other States or local governments applying for an exemption for a similar requirement. Evidence of the probability that other States or local governments would apply for an exemption could take the form of statements from other States or local governments indicating their intentions.

(e) That specified local conditions require the State or local government to apply with the exemption in order to adequately protect the public health or safety of the State or local area.

§ 1061.10 Information on affected parties.

An application for an exemption from preemption shall include a statement which identifies in general terms, parties potentially affected by the State or local requirement, especially small businesses, including manufacturers, distributors, retailers, consumers, and consumer groups.

§ 1061.11 Incomplete or insufficient applications.

(a) If an application fails to meet the threshold requirements of § 1061.4(a) of this part, the Office of General Counsel will inform the applicant and return the application without prejudice to its being resubmitted.

(b) If an application fails to provide all the information specified in §§ 1061.5 through 1061.10 of this part, and fails to fully explain why it has not been provided, the Office of General Counsel will either:

(1) Return it to the applicant without prejudice to its being resubmitted,

(2) Notify the applicant and allow it to provide the missing information, or

(3) If the deficiencies are minor and the applicant concurs, forward it to the Commission for consideration on its merits.

(c) If the Commission or the Commission staff believes that additional information is necessary or useful for a proper evaluation of the application, the Commission or Commission staff

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will promptly request the applicant to furnish such additional information.

(d) If an application is not returned under paragraphs (a) or (b) of this section, the Commission will consider it on its merits.

§ 1061.12 Commission consideration on merits.

(a) If the Commission proposes to grant an application for exemption it will, in accordance with 5 U.S.C. 553, publish a notice of that fact in the FEDERAL REGISTER, including a proposed exemption regulation, and provide an opportunity for written and oral comments on the proposed exemption by any interested party.

(b) The Commission will evaluate all timely written and oral submissions received from interested parties, as well as any other available and relevant information on the proposal.

(c) The Commission's evaluation will focus on:

(1) Whether the State or local requirement provides a significantly higher degree of protection than the

Commission statute or regulation from the risk of injury or illness that they both address.

(2) Whether the State or local requirement would unduly burden interstate commerce if the grant of the exemption from preemption allows it to go into effect. The Commission will evaluate these factors in accordance with the Commission's statutory preemption provisions and their legislative history.

(3) Whether compliance with the State or local requirements would not cause the product to be in violation of the applicable Commission statute, standard, or regulation.

(d) If, after evaluating the record, the Commission determines to grant an exemption, it will publish a final exemption regulation, including the findings required by the statutory preemption provisions, in the FEDERAL REGISTER.

(e) If the Commission denies an application, whether or not published for comment, it will publish its reasons for doing so in the FEDERAL REGISTER.