441 G St. N.W. Washington, DC 20548

B-334978

March 16, 2023

The Honorable Maria Cantwell
Chairwoman
The Honorable Ted Cruz
Ranking Member
Committee on Commerce, Science, and Transportation
United States Senate

The Honorable Cathy McMorris Rodgers Chair The Honorable Frank Pallone, Jr. Ranking Member Committee on Energy and Commerce House of Representatives

Subject: Consumer Product Safety Commission: Safety Standard for Operating Cords on Custom Window Coverings

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Consumer Product Safety Commission (CPSC) entitled "Safety Standard for Operating Cords on Custom Window Coverings" (CPSC-2013-0028). We received the rule on January 27, 2023. It was published in the *Federal Register* as a final rule November 28, 2022. 87 Fed. Reg. 73144. The effective date is May 30, 2023.

CPSC states that it is issuing this final rule to require that operating cords on custom window coverings meet the same requirements as operating cords on stock window coverings, as set forth in the applicable voluntary standard. CPSC further states that the rule provides several methods to make window covering operating cords inaccessible or non-hazardous and that, because this is a consumer product safety rule, the operating cords on custom window coverings must be tested and certified as meeting the requirements of the rule. Finally, CPSC states that under the rule, custom window coverings that meet the definition of a "children's product" require third party testing by a CPSC-accepted third party conformity assessment body and that, to reflect this requirement, the rule amends the CPSC regulation listing children's product rules requiring third party testing.

Enclosed is our assessment of CPSC's compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. If you have any questions about this report or wish to contact GAO officials responsible for the evaluation work relating to the subject matter of the rule, please contact Shari Brewster, Assistant General Counsel, at (202) 512-6398.

Shirley A. Jones

Managing Associate General Counsel

Enclosure

cc:

Mary A. House Attorney, Office of the General Counsel Consumer Product Safety Commission

Page 2 B-334978

REPORT UNDER 5 U.S.C. § 801(a)(2)(A) ON A MAJOR RULE ISSUED BY THE CONSUMER PRODUCT SAFETY COMMISSION ENTITLED "SAFETY STANDARD FOR OPERATING CORDS ON CUSTOM WINDOW COVERINGS" (CPSC-2013-0028)

(i) Cost-benefit analysis

The Consumer Product Safety Commission (CPSC) conducted an economic analysis of this final rule. Based on estimates of injuries and fatalities associated with the cord types that are within the scope of the rule, as well as estimates of the rule's effectiveness, CPSC estimates that the rule will provide a total annual benefit of \$23 million associated with decreased injuries and fatalities. CPSC further estimates that the rule will impose a total annual aggregate cost to manufacturers and consumers in the range of \$54.4 million to \$129 million.

(ii) Agency actions relevant to the Regulatory Flexibility Act (RFA), 5 U.S.C. §§ 603–605, 607, and 609

CPSC prepared a Final Regulatory Flexibility Act Analysis. The analysis included discussion of: (a) the reason for agency action; (b) the objectives of and legal basis for the rule; (c) comments raised by the Chief Counsel for the Office of Advocacy, Small Business Administration; (d) significant economic issues raised by the public; (e) small entities to which the rule will apply; (f) compliance requirements of the final rule, including reporting and recordkeeping requirements; (g) costs of the final rule that would be incurred by small manufacturers; (h) impact on small manufacturers; (i) federal rules which may duplicate, overlap, or conflict with the final rule; and (j) alternatives for reducing the adverse impact on small entities.

(iii) Agency actions relevant to sections 202–205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532–1535

As an independent regulatory agency, CPSC is not subject to the Act.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 et seg.

On January 7, 2022, CPSC published a proposed rule. 87 Fed. Reg. 1014. CPSC received over 2,000 comments on the proposed rule. On March 16, 2022, CPSC held a public hearing to receive oral comments on the proposed rule. 87 Fed. Reg. 8441 (Feb. 15, 2022). CPSC responded to comments in the final rule.

Paperwork Reduction Act (PRA), 44 U.S.C. §§ 3501–3520

CPSC determined that the final rule contains information collection requirements under the Act, and indicated that it has submitted these requirements to the Office of Management and Budget (OMB) for review in accordance with the Act. CPSC further states that the final rule amends an

Page 3 B-334978

existing collection of information with OMB Control Number 3041-0159. CPSC estimates that the rule will result in a total annual reporting burden of 24,850 hours, as well as an annual cost of \$1,016,365 to industry and an annual cost of \$4,254 to the federal government.

Statutory authorization for the rule

CPSC promulgated this rule pursuant to section 553 of title 5, and sections 2056, 2058, and 2063 of title 15, United States Code, as well as section 3 of Public Law 110-314.

Executive Order No. 12866 (Regulatory Planning and Review)

As an independent regulatory agency, CPSC is not subject to the Order.

Executive Order No. 13132 (Federalism)

As an independent regulatory agency, CPSC is not subject to the Order.

Page 4 B-334978