

# GAO Highlights

Highlights of [GAO-21-56](#), a report to congressional requesters

## Why GAO Did This Study

CPSC is responsible for ensuring the safety of thousands of consumer products ranging from children's toys to off-road recreational vehicles.

GAO was asked to review CPSC's processes for addressing product safety hazards. Among other objectives, this report examines the extent to which CPSC has (1) taken steps to prioritize and address product safety hazards in a timely and efficient manner; (2) overseen firms' compliance with corrective action plans and taken steps to address noncompliance; and (3) taken steps to assess the effectiveness of different types of corrective actions.

GAO reviewed CPSC policies and procedures, prior GAO reports, and other published studies. GAO also interviewed CPSC commissioners and staff, legal experts, and representatives from consumer and industry organizations.

## What GAO Recommends

GAO is making five recommendations to CPSC to improve its processes for prioritizing resources, overseeing firms' compliance, measuring recall effectiveness, and managing the timeliness of product defect cases. CPSC generally agreed with GAO's findings and said it supported the recommendations.

View [GAO-21-56](#). For more information, contact Alicia Puente Cackley at (202) 512-8678 or [cackleya@gao.gov](mailto:cackleya@gao.gov).

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## CONSUMER PRODUCT SAFETY COMMISSION

### Actions Needed to Improve Processes for Addressing Product Defect Cases

## What GAO Found

The Consumer Product Safety Commission (CPSC) has recently taken steps intended to strengthen its processes for addressing consumer product defect cases, such as by developing a web portal to facilitate firms' participation in its Fast Track program for expedited recalls. However, GAO found several areas in which CPSC could improve how it responds to consumer product hazards:

- **Prioritizing resources.** CPSC does not follow steps described in its procedures for prioritizing resources for newly opened cases based on the potential risk to consumer safety associated with a product. Establishing and following specific procedures for prioritizing new cases based on relevant case-specific factors, such as the potential risk to consumer safety, could help ensure CPSC staff consistently allocate staff resources to cases based on these factors. CPSC staff conduct "recall effectiveness checks," such as by confirming that recalled products were removed from shelves and that appropriate signage was placed in stores for consumers to see. However, GAO found that CPSC does not consistently assign more checks to higher-risk recalls. By developing more formal written procedures on how to determine how many checks to assign, CPSC could provide staff with tools to more effectively prioritize resources to higher-risk cases.
- **Ensuring compliance with reporting requirements.** CPSC does not centrally track whether firms undertaking recalls have submitted required monthly progress reports. GAO found that only 61 percent of firms had submitted their progress reports more than 75 percent of the time for recalls closed between February 2016 and May 2020. Taking steps to ensure firms' compliance with the monthly reporting requirement could improve CPSC's ability to monitor the status of product recalls.
- **Measuring recall effectiveness.** CPSC uses one performance metric to assess the effectiveness of recalls—the correction rate. This metric represents the proportion of product units recalled that have been refunded, replaced, or repaired. However, using a single measure may not allow CPSC to accurately gauge the effectiveness of all its recalls—for example, for cheap products consumers may simply throw away (rather than seek a refund or replacement) in response to the recall. Using additional performance measures could help CPSC more accurately assess the effectiveness of product recalls.
- **Managing timeliness.** CPSC uses the same timeliness goals for all of its product defect cases, although complex cases take significantly longer. These timeliness goals do not account for the significant variability in how long it takes staff to conduct key stages of a product defect investigation. As a result, CPSC's timeliness goals for certain stages of product defect cases may not be an effective tool for managing more complex cases.