

defective products and quickly remove them from circulation.

The proposed rule under consideration would make substantial changes to the “Fast Track” program and could threaten the incentives for businesses to undertake voluntary recalls, as well as substantially increase the cost of completing the process. Most significantly, the proposed rule makes the corrective action plans in voluntary recall agreements legally binding, which could dramatically shift the incentive structure for businesses to report incidences of defective products. Making a plan legally binding will slow down the voluntary recall process, leaving consumers at risk for a longer period of time as the plans will first need to be subject to detailed review by legal counsel.

The proposed rule would also allow the CPSC to require the adoption of a compliance program as a component of corrective action plans. This requirement—if not properly calibrated—could introduce further delays in the voluntary recall process, even when a business has no history of recalls or violations. Thus, in the midst of working with the CPSC on the parameters of a voluntary recall agreement, a business might also have to negotiate the parameters of a compliance program and provide description of said program in the recall announcement.

While Section 214 of the Consumer Product Safety Improvement Act of 2008 required the CPSC to establish requirements for mandatory recall notices, the statute bears no mention of establishing similar requirements for voluntary recalls. I understand that the CPSC bases its authority to establish guidelines from language in a House committee report, but I am not convinced that the proposed rule’s sweeping changes to the existing voluntary recall process is congruent with either the intent of the statute or the language in the committee report.

Existing regulations require companies initiating a voluntary recall to propose and implement a formal corrective action plan, but these plans were never intended to be legally binding. Part 1115.20 of title 16 of the Code of Federal Regulations describes a corrective action plan as “[a] document, signed by a subject firm, which sets forth the remedial action which the firm will voluntarily undertake to protect the public, but which has no legally binding effect.” In effect, the regulations expressly prohibited the Commission from making these agreements legally binding in order to encourage—not deter—businesses to recall defective products. The CPSC’s proposed rules may have the opposite of the intended effect—and, at the very least, could substantially delay the timely distribution of product safety information to the public.

Make no mistake: I have long been an advocate for strong regulations that protect public health, safety, and the environment. However, I also believe that we must regulate in a manner that is sensitive to the burdens placed on individuals and businesses. My opinion is that the CPSC’s proposed rule may go too far—and may have the unintended consequence of delaying the recall process and extending the period of time in which defective items remain in circulation.

I urge the Commission to take my comments into consideration. The proposed rule could have a widespread and indiscriminate effect on voluntary recalls, and I ask the Commission to do its due diligence in fully vetting the impacts on businesses across the country, particularly for those wishing to initiate a voluntary recall as a precautionary measure. For large businesses, who already employ legal counsel and compliance officers, these new requirements will

be substantial; for small businesses, they could be crippling.

Sincerely,

ANGUS S. KING, JR.,
United States Senator.

Mrs. BLACKBURN. I also ask that Members of this Chamber recognize that the proposed rule change would slow a process meant to be conducted with speed and without red tape and would harm a system that ensures that consumer products sold in the U.S. are the safest in the world.

I reserve the balance of my time.

Mr. SERRANO. Mr. Chairman, I rise in opposition to the amendment.

The Acting CHAIR. The gentleman from New York is recognized for 5 minutes.

Mr. SERRANO. Mr. Chairman, there is a contradiction with what the gentlewoman says because, on one hand, she doesn’t want government involved in localities, and on the other hand, she wants to tell localities how to act.

On the other hand, she doesn’t want us to tell the Consumer Product Safety Commission how to act, so it becomes very confusing. This is an issue we should leave to the discretion of the Consumer Product Safety Commission. This is not something we should be micromanaging the CPSC on.

Furthermore, it is a proposed rule, and the CPSC is simply reviewing comments at this stage, and that is important to note. They are simply reviewing comments at this stage. We in this body should let the process of issuing rules play out, as is required in law, instead of cherry-picking where and when we want to interfere.

This is simply not an area of over-regulation, since no regulation is yet in effect, so this amendment is unnecessary. I oppose the amendment, and I hope my colleagues will as well.

I reserve the balance of my time.

Mrs. BLACKBURN. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. CRENSHAW).

Mr. CRENSHAW. I think the gentlewoman has very well explained the amendment. We have a system that has been working well for 40 years, and so I don’t think we need to make any unnecessary changes, and so I urge Members to support her amendment.

Mrs. BLACKBURN. Mr. Chairman, I thank the chairman.

I urge support of this amendment. The program in place at the CPSC has worked well. It is supported by both Republicans and Democrats. The process they are going through at CPSC is expending a tremendous amount of time and money.

Looking at setting up a system that would force these retailers into legal negotiations and settlements is not the way to address this.

The Fast Track program has been enormously successful. Former Chairman Brown worked during the Clinton administration—was appointed by President Clinton. They did a great job putting this program together. We

should leave it in place. I urge a “yes” vote.

I yield back the balance of my time.

Mr. SERRANO. Mr. Chairman, this agency is one of the better agencies. Every so often, we read about baby seats and blankets and all kinds of issues that affect our communities and our daily lives.

We should stop trying to attack it, as some people do. I just think that this is not a good amendment and that it should be defeated.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Tennessee (Mrs. BLACKBURN).

The question was taken; and the Acting Chair announced that the ayes appeared to have it.

Mr. SERRANO. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Tennessee will be postponed.

Mr. CRENSHAW. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LAMALFA) having assumed the chair, Mr. WENSTRUP, Acting Chair of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 5016) making appropriations for financial services and general government for the fiscal year ending September 30, 2015, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. CRENSHAW. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material in the further consideration of H.R. 5016, and that I may include tabular materials on the same.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

INFRASTRUCTURE NEEDS OF AMERICA

The SPEAKER pro tempore. Under the Speaker’s announced policy of January 3, 2013, the gentleman from California (Mr. GARAMENDI) is recognized for 60 minutes as the designee of the minority leader.

Mr. GARAMENDI. Mr. Speaker, it is good to be back here on the floor once again. Tonight, we want to carry on our long-running discussion about how to improve the American economy, how to create jobs here in this Nation and move us all forward, how to rebuild the middle class, how to make sure that every family has the opportunity