

## U.S. CONSUMER PRODUCT SAFETY COMMISSION 4330 EAST WEST HIGHWAY BETHESDA, MD 20814

## STATEMENT OF COMMISSIONER NANCY NORD ON THE CPSC CIVIL PENALTY FACTORS FINAL RULE March 10, 2010

Today the Commission adopted a rule to explain more fully how we will determine the amount of civil penalties imposed for violations of the statutes we enforce. The rule is intended to increase understanding of what factors and issues the Commission believes are most important in penalty determinations. The basic and most important purpose of the rule, however, is to promote compliance with the law to assure that product safety is effectively advanced.

While I am not fully satisfied that the final rule accomplishes its objective to provide clarity and incent compliance, it is much improved over the interim final rule. The interim final rule, adopted in August 2009, had numerous provisions which I could not support and about which I raised very serious questions and concerns. Some of those concerns were addressed in amendments which I offered and which were accepted in the final rule. Is this final rule ideal? Does it get all the issues right? In my opinion, not entirely. But it does represent a good effort both to reach some common ground and to make substantive improvements to the point that I can accept it.

I am especially pleased to see that the final rule includes recognition of the value of compliance with voluntary standards. It is clear to me that the government cannot achieve consumer safety solely through regulation. The original authors of the Consumer Product Safety Act acknowledged that fact by recognizing the invaluable role played by voluntary standards in advancing safety. Therefore I am pleased that the Commission recognizes in this rule that compliance with relevant standards, both mandatory and voluntary, should be part of a good compliance program and, as such, may be considered when penalties are being assessed.