



## ***Save Small Businesses from the CPSIA***

### ***The Problem***

The Consumer Product Safety Improvement Act (CPSIA) is overly broad in its focus and puts unrealistic testing costs on small businesses that were already providing safe products. The result is a decreased capacity to protect consumers, and severe financial hardship for small business.

### **What should Congress do?**

The CPSC has indicated that they are unable to fix the unintended consequences of the CPSIA without a technical amendment from Congress. We are seeking:

1. ***Component-based testing*** so that suppliers of our raw materials could provide the children's product manufacturer with certification of compliance within the law, which would eliminate the need for redundant and costly unit-based testing. Safety would be improved by driving compliance upstream in the supply chain, catching non-compliant materials prior to distribution, practically eliminating the chance that any given finished unit would be non-compliant.
2. ***Exemptions from testing*** for materials known by science not to pose a lead or phthalate contamination hazard, such as fabrics, certified organic materials, and many natural materials such as wood, paper and bamboo. Manufacturers would be spared the costs of testing these materials, and testing labs and the CPSC could better focus their efforts on high-risk materials such as metals and paints.
3. ***Harmonization with European Standards***. Accepting the stringent EU standards in the United States as sufficient for the requirements of CPSIA would save countless US businesses that import from or export to the EU from the costs of performing multiple tests. US and EU regulators would be able to work together to oversee the global marketplace.
4. ***Exempt permanent batch labeling*** of products for hand crafted and micro businesses that have small batch runs. While permanent labeling may be efficient with large runs of plastic products, it would be extremely difficult and cost prohibitive for small batches made from wood or fabric.
5. ***Revisit the retroactivity*** of the CPSIA based on a risk-based approach.

### **The Result**

Fixing the CPSIA ***now before any more*** law-abiding and well-intentioned small companies are forced out of business will preserve the integrity of the original legislation, prevent political backlash, and refocuses the efforts of the CPSC to fulfill the law's original purpose. To date, some businesses have discontinued their children's lines or have closed altogether. Libraries are sequestering children's books printed prior to 1985. Thrift stores have removed children's products from their shelves. Several European toy manufacturers have pulled out of the US market. ATV and motor bike manufacturers and storefronts have removed inventory intended for children 12 and under, including replacement parts. Without common sense changes to the CPSIA, the tragic result will in fact not be increased product safety, but the closing of small businesses that were already providing safe products.

### **About the Handmade Toy Alliance**

The Handmade Toy Alliance ([www.handmadetoyalliance.org](http://www.handmadetoyalliance.org)) represents small toymakers, children's product manufacturers, and independent retailers whose businesses cannot survive without repairing the CPSIA. We believe that these changes will not only help our businesses, but many other companies large and small who have been caught in a snarl of unintended consequences, affecting everything from apparel to educational materials for children with disabilities. We need common sense reform to preserve the heart and soul of American toys and children's products.