

U.S. Consumer Product Safety Commission

Guidelines for Retailers and Reverse Logistics Providers

This document contains excerpts of federal statutes.
For the full text of the quoted statutes,
please visit: <http://www.cpsc.gov/businfo/cpsa.html>.

I. REGULATIONS

A. Federal law prohibits the sale of recalled products.

“It shall be unlawful for any person to (2) sell, offer for sale, manufacture for sale, distribute in commerce, or import into the United States any consumer product or substance that is (B) subject to voluntary corrective action taken by the manufacturer, in consultation with the Commission . . .” or “(C) subject to an order issued under section 12 or 15 of this Act.” *See* CPSA Section 19(a)(2)(B)-(C), 15 U.S.C. Section 2068(a)(2)(B)-(C).

- The law applies to both voluntary recalls by a manufacturer and recalls ordered by the Commission.
- The definition of “manufacturer” includes an importer.
- Any person or firm distributing recalled products in commerce may be liable.
- It is your responsibility to monitor CPSC recalls and ensure that your business complies with the law.

B. Federal law authorizes CPSC staff to conduct unannounced inspections of any establishment where consumer products are manufactured or held in connection with distribution in commerce.

“[O]fficers or employees duly designated by the Commission, upon presenting appropriate credentials and a written notice from the Commission to the owner, operator, or agent in charge, are authorized (1) to enter, at reasonable times, (A) any factory, warehouse, or establishment in which consumer products are manufactured, or held, in connection with distribution in commerce.” *See* CPSA Section 16(a)(1), 15 U.S.C. Section 2065(a)(1).

- “Reasonable times” are considered to be normal business hours.
- CPSC staff is also authorized to inspect appropriate books, records, and papers relevant to a determination of whether a firm is complying with CPSC regulations. *See* CPSA Section 16(b), 15 U.S.C. Section 2068(b).
- Refusal to permit entry or inspection by CPSC staff is a violation of federal law. *See* CPSA Section 19(a)(3), 15 U.S.C. Section 2068(a)(3).

C. As of August 2009, the penalty for knowingly violating the law can be as high as \$100, 000 per violation, with a maximum penalty of \$15 million for a related series of violations.

“Any person who knowingly violates section 19 of this Act shall be subject to a civil penalty not to exceed \$100,000 for each such violation . . . [A] violation of section 19(a) (1), (2), (4) . . . shall constitute a separate offense with respect to each consumer product involved, except that the maximum civil penalty shall not exceed \$15,000,000 for a related series of violations. A violation of section 19(a)(3) shall constitute a separate violation with respect to each failure or refusal to allow or perform an act required thereby.” *See* CPSA Section 20(a)(1), 15 U.S.C. Section 2069(a)(1).

- Each offer for sale, sale, or distribution in commerce may be considered a separate violation.
- Each failure to permit entry or inspection may be considered a separate violation.

II. RESOURCES

A. Read the full text of laws and regulations: <http://www.cpsc.gov/businfo/cpsa.html>.

B. Sign up to receive emails about CPSC recalls: <https://www.cpsc.gov/cpsclist.aspx>.