

# Consumer Product and Safety Improvement Act

## What is the Consumer Product and Safety Improvement Act?

On August 4, 2008, President George W. Bush (R) signed the Consumer Product and Safety Improvement Act (CPSIA), thus enacting new standards for lead in children's products, including children's clothing. Starting on February 10, 2009, products intended for distribution and sale in the United States are required to be tested by a third-party tester. To prevent children from being exposed to dangerous lead levels, products that comply with the new standards are to be certified and labeled accordingly to ease identification of CPSIA-compliant products. Furthermore, the CPSIA prohibits the sale of products that exceed the CPSIA's new standards, including products manufactured long before the CPSIA was enacted.

## The Problem

Unfortunately, the question of how the Consumer Product Safety Commission (CPSC) will apply the CPSIA to "resellers" has created a great deal of concern among the community of nonprofit social service providers, such as Goodwill®, that support their missions by selling donated goods in thrift stores. The CPSC has confirmed that the law's testing requirements do not apply to resellers, yet has only provided broad guidance regarding how resellers should treat donated children's products.

## The CPSIA and Goodwill Industries®

As things stand, the only way that Goodwill store operators can be 100-percent certain that children's products manufactured prior to the CPSIA's enactment do not exceed the new standards would be to dispose of all children's products as banned hazardous substances.

While Goodwill's first priority is to protect the safety of its customers, the decision to not sell children's products has significant implications.

- The CPSIA, as interpreted by the CPSC, will create unintended negative consequences for families and community members who receive Goodwill employment services to achieve economic self-sufficiency.
  - **Without revenue from the sale of children's clothing, potentially more than 70,000 Americans will not receive the Goodwill employment training and other services they need to achieve economic independence.**
- The CPSIA will create unintended negative consequences for the families who shop in Goodwill stores.
  - **Families who shop in Goodwill stores, especially those facing significant economic challenges, are looking for ways to stretch their limited budgets. Gently used children's clothing sells for about 20 percent of original retail price. If families are unable to rely on shopping at Goodwill stores, it is estimated that they would be forced to spend an additional \$670 million on clothing, collectively.**

## The Solution

Goodwill recommends that Congress pass legislation such as S. 608 introduced by Sen. Jon Tester (D-MT), which excludes the secondary sale of children's products from the CPSIA.

## Action Requested

Goodwill Industries urges Congress to support legislation to remove the retroactive language from the CPSIA, therefore making it applicable to only products manufactured after February 10, 2009, or support legislation that would exclude the secondary sale of children's products from the CPSIA.

## About Goodwill Industries International

Goodwill Industries International is North America's leading nonprofit provider of employment training, job placement services and other community programs for people who have a disability, lack of education or job experience or are facing economic challenges. Goodwill organizations fund employment training, job placement and other community programs by selling donated clothes and other household items at more than 2,200 Goodwill stores in the United States and Canada and online at [shopgoodwill.com](http://shopgoodwill.com). Goodwill Industries collectively reported \$3.2 billion in revenues in 2007. Eighty-four percent of collective revenues raised go directly toward supporting and growing community-based programs and services.

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**Goodwill recommends that Congress pass legislation that excludes the secondary sale of children's products from the CPSIA, and enacts common-sense solutions that allow nonprofit organizations to continue selling second-hand children's products to support their missions while demonstrating good faith.**