



Billing Code 6355-01-P

CONSUMER PRODUCT SAFETY COMMISSION

16 CFR Part 1120

[CPSC Docket No. CPSC-2014-0024]

Substantial Product Hazard List: Seasonal and Decorative Lighting Products

AGENCY: Consumer Product Safety Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Consumer Product Safety Commission (CPSC or Commission) is proposing a rule to specify that seasonal and decorative lighting products that do not contain one or more of three readily observable characteristics (minimum wire size, sufficient strain relief, or overcurrent protection) constitute a substantial product hazard under the Consumer Product Safety Act (CPSA).

DATES: Written comments must be received by [INSERT DATE THAT IS 75 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: You may submit comments, identified by Docket No. CPSC-2014-0024, by any of the following methods:

Electronic Submissions

Submit electronic comments in the following way:

Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.

The Commission is no longer accepting comments submitted by electronic mail (e-mail), except through www.regulations.gov.

Written Submissions

Submit written submissions in the following way:

Mail/Hand delivery/Courier (for paper, disk, or CD-ROM submissions), preferably in five copies, to: Office of the Secretary, Consumer Product Safety Commission, Room 820, 4330 East West Highway, Bethesda, MD 20814; telephone (301) 504-7923.

Instructions: All submissions received must include the agency name and docket number for this rulemaking. All comments received may be posted without change, including any personal identifiers, contact information, or other personal information provided, to:

<http://www.regulations.gov>. Do not submit confidential business information, trade secret information, or other sensitive or protected information electronically. Such information should be submitted in writing.

Docket: For access to the docket to read background documents or comments received, go to: <http://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: Arthur Lee, Office of Hazard Identification and Reduction, Consumer Product Safety Commission, National Product Testing and Evaluation Center, 5 Research Place, Rockville, MD 20850; telephone: 301-987-2008; alee@cpsc.gov.

SUPPLEMENTARY INFORMATION:

I. Introduction

The Commission proposes to issue a rule under section 15(j) of the CPSA, 15 U.S.C. 2064(j), that would amend the substantial product hazard list in 16 CFR part 1120 (part 1120). The substantial product hazard list in part 1120 would be amended to add three readily observable characteristics of seasonal and decorative lighting products: (1) minimum wire size; (2) sufficient strain relief; and (3) overcurrent protection. If the amendment to part 1120 is finalized, seasonal and decorative lighting products that do not contain one or more of these characteristics would be

deemed to create a substantial product hazard under section 15(a)(2) of the CPSA because such products pose a risk of electrical shock or fire. These three electrical safety characteristics for seasonal and decorative lighting products have been addressed in a voluntary standard, Underwriters Laboratories (UL), *Standard for Safety for Seasonal and Holiday Decorative Products*, UL 588, 18th Edition, approved on August 21, 2000 (UL 588).

As detailed in this notice, the Commission determines preliminarily that:

- minimum wire size, sufficient strain relief, and overcurrent protection are all readily observable characteristics of seasonal and decorative lighting products;
- these three readily observable characteristics are addressed by a voluntary standard, UL 588;
- conformance to UL 588 has been effective in reducing the risk of injury from shock and fire associated with these readily observable characteristics; and
- seasonal and decorative lighting products sold in the United States substantially comply with UL 588.

A. *Background and Statutory Authority*

Section 223 of the Consumer Product Safety Improvement Act of 2008 (CPSIA), amended section 15 of the CPSA, 15 U.S.C. 2064, to add a new subsection (j). Section 15(j) of the CPSA provides the Commission with the authority to specify, by rule, for any consumer product or class of consumer products, characteristics whose existence or absence are deemed a substantial product hazard under section 15(a)(2) of the CPSA. Section 15(a)(2) of the CPSA defines a “substantial product hazard,” in relevant part, as a product defect which (because of the pattern of defect, the number of defective products distributed in commerce, the severity of the risk, or otherwise) creates a substantial risk of injury to the public. For the Commission to issue a rule under section 15(j) of the CPSA, the characteristics involved must be “readily observable” and have been addressed by a

voluntary standard. Moreover, the voluntary standard must be effective in reducing the risk of injury associated with the consumer products, and there must be substantial compliance with the voluntary standard.

The Commission has issued two previous rules under section 15(j) of the CPSA involving drawstrings on children’s upper outerwear (76 FR 42502, July 19, 2011) (drawstring rule) and integral immersion protection on handheld hair dryers (76 FR 37636, June 28, 2011) (hair dryer rule). The Commission did not define a “readily observable” characteristic in either rule. In the proposed drawstring rule (75 FR 27497, 27499, May 17, 2010), the Commission found that the requirements detailed in the relevant voluntary standard could be evaluated with “simple manipulations of the garment, simple measurements of portions of the garments, and unimpeded visual observation.” The Commission stated: “more complicated or difficult actions to determine the presence or absence of defined product characteristics also may be consistent with ‘readily observable.’” Finally, the Commission stated its intent to evaluate “readily observable” characteristics on a case-by-case basis. 75 FR at 27499.

B. Seasonal and Decorative Lighting Products

1. Product Description

The proposed rule uses the phrase “seasonal and decorative lighting products” to identify the lighting products that are within the scope of the rule. The Commission proposes to define “seasonal and decorative lighting products,” consistent with the description of products subject to the applicable voluntary standard, as set forth in section 1 of UL 588, as portable, plug-connected, temporary-use lighting products and accessories that have a nominal 120 volt input voltage rating. Lighting products within the scope of the rule are factory-assembled with push-in, midget- or miniature-screw base lampholders connected in series or with candelabra- or intermediate-screw base lampholders connected in parallel, directly across the 120 volt input. Such lighting products

include lighted decorative outfits, such as stars, wreathes, candles without shades, light sculptures, blow-molded (plastic) figures, and animated figures. Lighting products outside the scope of the rule include: battery-operated products; products that operate from a transformer or low-voltage power supply; flexible tube lighting strings of lights intended for illumination; and portable electric lamps that are used to illuminate seasonal decorations.

This definition of “seasonal and decorative lighting products” is adapted from descriptions of lighting products defined in section 1 of UL 588. All in-scope products are covered by UL 588. Lighting products within the scope of the rule are typically used seasonally and provide only decorative lumination. The products typically are displayed for a relatively short period of time and then removed and stored until needed again. UL 588 section 2.43 defines the term “seasonal (holiday) product” as “[a] product painted in colors to suggest a holiday theme or a snow covering, a figure in a holiday costume, or any decoration associated with a holiday or particular season of the year.” UL 588 defines “decorative light products” (decorative outfits) as factory-assembled, electrically powered units providing a seasonal or holiday decorative display having illumination or other decorative effects. A decorative product may contain a lighting string as part of the decorative illumination. A lighting string provided with decorative covers over the lamps is a decorative outfit. If not constructed properly, lighting powered by 120 volts can be damaged easily and can pose a risk of electrical shock, electrocution, or fire.

Lighting products that are excluded from the scope of the rule are subject to different voluntary standards or do not present the same risk of injury. Table 1 provides a non-exhaustive list of examples of lighting products that fall within, and outside of, the scope of the proposed rule.

**Table 1: Seasonal and Decorative Lighting Products
Within the Scope of the Draft Proposed Rule**

<p><u>In Scope:</u></p> <ul style="list-style-type: none"> • Incandescent or LED light sets, 120 volts, cord-connected, either series or parallel wired, with either screw-in or mini-base push-in bulbs • Pre-lit artificial trees, wreaths, menorahs, lawn figures, light sculptures, and other decorative outfits and accessories incorporating light sets
<p><u>Out of Scope:</u></p> <ul style="list-style-type: none"> • Rope, tube, or tape lights without replaceable bulbs • Landscape lights or other permanent lighting devices, either assembled or unassembled • Battery-operated or transformer-connected light sets • Unlighted ornaments that replace a push-in mini-bulb

2. Applicable Voluntary Standard

UL 588-2000 is the current voluntary standard applicable to seasonal and decorative lighting products. UL 588 has been updated over the years to address various safety issues to make seasonal and decorative lighting products safer, *see* Staff’s Briefing Package on Seasonal and Decorative Lighting Products, dated October 1, 2014 (Staff Briefing Package), Tab B, Abbreviated History of Seasonal and Decorative Lighting Products and the Associated UL Standard, at <http://www.cpsc.gov/Global/Newsroom/FOIA/CommissionBriefingPackages/2015/ProposedRuletoAmendSubstantialProductHazardListtoIncludeSeasonalandDecorativeLightingProducts.pdf>. Specifically, UL 588 made effective on January 1, 1997, the current requirements for overcurrent protection and minimum wire size, and the current strain relief requirement has been in effect since 1994. Table 2 summarizes the relevant sections and technical requirements in UL 588 for each of the three readily observable characteristics.

Table 2. Readily Observable Characteristics for Seasonal and Decorative Lighting Products

		Readily Observable Characteristics			
		Minimum Wire Size (AWG) <i>UL 588 Section 6</i>	Sufficient Strain Relief (load weight)		Overcurrent Protection Qty. <i>UL 588 Section 7</i>
	Plugs/Load Fittings <i>UL 588 Sections 15 and 71</i>		Lampholders <i>UL 588 Sections 79 and SB16</i>		
Series-connected lighting product	With Load Fitting	20 (Polarized Plug)	20 lbs. (smaller than 18 AWG)	24 lbs.	1
		22 (Non-Polarized Plug)		8 lbs.	2
	Without Load Fitting	22 (Polarized Plug)		8 lbs.	1
		22 (Non-Polarized Plug)		8 lbs.	2
Parallel-connected light product	With or Without Load Fitting	20 (XTW) 18 (all others) All Polarized Plugs	20 lbs. (20 AWG) 30 lbs. (18 AWG)	24 lbs.	1

3. Electrocution and Fire Hazards

Consumers can be seriously injured or killed by electrical shocks or fires if seasonal and decorative lighting products are not made using minimum wire size, sufficient strain reliefs, or overcurrent protection. Lighting products that conform to the minimum wire size requirement in UL 588 will support the product’s electrical load without causing overheating. Additionally, lighting products that conform to the minimum wire size requirement provide the necessary mechanical strength to endure handling and other forces imposed on a seasonal lighting product during expected use of the product. Likewise, lighting products that conform to the strain relief requirements in UL 588 will endure use, including pulling and twisting the product, without mechanical damage to the electrical connections. Damaged electrical connections, such as broken strands of copper conductor inside the insulated wiring, could cause overheating (leading to a fire), despite overcurrent protection, or separation of wires from their terminal connections, which could expose bare energized conductors leading to electrical shock. Finally, UL 588’s requirements for overcurrent protection prevent products from overheating and melting due to faults, damage, or excessive loads. Such failures carry a potential risk of fire.

4. Risk of Injury

CPSC has been concerned with the number of fires and injuries resulting from seasonal and decorative lighting products for many years. From 1980 through 1997, CPSC received reports of 206 deaths and 808 nonfatal incidents involving seasonal and decorative lighting products that resulted in a fire and/or shock hazard. In a June 1995 report titled, “Electrical Holiday Lighting,” CPSC staff cited annual averages of 500 fire service-attended fires and 30 deaths involving Christmas trees and another 68 fire deaths and shocks specifically related to electrical decorations.

More recently, staff’s evaluation of the shock and fire hazard data related to seasonal and decorative lighting demonstrates that from 1980 through 2013, CPSC is aware of 132 fatal incidents, 256 deaths, and 1,255 non-fatal incidents associated with seasonal and decorative lighting products. Table 3 summarizes CPSC’s injury data from 1980 through 2013, based on annual averages related to seasonal and decorative lighting products. Note that the average number of incidents and deaths has declined over the 33-year period represented in Table 3.

Table 3. Seasonal and Decorative Lighting Product Annual Average¹ of Fatal Incidents, Deaths, and Non-fatal Incidents from 1980 – 2013

Years	Fatal Incidents	Deaths	Non-fatal Incidents
1980–1986	6.7	12.6	54.1
1987–1993	6.3	13.6	40.9
1994–2000	2.9	5.9	37.4
2001–2007	2.1	3.6	32.6
2008–2013	1.0	1.2	16.7

5. Office of Compliance Efforts, to Date

In numerous instances, CPSC staff has considered the absence of one or more of the three readily observable characteristics (minimum wire size, sufficient strain relief, and overcurrent protection) to present a substantial product hazard and has sought appropriate corrective action to prevent injury to the public. Since 1974, CPSC staff has conducted 47 voluntary recalls of seasonal

¹ The numbers are given as annual averages instead of totals because there are four 7-year periods and one 6-year period.

and decorative lighting products, involving a total of 3.6 million units. *See* Tab D of Staff's Briefing Package, Seasonal and Decorative Lighting Product Recalls and Import Stoppages. In addition to product recalls, CPSC staff has stopped noncompliant seasonal and decorative lighting products at the ports at least 127 times, involving 31 companies and a total of about 200,000 lighting units. *Id.* Tables 1 and 2 in Tab D of the Staff's Briefing Package provide details on both voluntary recalls and import stoppages. Note that where the information is available, most of the hazards identified by staff in recalling or stopping seasonal and decorative lighting products would be deemed a substantial product hazard under the proposed rule.

Additionally, the Office of Compliance sent a letter dated July 14, 2014, to manufacturers, importers, distributors, and retailers of holiday lights and decorative products, informing them that the Office of Compliance considers products that do not conform to UL 588 regarding minimum wire size, sufficient strain relief, and overcurrent protection to be defective and to present a substantial product hazard. *See* Tab A of Staff's Briefing Package, Office of Compliance July 14, 2014 Letter to Manufacturers, Importers, and Retailers of Holiday Lights and Decorative Outfits.

II. Preliminary Determination of Substantial Product Hazard

A. Defined Characteristics Are Readily Observable

Sections 6, 7, 15, 71, 79, and SB16 of UL 588 set forth the requirements for the three readily observable characteristics in the proposed rule: minimum wire size, sufficient strain relief, and overcurrent protection. Table 2 in section I.B.2 of this Preamble summarizes the technical requirements for the three readily observable characteristics in UL 588. Additionally, Tab C of the Staff's Briefing Package, Readily Observable Safety Characteristics of Seasonal and Decorative Lighting Products, provides more detail on the information presented in Table 2. If finalized, the rule would deem the absence of any one or more of these characteristics to be a substantial product hazard under section 15(a)(2) of the CPSA.

1. Minimum Wire Size

Section 6 of UL 588 requires that series-connected lighting products have a minimum wire size of 20 or 22 AWG, depending on whether the lighting product has a load fitting, and whether the plug is polarized. Parallel-connected lighting products must have a minimum wire size of 18 or 20 AWG, depending on the type of wire used in constructing the product. Whether a lighting product is series or parallel constructed, contains a load fitting, or has a polarized plug are all visually observable characteristics of seasonal and decorative lighting products. Pictures 1 and 2 show examples of series-connected and parallel-connected lighting products.



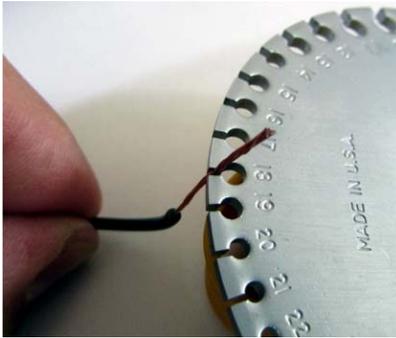
Picture 1: Series-connected miniature light string



Picture 2: Parallel-connected screw-base bulbs light string

Wire size is observable by a simple measurement of the bare conductors. Before measuring the wire size, staff must expose the conductors within the wire. One method of measuring the exposed conductors is using a circular wire gauge, as shown in picture 3. In CPSC staff's experience, those lighting products that do not meet the minimum wire size requirement typically fail by using wiring that is substantially undersized for the product, for example, more than six wire sizes smaller than the minimum required. Moreover, the act of exposing and measuring the wire in a seasonal and decorative lighting product is quickly and easily done by using a small, handheld device to strip the electrical insulation from the wiring. Accordingly, the Commission concludes preliminarily that minimum wire size, as required in section 6 of UL 588, is a readily observable

characteristic of seasonal and decorative lighting products that can be observed visually by taking a simple measurement of the product's bare wire.



Picture 3: Measuring Wire Size (AWG) of Seasonal Light String

2. Sufficient Strain Relief

Sections 15, 71, 79, and SB16 of UL 588 set forth the requirements for sufficient strain relief in seasonal and decorative lighting products. Strain relief is observed in several locations: at the plugs and load fittings, as well as at the lampholders. Pursuant to UL 588, sufficient strain relief is observed by suspending a gradually applied straight pull on the wiring by use of a suspended weight for 60 seconds. During that time, wires with sufficient strain relief will not pull loose or stretch from the lampholder, plug, or load fitting being tested. Picture 4 demonstrates observation of sufficient strain relief on a plug.



Picture 4: Observation of Strain Relief on a Plug

The applicable weight required in UL 588 to be suspended from the lighting product depends on its configuration. Section 15 of UL 588 describes the general requirements that strain relief must be provided on the electrical connection used in seasonal and decorative lighting products. Sections 71, 79, and SB16 of UL 588 describe the specific requirements. Section 71 of UL 588 requires that series-connected plugs and load fittings be subjected to a 20-lb. weight. For parallel-connected lighting products, plugs and load fittings for products with wires smaller than 18 AWG must be subjected to a 20-lb. weight, and products with wires 18 AWG or larger must be subjected to a 30-lb. weight. Similarly, sections 79 and SB16 of UL 588 specify applicable weights to observe sufficient strain relief in lampholders. For series-connected lighting products, if the wires are smaller than 20 AWG, the weight applied must be a minimum of 8 lbs., and if the wires are 20 AWG or larger, the weight applied must be a minimum of 24 lbs. For parallel-connected lampholders, if the wires are 20 AWG or larger, the weight applied must be a minimum of 24 lbs. The applicable weights are summarized in Table 2 in section I.B.2 of this Preamble.

The strain relief portion of UL 588 for seasonal and decorative lighting products is observable visually by hanging a weight on the light string for 60 seconds and observing whether the weight drops or stretches the wiring. In CPSC staff's experience, lighting products that fail the strain relief requirements in UL 588 do so immediately or within a few seconds of suspending the applicable weight. The Commission concludes preliminarily that sufficient strain relief, as required in sections 15, 71, 79, and SB16 of UL 588, is a readily observable characteristic of seasonal and decorative lighting products that can be determined by suspending the applicable weight from the plug, load fitting, or lampholder, and by observing visually whether the wire breaks or stretches.

3. Overcurrent Protection

Section 7 of UL 588 specifies overcurrent protection for every seasonal and decorative lighting product. Lighting products must contain at least one fuse if the plug is polarized (parallel-connected strings must have a polarized plug) or two fuses if the plug is not polarized.

A seasonal light string with overcurrent protection is readily observable by the presence of a fuse holder located in the plug or near the plug, and observing the presence of a fuse by opening the fuse holder. Picture 5 depicts a light string with a plug containing the fuses required by UL 588. The Commission concludes preliminarily that overcurrent protection, as required in section 7 of UL 588, is a readily observable characteristic of seasonal and decorative lighting products that can be determined by a visual observation of whether the lighting product has a fuse holder containing the correct number of fuses.



Picture 5: Fuse

B. Conformance to UL 588 Has Been Effective in Reducing the Risk of Injury

The Commission finds preliminarily that conformance to sections 6, 7, 15, 71, 79, and SB16 of UL 588, as summarized in Table 2 in section I.B.2 of this Preamble, has been effective in reducing the risk of injury from shock and fire associated with below-minimum wire size, insufficient strain relief, and lack of overcurrent protection. Additionally, CPSC’s incident data suggest that conformance to UL 588 has contributed to a decline in the risk of injury associated with seasonal and decorative lighting products. *See* Tab E of Staff’s Briefing Package, Seasonal Lighting and Decorative Products: Fire or Shock Incidents from 1980 to 2013.

If incandescent light strings last approximately three seasons of use,² then it can be expected that product changes made to conform to new requirements in UL 588 would be evident within a period of time thereafter. On January 1, 1997, UL 588’s requirements for overcurrent protection and minimum wire size took effect; and the current strain relief requirement has been in effect since 1994. Table 4 lists the deaths associated with seasonal and decorative lighting products for the periods 1980–1996 and 2000–2013. The years from 1997 to 1999 would have been transitional years, where older products in consumer homes were being replaced with light strings incorporating the January 1, 1997 changes (minimum wire size and overcurrent protection) in the UL standard. The average number of deaths per year and the average number of nonfatal incidents per year were higher before 1997, and the numbers dropped after 1999.

Table 4: Deaths Associated with Seasonal and Decorative Lighting Products

Period	1980–1996	2000–2013
Deaths	202	43
Nonfatal Incidents	762	366
Average Deaths per year	11.88	3.07
Average Nonfatal Incidents per year	44.82	26.14

² Incandescent light strings advertise that the products have a usual design life span of approximately 1,500 hours. Using an average of 12 hours per day for 40 days per year, incandescent light strings last approximately 3 years.

Figure 1 presents a 3-year moving average for deaths due to seasonal and decorative lighting products, by year, for the period 1980–2013 for data from the Potential Injury Database (IPII), National Electronic Injury Surveillance System (NEISS), and the Death Certificate Database (DTHS). Figure 1 shows that the number of deaths started to decline as early as 1990, and continued on a downward trend to 2013, with the exceptions of yearly fluctuations. This early decrease may be due to various factors, such as changes to UL 588, home building codes, and fire-prevention strategies. Since 2004, the continuation of low death rates is partially attributed to the construction and performance requirements in the current UL 588 standard.

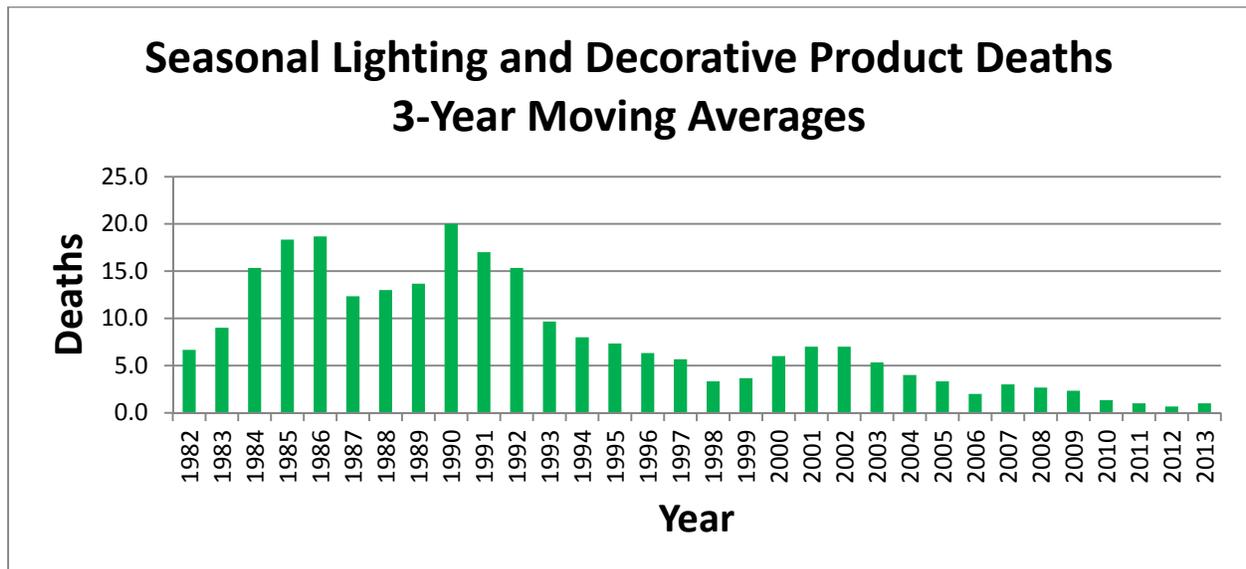


Figure 1. Three-Year Moving Averages of Seasonal Lighting and Decorative Product Deaths from 1980 to 2013³

Figure 2 presents a 3-year moving average for nonfatal incidents due to seasonal and decorative lighting products, by year, for the period 1980–2013 for data from IPII and NEISS. Figure 2 also demonstrates an overall downward trend to 2013, with the exceptions of yearly fluctuations. The decrease can be attributed to several factors, including: changes to UL 588, home building code, and fire prevention strategies. However, the construction and performance

³ Incident data is from Potential Injury Database (IPII), National Electronic Injury Surveillance System (NEISS), and the Death Certificate Database (DTHS).

requirements in the current UL 588 standard for seasonal and decorative lighting products with minimum wire size, sufficient strain relief, and overcurrent protection have made the products safer than products manufactured without these construction and performance requirements.

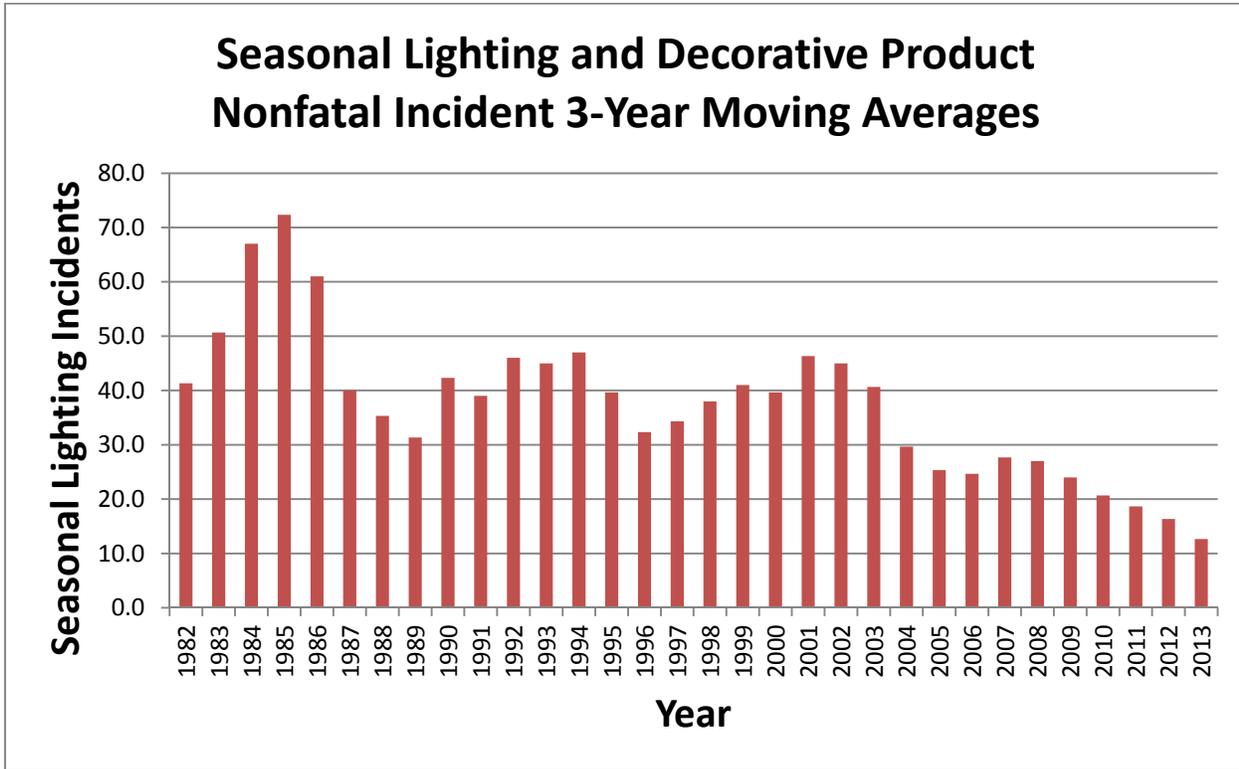


Figure 2. Three-Year Moving Averages of Seasonal Lighting and Decorative Product Nonfatal Incidents from 1980 to 2013²

C. *Lighting Products Substantially Comply with UL 588*

The CPSA does not define “substantial compliance” with a voluntary standard. Legislative history of the CPSA regarding a finding of “substantial compliance” in the context of issuing a consumer product safety standard indicates that substantial compliance should be measured by considering the number of complying products, rather than the number of manufacturers of products that comply with a standard. H.R. Rep. No. 208, 97th Cong., 1st Sess. 871 (1981). This same legislative history indicates further that substantial compliance may be found when an unreasonable risk of injury associated with a product will be eliminated or adequately reduced “in a timely fashion.” *Id.* The Commission has not articulated a bright line rule for substantial compliance.

Rather, in the rulemaking context, the Commission has stated that the determination of substantial compliance should be made on a case-by-case basis.

The Commission finds preliminarily that compliance with UL 588 is “substantial” as that term is used in section 15(j) of the CPSA. The Commission’s preliminary finding is based on CPSC staff’s review of market information and compliance activity, and staff’s estimate that a majority of seasonal and decorative lighting products, well in excess of 90 percent, sold for consumer use in the United States, likely conforms to UL 588. *See* Tab F of Staff’s Briefing Package, Conformance to UL Voluntary Standard for Seasonal and Decorative Lighting Products.

The U.S. Department of Homeland Security’s Customs and Border Patrol (CBP) reported that in 2013, the import value of products that would be covered by the draft proposed rule was about \$500 million, comprised of roughly 20,000 “entries” or product shipments. If the average import value per unit were \$5.00 (based on the range of retail prices observed by staff), then the number of units imported annually may be up to 100 million. CBP also reported that about 550 firms were engaged in the importation of seasonal and decorative lighting products during 2013. Adjusting to exclude shipping companies and other third parties, the total number of firms importing seasonal and decorative lighting products into the United States was probably about 500, with the largest number of shipments originating from the People’s Republic of China. An online, wholesale directory identified about 160 manufacturers and suppliers in China, Hong Kong, and Taiwan, with about 120 of these exporting products to the United States. Another online product directory identified more than 2,000 individual models of products from manufacturers located in China.

For purposes of this analysis, the Commission considers all seasonal and decorative lighting products carrying a listing or certification mark from UL, Intertek Company (ETL), or the CSA Group (CSA) to be in conformance with the requirements of UL 588. Staff’s Internet search of

online catalogs, demonstrates that all of the 20 to 30 major national brands, which probably account for a majority of all units sold, consist only of conforming products because they are labeled as UL, ETL, or CSA compliant. Major retailers also often specify conforming products. Although CPSC recalls and import stoppages involve a very small percentage of product units in commerce, available CPSC data on recalls and import stoppages over the past decade suggest a very low (less than 1 percent) incidence of defects and nonconformance. The Commission finds that all of these factors indicate that conformance with UL requirements is very high, and estimates that voluntary conformance with UL 588 is in excess of 90 percent of all units.

III. Description of the Proposed Rule

The proposed rule would create two new paragraphs in part 1120. Proposed § 1120.2(d) would define a “seasonal and decorative lighting product” as portable, plug-connected, temporary-use lighting products and accessories that have a nominal 120 volt input voltage rating. Lighting products within the scope of the rule are factory-assembled with push-in, midget- or miniature-screw base lampholders connected in series or with candelabra- or intermediate-screw base lampholders connected in parallel, directly across the 120 volt input. Such lighting products include lighted decorative outfits, such as stars, wreathes, candles without shades, light sculptures, blow-molded (plastic) figures, and animated figures. Lighting products outside the scope of the rule include: battery-operated products; products that operate from a transformer or low-voltage power supply; flexible tube lighting strings of lights intended for illumination; and portable electric lamps that are used to illuminate seasonal decorations.

This definition is adapted from descriptions of lighting products defined in section 1 of UL 588. Lighting products within the scope of the rule are typically used seasonally (temporarily) and provide only decorative lumination. The products typically are displayed for a relatively short period of time and then removed and stored until needed again. Lighting products that are excluded

from the scope of the rule are subject to different voluntary standards or do not present the same risk of injury.

Proposed § 1120.3(d) would state that seasonal and decorative lighting products that do not conform to one or more of the following characteristics required in sections 6, 7, 15, 71, 79, and SB16 of UL 588 (explained in more detail in sections I.B.2 (Table 2) and II.A of this Preamble) are deemed substantial product hazards under section 15(a)(2) of the CPSA:

- (1) minimum wire size requirements in section 6 of UL 588;
- (2) sufficient strain relief requirements in sections 15, 71, 79, and SB16 of UL 588; or
- (3) overcurrent protection requirements in section 7 of UL 588.

IV. Effect of the Proposed 15(j) Rule

Section 15(j) of the CPSA allows the Commission to issue a rule specifying that a consumer product or class of consumer products has characteristics whose presence or absence creates a substantial product hazard. If a final rule is issued under section 15(j) of the CPSA, such a rule would not be a consumer product safety rule, and thus, would not create a mandatory standard that triggers testing or certification requirements under section 14(a) of the CPSA.

Although a rule issued under section 15(j) of the CPSA is not a consumer product safety rule, placing a consumer product on the substantial product hazard list in 16 CFR part 1120 would have certain ramifications. A product that is or has a substantial product hazard is subject to the reporting requirements of section 15(b) of the CPSA, 15 U.S.C. 2064(b). A manufacturer, importer, distributor, or retailer that fails to report a substantial product hazard to the Commission is subject to civil penalties under section 20 of the CPSA, 15 U.S.C. 2069, and possibly to criminal penalties under section 21 of the CPSA, 15 U.S.C. 2070.

A product that is or contains a substantial product hazard is also subject to corrective action under sections 15(c) and (d) of the CPSA, 15 U.S.C. 2064(c) and (d). Thus, if a final rule is issued

under section 15(j) for seasonal and decorative lighting, the Commission could order the manufacturer, importer, distributor, or retailer of lighting products that do not contain one or more of the three readily observable characteristics to offer to repair or replace the product, or to refund the purchase price to the consumer.

A product that is offered for import into the United States and is or contains a substantial product hazard shall be refused admission into the United States under section 17(a) of the CPSA, 15 U.S.C. 2066(a). Additionally, CBP has the authority to seize certain products offered for import under the Tariff Act of 1930 (19 U.S.C. 1595a) (Tariff Act), and to assess civil penalties that CBP, by law, is authorized to impose. Section 1595a(c)(2)(A) of the Tariff Act states that CBP may seize merchandise, and such merchandise may be forfeited if: “its importation or entry is subject to any restriction or prohibition which is imposed by law relating to health, safety, or conservation and the merchandise is not in compliance with the applicable rule, regulation, or statute.”

V. Regulatory Flexibility Act Analysis

The Regulatory Flexibility Act (RFA) requires that proposed rules be reviewed for the potential economic impact on small entities, including small businesses. 5 U.S.C. 601-612. Section 603 of the RFA requires agencies to prepare and make available for public comment an Initial Regulatory Flexibility Analysis (IRFA), describing the impact of the proposed rule on small entities and identifying impact-reducing alternatives. For the reasons that follow, the Commission concludes that the proposed rule will not have a significant impact on a substantial number of small entities.

Based on staff’s review of information on importers, of the roughly 500 companies that import seasonal and decorative lighting products in the United States, staff estimates that 400 to 450 would be considered small firms under the U.S. Small Business Administration’s size guidelines. CPSC staff estimates that a very high percentage, probably well in excess of 90 percent of products

that would be subject to a rule, already conform to UL 588. Importers, distributors, and retailers that market only UL 588-conforming products would not be affected. Staff has observed that small importers, distributors, and retailers of nonconforming light sets generally market other related products as well. The sales revenue of these small firms is not solely dependent on seasonal lighting products. Thus, income for these small firms would not be affected significantly, and, except for the nonconforming light sets, product lines would not be curtailed significantly. Furthermore, the draft proposed rule represents a continuation of the existing practice of the CPSC's Office of Compliance and Field Operations to designate nonconforming seasonal lighting products as a substantial product hazard.

VI. Environmental Considerations

Generally, the Commission's regulations are considered to have little or no potential for affecting the human environment, and environmental assessments and impact statements are not usually required. *See* 16 CFR 1021.5(a). The proposed rule to deem seasonal and decorative lighting products that do not contain one or more of three readily observable characteristics to be a substantial product hazard is not expected to have an adverse impact on the environment and is considered to fall within the "categorical exclusion" for the purposes of the National Environmental Policy Act. 16 CFR 1021.5(c).

VII. Paperwork Reduction Act

The proposed rule does not require any stakeholder to create, maintain, or disclose information. Thus, no paperwork burden is associated with the proposed rule, and the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520) does not apply.

VIII. Preemption

The proposed rule under section 15(j) of the CPSA would not establish a consumer product safety rule. Accordingly, the preemption provisions in section 26(a) of the CPSA, 15 U.S.C. 2075(a), would not apply to this rule.

IX. Effective Date

The Administrative Procedure Act (APA) generally requires that the effective date of a rule be at least 30 days after publication of a final rule. 5 U.S.C. 553(d). The Commission proposes that any seasonal and decorative lighting product that does not conform to sections 6, 7, 15, 71, 79, and SB16 of UL 588 with regard to minimum wire size, sufficient strain relief, and overcurrent protection is deemed a substantial product hazard effective 30 days after publication of a final rule in the *Federal Register*. After that date, all seasonal and decorative lighting products that are subject to, but do not comply with, UL 588 with respect to minimum wire size, sufficient strain relief, or overcurrent protection, will be deemed to be a substantial product hazard, regardless of the date such products were manufactured or imported. The Commission believes that a 30-day effective date is appropriate because:

- seasonal and decorative lighting products are already in substantial conformance with UL 588;
- the requirements for the readily observable characteristics from UL 588 in the proposed rule (wire size, strain relief, and overcurrent protection) have been in effect as a voluntary standard since the 1990s, and are well-known;
- the Office of Compliance sent a letter dated July 14, 2014, to manufacturers, importers, and retailers of holiday lights and decorative outfits, informing them that the Office of Compliance considers products that do not conform to UL 588,

regarding minimum wire size, sufficient strain relief, and overcurrent protection, to be defective and present a substantial product hazard; and

- importers can substitute conforming products, if necessary, before a final rule becomes effective.

Based on the available information, the Commission concludes that a 30-day effective date would not likely result in significant impacts on industry or disrupt the supply of conforming products.

X. Request for Comments

The Commission invites interested persons to submit their comments to the Commission on any aspect of the proposed rule. Comments should be submitted as provided in the instructions in the ADDRESSES section at the beginning of this notice.

List of Subjects in 16 CFR Part 1120

Administrative practice and procedure, Clothing, Consumer protection, Household appliances, Lighting, Infants and children, Imports, Incorporation by reference.

For the reasons stated above, and under the authority of 15 U.S.C. 2064(j), 5 U.S.C. 553, and section 3 of Public Law 110-314, 122 Stat. 3016 (August 14, 2008), the Consumer Product Safety Commission proposes to amend 16 CFR part 1120 as follows:

PART 1120 – SUBSTANTIAL PRODUCT HAZARD LIST

1. The authority citation for part 1120 continues to read as follows:

Authority: 15 U.S.C. 2064(j).

2. In § 1120.2, add paragraph (d) to read as follows:

§ 1120.2 Definitions.

* * * * *

(d) *Seasonal and decorative lighting product* means portable, plug-connected, temporary-use lighting products and accessories that have a nominal 120 volt input voltage rating. Lighting

products within the scope of the rule are factory-assembled with push-in, midget- or miniature-screw base lampholders connected in series or with candelabra- or intermediate-screw base lampholders connected in parallel, directly across the 120 volt input. Such lighting products include lighted decorative outfits, such as stars, wreathes, candles without shades, light sculptures, blow-molded (plastic) figures, and animated figures. Lighting products outside the scope of the rule include: battery-operated products; products that operate from a transformer or low-voltage power supply; flexible tube lighting strings of lights intended for illumination; and portable electric lamps that are used to illuminate seasonal decorations.

3. In § 1120.3, add paragraph (c) to read as follows:

§ 1120.3 Products deemed to be substantial product hazards.

* * * * *

(c)(1) Seasonal and decorative lighting products that lack one or more of the following characteristics in conformance with requirements in sections 6, 7, 15, 71, 79, and SB16 of Underwriters Laboratories (UL) *Standard for Safety for Seasonal and Holiday Decorative Products*, UL 588, 18th Edition, approved August 21, 2000 (UL 588):

- (i) Minimum wire size requirements in section 6 of UL 588;
- (ii) Sufficient strain relief requirements in sections 15, 71, 79, and SB16 of UL 588; or
- (iii) Overcurrent protection requirements in section 7 of UL 588.

(2) The Director of the Federal Register approves the incorporations by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. You may obtain a copy from UL, Inc., 333 Pfingsten Road, Northbrook, IL 60062. You may inspect a copy at the Office of the Secretary, U.S. Consumer Product Safety Commission, Room 820, 4330 East West Highway, Bethesda, MD 20814, telephone 301-504-7923, or at the National Archives and Records Administration (NARA).

For information on the availability of this material at NARA, call 202-741-6030, or go to:

<http://www.archives.gov/federal-register/cfr/ibr-locations.html>.

Dated: October 8, 2014.

Todd A. Stevenson,
Secretary, Consumer Product Safety Commission.

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