Peter Welch
U.S. SENATOR FOR VERMONT

Consumer Advocacy and Protection (CAP) Act of 2026

Introduced By: Senators Peter Welch (D-Vt.); Richard Blumenthal (D-Conn.); Ed Markey (D-Mass.); Brian Schatz (D-Hawaii); Ben Ray Luján (D-N.M.)

Background: The Consumer Product Safety Commission (CPSC) utilizes various tools to deter safety regulation noncompliance, promote adherence to standards, and hold companies accountable, including the imposition of civil penalties. The CPSC considers adverse economic impacts on small businesses and other relevant factors when determining civil penalty amounts, ensuring a balanced approach to regulation. If violations occur, the applicable civil penalty is a maximum of $100,000 per individual violation and $15,000,000 for a series of related violations. These amounts were adjusted for inflation in 2021, reaching $120,000 per violation and $17,150,000 for a series of related violations.

Instituting more severe financial consequences incentivizes companies to prioritize and invest in product safety, resulting in safer products. For example, this year, the CPSC secured two of the largest settlement agreements since the founding of the Commission in 1972. In August, Johnson Health Trading, Inc., agreed to pay a $16.875 million civil penalty for failing to promptly report a defect in T101-05 treadmills, injuring over 70 people. In January, the Clorox Company agreed to pay a $14.15 million civil penalty for failing to report to the CPSC that some of its products had been contaminated with *Pseudomonas aeruginosa*, a bacterium that can cause serious infection.

However, CPSC Commissioners have highlighted that the current cap is insufficient to hold multi-billion-dollar companies accountable, emphasizing the need to increase the statutory cap on civil penalties. Eliminating the cap on a series of violations and increasing the cap for an individual violation will provide the U.S. Treasury with additional funds from CPSC civil penalty payments.

Legislation: The *Consumer Advocacy and Protection (CAP) Act of 2026* would increase consumer protection from corporate negligence by striking the maximum civil penalty cap on a series of violations and increasing the individual violation cap from $100,000 to $250,000. The legislation would also clarify under what offenses CPSC can fine manufacturers and ensure fines accurately reflect inflation by adjusting the inflation review period from every five years to every year.

This bill would also create a new formula for inflation adjustments and set a time frame and procedures for necessary adjustments. These changes follow what many other federal agencies use under the *Federal Civil Penalties Inflation Adjustment Improvements Act of 2015*.

Supporting Organizations: The *CAP Act of 2026* is supported by the Consumer Federation of America, Consumer Reports, National Consumers League (NCL), Public Citizen, and the U.S. Public Interest Research Group