

2017 Personal Care Products Safety Act: Small Business Provisions¹

- Average gross annual sales² below \$500,000 (or below \$1 million if produced in a private residence)
 - Exempt from requirements of PCPSA
- Average gross annual sales between \$500,000 and \$2 million (or between \$1 million and \$2 million if produced in a private residence)
 - Simplified registration form and a simplified safety substantiation (can substantiate just by using recommended concentrations, available medical/scientific guidance, etc.) UNLESS making:
 - products intended for the eye area
 - lip products with color
 - products that are injected
 - products intended for internal use, or
 - products meant to alter appearance for more than 24 hours
 - No requirement to report the discontinuation of the manufacture of a cosmetic product or category until the next annual registration period
 - Requirement to maintain safety records for 2 years after the product is no longer marketed, rather than 5 years
 - o No requirement to annually report adverse events

• Generic small business provisions³

- Period longer than 60 days to submit an initial new cosmetic ingredient statement for products first marketed or reformulated after the date of enactment. Must submit annually thereafter.
- Period longer than 60 days to notify FDA of changes to the information required to be in cosmetic ingredient statement
- FDA will provide guidance on section 609 safety substantiation
- Simplified good manufacturing practices
- 2 years from date of enactment to comply with good manufacturing practices, rather than 180 days
- $\circ~$ FDA will provide technical assistance to small businesses to comply with PCPSA

• Modest registration fees for all companies with gross annual sales below \$20 million

- Gross annual sales less than \$2 million in 2017: \$0
- Gross annual sales between \$2 million and \$5 million in 2017: \$250
- Gross annual sales between \$5 million and \$10 million in 2017: \$350
- Gross annual sales between \$10 million and \$20 million in 2017: \$500

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¹ Apply to domestic companies only

² Average gross annual sales are averaged over 3 years

³ "Small business" or "businesses that meets the applicable industry-based small business size standard established by the SBA under Section 3 of the Small Business Act" or "meet Small Business Administration standard for a small business"