FEDERAL TRADE COMMISSION

Agency Information Collection Activities; Proposed Collection; Comment Request

AGENCY: Federal Trade Commission.

ACTION: Notice.

SUMMARY: The information collection requirements described below will be submitted to the Office of Management and Budget (OMB) for review, as required by the Paperwork Reduction Act (PRA). The FTC is seeking public comments on its proposal to extend through November 30, 2014, the current PRA clearance for information collection requirements contained in the FTC rule on “Labeling and Advertising of Home Insulation” (R-value Rule or Rule). That clearance expires on November 30, 2011.

DATES: Comments must be filed by October 11, 2011.

ADDRESSES: Interested parties may file a comment online or on paper, by following the instructions in the Request for Comment part of the SUPPLEMENTARY INFORMATION section below. Write “R-value Rule: FTC File No. R811001” on your comment, and file your comment online at https://ftcpublic.commentworks.com/ftc/rvalueulepra, by following the instructions on the Web-based form. If you prefer to file your comment on paper, mail or deliver your comment to the following address: Federal Trade Commission, Office of the Secretary, Room H–113 (Annex J), 600 Pennsylvania Avenue, NW., Washington, DC 20580.

FOR FURTHER INFORMATION CONTACT:

Requests for additional information should be addressed to Hampton Newsome, Attorney, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue, NW., Washington, DC 20580, (202) 326–2889.

SUPPLEMENTARY INFORMATION:

Proposed Information Collection Activities

Under the PRA, 44 U.S.C. 3501–3521, Federal agencies must obtain approval from OMB for each collection of information they conduct or sponsor.

“Collection of information” means agency requests or requirements that members of the public submit reports, keep records, or provide information to a third party. 44 U.S.C. 3502(3), 5 CFR 1320.3(c). Because the number of entities affected by the Commission’s requests will exceed ten, the Commission plans to seek OMB clearance under the PRA. As required by § 3506(c)(2)(A) of the PRA, the Commission is providing this opportunity for public comment before requesting that OMB extend the existing paperwork clearance for the information collection requirements associated with the Commission’s R-value Rule, 16 CFR part 460 (OMB Control Number 3084–0109).

The R-value Rule establishes uniform standards for the substantiation and disclosure of accurate, material product information about the thermal performance characteristics of home insulation products. The R-value of an insulation signifies the insulation’s degree of resistance to the flow of heat. This information tells consumers how well a product is likely to perform as an insulator and allows consumers to determine whether the cost of the insulation is justified.

Request for Comments

The FTC invites comments on: (1) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (2) the accuracy of the agency’s estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses. All comments should be filed as prescribed in the ADDRESSES section above, and must be received on or before October 11, 2011.

You can file a comment online or on paper. For the Commission to consider your comment, we must receive it on or before October 11, 2011. Write “R-value Rule: FTC File No. R811001” on your comment. Your comment—including your name and your state—will be placed on the public record of this proceeding. To the extent practicable, on the public Commission Web site, at http://www.ftc.gov/os/publiccomments.shtm. As a matter of discretion, the Commission tries to remove individuals’ home contact information from comments before placing them on the Commission Web site.

Because your comment will be made public, you are solely responsible for making sure that your comment doesn’t include any sensitive personal information, like anyone’s Social Security number, date of birth, driver’s license number or other state identification number or foreign country equivalent, passport number, financial account number, or credit or debit card number. You are also solely responsible for making sure that your comment doesn’t include any sensitive health information, like medical records or other individually identifiable health information. In addition, don’t include any “[t]rade secret or any commercial or financial information which is obtained from any person and which is privileged or confidential,” as provided in Section 6(f) of the FTC Act, 15 U.S.C. 46(f), and FTC Rule 4.10(a)(2), 16 CFR 4.10(a)(2).

In particular, don’t include competitively sensitive information such as costs, sales statistics, inventories, formulas, patterns, devices, manufacturing processes, or customer names.

If you want the Commission to give your comment confidential treatment, you must file it in paper form, with a request for confidential treatment, and you have to follow the procedure explained in FTC Rule 4.9(c), 16 CFR 4.9(c). Your comment will be kept confidential only if the FTC General Counsel, in his or her sole discretion, grants your request in accordance with the law and the public interest.

Postal mail addressed to the Commission is subject to delay due to heightened security screening. As a result, we encourage you to submit your comments online. To make sure that the Commission considers your online comment, you must file it at https://ftcpublic.commentworks.com/ftc/rvalueulepra, by following the instructions on the Web-based form. If this Notice appears at http://www.regulations.gov, you also may file a comment through that Web site.

If you file your comment on paper, write “R-value Rule: FTC File No. R811001” on your comment and on the envelope, and mail or deliver it to the following address: Federal Trade
Commission, Office of the Secretary, Room H–113 (Annex J), 600 Pennsylvania Avenue, NW., Washington, DC 20580. If possible, submit your paper comment to the Commission by courier or overnight service.

Visit the Commission Web site at http://www.ftc.gov to read this Notice and the news release describing it. The FTC Act and other laws that the Commission administers permit the collection of public comments to consider and use in this proceeding as appropriate. The Commission will consider all timely and responsive public comments that it receives on or before October 11, 2011. You can find more information, including routine uses permitted by the Privacy Act, in the Commission’s privacy policy, at http://www.ftc.gov/ftc/privacy.htm.

R-value Rule Burden Statement

Estimated annual hours burden: 125,828 hours.

The Rule’s requirements include product testing, recordkeeping, and third-party disclosures on labels, fact sheets, advertisements, and other promotional materials. Based on information provided by members of the insulation industry, staff estimates that the Rule affects: (1) 150 insulation manufacturers and their testing laboratories; (2) 1,615 installers who sell home insulation; (3) 125,000 new home builders/sellers of site-built homes and approximately 5,500 dealers who sell manufactured housing; and (4) 25,000 retail sellers who sell home insulation for installation by consumers.

Under the Rule’s testing requirements, manufacturers must test each insulation product for its R-value. Based on past industry input, staff estimates that the test takes approximately 2 hours. Approximately 15 of the 150 insulation manufacturers in existence introduce one new product each year. Their total annual testing burden is therefore approximately 30 hours.

Staff further estimates that most manufacturers require an average of approximately 20 hours per year regarding third-party disclosure requirements in advertising and other promotional materials. Only the five or six largest manufacturers require additional time, approximately 80 hours each. Thus, the annual third-party disclosure burden for manufacturers is approximately 3,360 hours (150 manufacturers × 20 hours) + (6 manufacturers × 80 hours).

While the Rule imposes recordkeeping requirements, most manufacturers and their testing laboratories keep their testing-related records in the ordinary course of business. Staff estimates that no more than one additional hour per year per manufacturer is necessary to comply with this requirement, for an annual recordkeeping burden of approximately 150 hours (150 manufacturers × 1 hour).

Installers are required to show the manufacturers’ insulation fact sheet to retail consumers before purchase. They must also disclose information in contracts or receipts concerning the R-value and the amount of insulation to install. Staff estimates that two minutes per sales transaction is sufficient to comply with these requirements. Approximately 2,000,000 retrofit insulations (an industry source’s estimate) are installed by approximately 1,615 installers per year, and, thus, the related annual burden total is approximately 66,667 hours (2,000,000 sales transactions × 2 minutes). Staff anticipates that one hour per year per installer is sufficient to cover required disclosures in advertisements and other promotional materials. Thus, the burden for this requirement is approximately 1,615 hours per year. In addition, installers must keep records that indicate the substantiation relied upon for savings claims. The additional time to comply with this requirement is minimal—approximately 5 minutes per year per installer—for a total of approximately 134 hours.

New home sellers must make contract disclosures concerning the type, thickness, and R-value of the insulation they install in each part of a new home. Staff estimates that no more than 30 seconds per sales transaction is required to comply with this requirement, for a total annual burden of approximately 4,872 hours (an estimated 586,900 new home sales × 30 seconds). New home sellers who make energy savings claims must also keep records regarding the substantiation relied upon for those claims. Staff believes that the 30 seconds covering disclosures would also encompass this recordkeeping element.

The Rule requires that the approximately 25,000 retailers who sell home insulation make fact sheets available to consumers before purchase. This can be accomplished by, for example, placing copies in a display rack or keeping copies in a binder on a service desk with an appropriate notice. Replenishing or replacing fact sheets should require no more than approximately one hour per year per retailer, for a total of 25,000 annual hours, industry-wide.

The Rule also requires specific disclosures in advertisements or other promotional materials to ensure that the claims are fair and not deceptive. This burden is very minimal because retailers typically use advertising copy provided by the insulation manufacturer, and even when retailers prepare their own advertising copy, the Rule provides some of the language to be used. Accordingly, approximately one hour per year per retailer should suffice to meet this requirement, for a total annual burden of approximately 25,000 hours.

Retailers who make energy savings claims in advertisements or other promotional materials must keep records that indicate the substantiation they are relying upon. Because few retailers make these types of promotional claims and because the Rule permits retailers to rely on the insulation manufacturer’s substantiation data for any claims that are made, the additional recordkeeping burden is de minimis. The time calculated for disclosures, above, would be more than adequate to cover any burden imposed by this recordkeeping requirement.

To summarize, staff estimates that the Rule imposes a total of 116,790 burden hours, as follows: 150 recordkeeping and 3,390 testing and disclosure hours for manufacturers; 134 recordkeeping and 68,282 disclosure hours for installers; 4,872 disclosure hours for new home sellers; and 50,000 disclosure hours for retailers. The estimated total burden is approximately 125,828 burden hours.

Estimated annual cost burden: $2,548,200 (solely related to labor costs).

The total annual labor cost for the Rule’s information collection requirements is $2,883,088, derived as follows: Approximately $800 for testing, based on 30 hours for manufacturers (30 hours × $26 per hour for skilled technical personnel); $4,000 for manufacturers’ and installers’ compliance with the Rule’s recordkeeping requirements, based on 284 hours (284 hours × $14 per hour for clerical personnel); $47,000 for manufacturers’ compliance with third-party disclosure requirements, based on 3,360 hours (3,360 hours × $14 per hour for clerical personnel); and $2,500,000 for disclosure compliance by installers, new home sellers, and retailers (123,262 hours × $20 per hour for sales persons). ²

²The wage rates for engineering technicians, except drafters (skilled technical personnel), file clerks (clerical personnel), and sales and related occupations (sales persons) are based on recent data from the Bureau of Labor Statistics National Compensation Survey.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Availability of Draft ICCVAM Recommendations on Using Fewer Animals to Identify Chemical Eye Hazards: Revised Criteria Necessary to Maintain Equivalent Hazard Classification; Request for Comments

AGENCY: Division of the National Toxicology Program (DNTP), National Institute of Environmental Health Sciences (NIEHS), National Institutes of Health, HHS.

ACTION: Availability of Recommendations; Request for Comments.

SUMMARY: The NTP Interagency Center for the Evaluation of Alternative Toxicological Methods (NICEATM), in collaboration with the Interagency Coordinating Committee on the Validation of Alternative Methods (ICCVAM), conducted an analysis to determine classification criteria using results from 3-animal tests that would provide eye hazard classification equivalent to testing conducted in accordance with current U.S. Federal Hazardous Substances Act (FHSA) regulations, which require the use of 6 to 18 animals. The results showed that using a classification criterion of at least 1 positive animal in a 3-animal test to identify eye hazards will provide the same or greater level of eye hazard classification as current FHSA requirements, while using 50% to 83% fewer animals. ICCVAM developed draft recommendations based on the results of this analysis. NICEATM invites public comments on these draft ICCVAM recommendations.

DATES: Written comments on the draft recommendations should be received by September 26, 2011.

ADDRESSES: NICEATM prefers that comments be submitted electronically via the NICEATM–ICCVAM Web site (http://iccvam.niehs.nih.gov/contact/FR_pubcomment.htm) or via e-mail to niceatm@niehs.nih.gov. Written comments may also be sent by mail or fax to Dr. William S. Stokes, Director, NICEATM, NIEHS, P.O. Box 12233, Mail Stop: K2–16, Research Triangle Park, NC 27709; (fax) 919–541–0947. Courier address: NICEATM, NIEHS, Room 2034, 530 Davis Drive, Morrisville, NC 27560.

FOR FURTHER INFORMATION CONTACT: Dr. William S. Stokes: (telephone) 919–541–2384, (fax) 919–541–0947, or (e-mail) niceatm@niehs.nih.gov.

SUPPLEMENTARY INFORMATION:

Background

Testing requirements necessary to determine the eye hazard potential for substances regulated under the FHSA (FHSA, 2008) are provided in 16 CFR 1500.42 (U.S. Consumer Product Safety Commission [CPSC], 2010). Current FHSA regulations provide procedures to determine the eye hazard classification and labeling requirements for chemicals and products to which consumers may be exposed. The current procedure requires a minimum of 6 animals per test and may require up to 3 sequential tests for each substance, thus requiring 6, 12, or 18 animals to reach a hazard classification decision. The requirement for second and third sequential tests is based on the number of positive responses in the previous test.

In 2002, the Organisation for Economic Co-operation and Development (OECD) Test Guidelines Program adopted U.S. proposed revisions to Test Guideline 405: Acute Eye Irritation/Corrosion (OECD, 2002) that reduce the maximum number of required animals per test from 6 to 3. The Animal Welfare Act (7 U.S.C. 2131 et seq) and the Public Health Service (PHS) Policy (PHS, 2002) similarly require that only the minimum number of animals necessary to obtain scientifically valid results should be used and that a rationale for the appropriateness of the number of animals used be provided to and approved by the Institutional Animal Care and Use Committee. In light of this policy and regulations, most in vivo ocular safety testing is expected to adhere to the 3-animal procedure described in Test Guideline 405 (OECD, 2002) and in a test guideline issued by the U.S. Environmental Protection Agency (EPA, 1998).

However, current FHSA regulations do not provide criteria to classify results from a 3-animal test. Therefore, an analysis was conducted to determine classification criteria based on results from a 3-animal test that would provide eye hazard classification equivalent to procedures in current FHSA regulations (Haseman et al., 2011). The results showed that using a classification criterion of at least 1 positive in a 3-animal test to identify eye hazards will provide the same or greater level of eye hazard classification as current FHSA requirements, while using 50% to 83% fewer animals. Based on these results, ICCVAM developed draft recommendations to use this classification criterion for ocular safety testing procedures that use only a maximum of 3 animals per test substance.

Availability of the Documents

The draft ICCVAM recommendations and the supporting publication describing the results of the analysis are available on the NICEATM–ICCVAM Web site (http://iccvam.niehs.nih.gov/methods/ocutox/reducenum.htm), and may also be obtained by contacting NICEATM (see FOR FURTHER INFORMATION CONTACT).

Request for Public Comments

NICEATM invites the submission of written comments on the draft ICCVAM recommendations and the extent to which the NICEATM analysis supports the recommendations by September 26, 2011. When submitting written comments, please refer to this Federal Register notice and include appropriate contact information (name, affiliation, mailing address, phone, fax, e-mail, and sponsoring organization, if applicable). NICEATM will post all comments on the NICEATM–ICCVAM Web site (http://ntp-apps.niehs.nih.gov/iccvampb/searchPubCom.cfm) identified by the individual’s name and affiliation or sponsoring organization (if applicable). ICCVAM will consider all public comments and comments made by the Scientific Advisory Committee on Alternative Toxicological Methods (SACATM) at the June 17–18, 2010 meeting (75 FR 26757) when finalizing its recommendations. Final ICCVAM recommendations will be forwarded to relevant Federal agencies for their consideration. These recommendations will also be available to the public on the NICEATM–ICCVAM Web site (http://iccvam.niehs.nih.gov/methods/ocutox/reducenum.htm).