

benefits reported in table 12 are based on a VSLY of \$300,000 and a discount rate of 3 percent. The effectiveness of this final rule can also be seen in the relatively low cost per life year saved. For example, if we express the one time

costs as annualized cost over 20 years (discounted at 3 percent), the medium cost estimate in table 12 comes to about \$12 million per year. With Method 1, the cost per life year saved would be about \$4,500 (\$12 million/2,600 life

years). These ratios would be even lower if we included the quality-adjusted life years associated with nonfatal cases. The deaths prevented alone demonstrate the effectiveness of this final rule.

TABLE 12.—SUMMARY OF COSTS AND BENEFITS BY YEAR AFTER PUBLICATION, DISCOUNTED TO EFFECTIVE DATE, IN MILLIONS OF DOLLARS

		Effective Date							
	Years After Publication	2	3	4	5	6	7	Cummulative Total as of Year 20	
Costs									
Low		\$139	none	none	none	none	none	...	\$139
Medium		\$185	none	none	none	none	none	...	\$185
High		\$275	none	none	none	none	none	...	\$275
Benefits									
Method 1	Annual Cumulative	none	none	none	\$968	\$940	\$913	...	
					\$968	\$1,908	\$2,821	...	\$13,130
Method 2	Annual Cumulative	none	none	none	\$1,973	\$1,916	\$1,860	...	
					\$1,973	\$3,889	\$5,784	...	\$26,757

2. Summary of Information Sources

Table 12A summarizes the inputs, data sources, and assumptions used in

the Final Regulatory Impact Analysis for this final rule.

TABLE 12A.—SUMMARY OF INPUTS, DATA SOURCES, AND ASSUMPTIONS

Name of Input	Value or Distribution Used	Type of Estimate	Source of Data or Assumption
Current trans fat intake.	Total intake, 2.55% of energy; intake from hydrogenated fat, 2.03% of energy (table 1 of this document).	FDA's best estimate from available data.	USDA trans fat food composition database, (Ref. 40); USDA food group data from CSFII. 1994-96, (Ref. 115).
Adjustment of trans fat intake for current level of margarine reformulation.	0.063% of energy, decrease in current amount of trans fat intake from margarine (table 2 of this document).	FDA's best estimate from available data.	15% decrease in current amount of trans fat intake from margarine based on industry comments on proposed rule.
Change in trans fat intake due to margarine reformulation.	0.0359% of energy decrease (table 2 of this document).	Low assumption based on uncertainty.	Assume 10% decrease in remaining trans fat from margarine.
Change in trans fat intake due to consumer choice.	0.0019% of energy decrease (table 2 of this document).	Low assumption based on uncertainty.	Assume 0.1% decrease in remaining trans fat intake from hydrogenated fat after margarine reformulation.
Overall change in trans fat intake due to labeling.	0.0378% of energy decrease (tables 2 and 10 of this document).	Low assumption based on uncertainty. Excludes possible reformulation of products other than margarine.	Sum of two previous values.
Number of products to be tested.	154,000 (table 3 of this document).	High estimate based on uncertainty. Includes many products that have already been tested.	Main data sources: RTI labeling cost model (Ref. 129) for number of products likely to be affected and our judgement about what categories of products are likely to be affected.
Per product cost of testing.	\$261 to \$371 (table 4 of this document).	Data.	RTI labeling cost model, Ref. 129.