

## VII. Requests for Public Hearings

Because written comments appear adequate to present the views of all interested parties, neither a public hearing nor a workshop has been scheduled. As stated earlier in this document, the Commission does not believe that a public workshop or hearing is needed to address the issues raised in this proposed rule. However, if any person would like to present views orally he or she should follow the procedures set forth in the **DATES** and **ADDRESSES** sections of this document.

## VIII. Preliminary Regulatory Analysis and Regulatory Flexibility Act Requirements

Under section 22 of the FTC Act, 15 U.S.C. 57b, the Commission must issue a preliminary regulatory analysis for a proceeding to amend a rule only when it (1) estimates that the amendment will have an annual effect on the national economy of \$100,000,000 or more; (2) estimates that the amendment will cause a substantial change in the cost or price of certain categories of goods or services; or (3) otherwise determines that the amendment will have a significant effect upon covered entities or upon consumers. The Commission has preliminarily determined that the proposed amendments to the Rule will not have such effects on the national economy, on the cost of home insulation products, or on covered parties or consumers. The Commission, however, requests comment on the economic effects of the proposed amendments.

The Regulatory Flexibility Act ("RFA"), 5 U.S.C. 601–12, requires that the agency conduct an analysis of the anticipated economic impact of the proposed amendments on small businesses. The purpose of a regulatory flexibility analysis is to ensure that the agency considers impact on small entities and examines regulatory alternatives that could achieve the regulatory purpose while minimizing burdens on small entities. Section 605 of the RFA, 5 U.S.C. 605, provides that such an analysis is not required if the agency head certifies that the regulatory action will not have a significant economic impact on a substantial number of small entities.

Because the R-value Rule covers home insulation manufacturers and retailers, professional installers, new home sellers, and testing laboratories, the Commission believes that any amendments to the Rule may affect a substantial number of small businesses. Nevertheless, the proposed amendments would not appear to have a significant economic impact upon such entities.

Specifically, the Commission is proposing only a few limited amendments that are designed to clarify the Rule, make disclosure requirements consistent for competing types of loose-fill insulation products as well as batt and blanket insulation products, require the most current procedures for preparing R-value test specimens and conducting R-value tests, provide consumers with information about the initial installed thickness of loose-fill insulation, delete disclosures for a type of insulation that no longer is sold, and provide retailers with an optional method for satisfying the Rule's fact sheet disclosure requirement. In the Commission's view, the proposed amendments should not have a significant or disproportionate impact on the costs of small manufacturers, retailers, installers, new home sellers, and testers of home insulation products.

Based on available information, therefore, the Commission certifies that amending the R-Value Rule as proposed will not have a significant economic impact on a substantial number of small businesses. To ensure that no significant economic impact is being overlooked, however, the Commission requests comments on this issue. The Commission also seeks comments on possible alternatives to the proposed amendments to accomplish the stated objectives. After reviewing any comments received, the Commission will determine whether a final regulatory flexibility analysis is appropriate.

## IX. Paperwork Reduction Act

The R-Value Rule contains various information collection requirements for which the Commission has obtained clearance under the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.*, Office of Management and Budget ("OMB") Control Number 3084–0109.<sup>109</sup> As discussed in this document, the Commission is proposing a limited number of amendments that are designed to 1) clarify the Rule; 2) make disclosure requirements consistent for competing types of loose-fill insulation products and batt and blanket insulation products; 3) require the most current procedures for preparing R-value test specimens and conducting R-value tests; 4) improve installation instructions for loose-fill material; 5) delete disclosures for urea-based foam insulation, a type of insulation that no longer is sold; 6) delete mandatory disclosures for radio ads; and 7) provide retailers with an optional method for satisfying the Rule's fact sheet disclosure requirement. In the

Commission's view, the proposed rule changes will not substantially or materially modify the collection of information and related burden estimates submitted to OMB when the Commission last sought renewed clearance for the Rule. See 67 FR 45734 (July 10, 2002).<sup>110</sup> To ensure that no significant paperwork burden is being overlooked, the Commission requests comments on this issue, and they should be faxed to OMB (Records Management Center, ATTN: Desk Officer for the FTC, OMB, Room 10102 NEOB, fax: 202/395-6566) and sent to the FTC Secretary at the address stated in the Addresses section of this document.

## X. Additional Information for Interested Persons

### 1. Motions or Petitions

Any motions or petitions in connection with this proceeding must be filed with the Secretary of the Commission.

### 2. Communications by Outside Parties to Commissioners or Their Advisors

Pursuant to Commission Rule 1.18(c)(1), 16 CFR 1.18(c)(1), the Commission has determined that communications with respect to the merits of this proceeding from any outside party to any Commissioner or Commissioner advisor shall be subject to the following treatment. Written communications and summaries or transcripts of oral communications shall be placed on the rulemaking record if the communication is received before the end of the comment period. They shall be placed on the public record if the communication is received later. Unless the outside party making an oral communication is a member of Congress, such communications are permitted only if advance notice is published in the Weekly Calendar and Notice of "Sunshine" Meetings.<sup>111</sup>

## XI. Invitation to Comment and Questions for Comment

Members of the public are invited to comment on any issues or concerns they believe are relevant or appropriate to the Commission's consideration of proposed amendments to the R-value Rule. The Commission requests that factual data upon which the comments are based be submitted with the comments. In addition to the issues raised above, the Commission solicits public comment on the costs and

<sup>110</sup> The Commission received renewed clearance for the Rule on August 2, 2002.

<sup>111</sup> See 15 U.S.C. 57a(j)(2)(A); 45 FR 50814 (1980); 45 FR 78626 (1980).

<sup>109</sup> See 64 FR 36877 (July 8, 1999).