

Authority (MWAA) stated that establishing separate trust accounts would strengthen airport public agencies' claim to PFCs which had been collected. The MWAA preferred trust accounts to escrow accounts, if the PFC funds could be protected sufficiently through trust accounts. Other airports shared the MWAA's view. However, the commenters did not quantify the amount of additional cost that implementation of this proposal would entail to air carriers. Moreover, the degree of additional protection offered to public agencies from such trust accounts in the event of air carrier bankruptcy was not felt to be significantly greater than the current practice. Based on these comments, the FAA cannot determine if the benefits of implementing this proposal would justify higher costs to air carriers.

The second proposal was to require that carriers establish third-party escrow accounts to hold PFC revenue between collection of that revenue and remittance to the public agency. United Airlines indicated that this proposal would increase the air carrier's cost while reducing the compensation available to recover such cost. The FAA notes that public agencies, in their contractual arrangements with air carriers serving their airports, may require PFC escrow accounts or security deposits provided that such security requirements apply to the air carriers in a manner that is not unjustly discriminatory. However, the FAA does not have sufficient data on the costs or expected benefits of such accounts at this time to pursue mandatory implementation.

The third proposal concerning bankruptcy would require the Airline Reporting Corporation (ARC) clearinghouse to remit PFC revenue directly to the public agencies when travel agencies' tickets are processed through the clearinghouse. This proposal presented a problem to some commenters because the majority of travel agency ticket sales are purchased with credit cards, with no funds being collected from the purchaser at time of sale. Travel agents report these credit sales through ARC without remitting any funds to ARC. The ARC clearinghouse bills credit card sales on the air carriers' behalf and reports the amounts billed to the air carriers. However, credit card issuers remit directly to the air carrier. At no point in this credit sale cycle does ARC have liquid funds from the credit card sales. As with the other proposals, the FAA does not have sufficient data on the costs or expected benefits of this

proposal to pursue its mandatory implementation.

In the ANPRM, the FAA proposed to implement the statutory prohibition on collection of PFCs from passengers traveling on frequent flyer awards that was promulgated in the Authorization Act of 1994. The FAA also proposed to change §§ 158.45(a)(3) and 158.47(c)(4) to delete a provision in the original PFC rule that is no longer applicable under current industry ticketing practice. The FAA did not receive any opposition on these issues from air carriers or airports. The FAA notes that it already imposes the statutory requirement pertaining to non-collection of PFCs on frequent flyer award tickets in its PFC Records of Decision and the presence of the obsolete provisions has not adversely affected ticketing and remittance practices. Consequently, a separate rulemaking to address these issues may be postponed until the changes may be combined with other changes to Part 158 when appropriate. The frequently flyer provision and technical correction to §§ 158.45(a)(3) and 158.47(c)(4) will be implemented as part of a future rulemaking on the PFC program when the need arises to address additional issues by rulemaking.

The final issue addressed changing the phrase "remitted to" to "received by" when addressing the deadline for monthly transfer of PFC revenue from air carriers to public agencies. Commenters contended that using the term "received by" would make it easier for them to enforce late payment penalties. However the term "remitted by" is common and effective in several U.S. tax laws, so the FAA has denied this request. The FAA notes that a public agency's authority to establish due dates for receipt of remitted monies and collect penalties and interest on PFC revenue that is past due depends on local law or the public agency's contractual relationship with the air carrier, although the due date cannot be in advance of the requirements of § 158.51. The FAA does not consider Part 158's silence on this subject to preclude the collection of penalties and interest based on local law or contract, and the FAA does not object to this practice as long it is applied in a manner that is not unjustly discriminatory.

Conclusion

Therefore, as a result of reviewing comments to the ANPRM Notice No. 96-3, regarding the collection, handling, and remittance of PFCs, the FAA has decided to withdraw this ANPRM. Accordingly, the ANPRM, Notice No.

96-3, published on April 16, 1996 (61 FR 16678), is withdrawn.

Issued in Washington, DC on March 31, 2000.

Catherine M. Lang,

Director, Office of Airport Planning and Programming.

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FEDERAL TRADE COMMISSION

16 CFR Part 250

Guides for the Household Furniture Industry

AGENCY: Federal Trade Commission.

ACTION: Request for public comments.

SUMMARY: The Federal Trade Commission ("Commission") requests public comments about the overall costs and benefits and the continuing need for its Guides for the Household Furniture Industry ("the Household Furniture Guides" or "the Guides"), as part of the Commission's systematic review of all current Commission regulations and guides.

DATES: Written comments will be accepted until June 9, 2000.

ADDRESSES: Comments should be directed to: Secretary, Federal Trade Commission, Room H-159, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580. Comments should be identified as "Household Furniture Industry Guides, 16 CFR Part 250—Comment."

FOR FURTHER INFORMATION CONTACT: Ingrid Whittaker-Ware, Attorney, Federal Trade Commission, Southeast Region, 60 Forsyth Street, S.W., Atlanta, Georgia 30303, telephone number (404) 656-1364, E-mail address: "Furniture@FTC.gov".

SUPPLEMENTARY INFORMATION:

I. Background

The Commission promulgated the Guides for the Household Furniture Industry on December 21, 1973, 38 FR 34992 (1973), under the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. 41-58.¹ The Guides became effective on March 21, 1974. Prior to promulgating the Guides, the Commission released proposed Guides to allow interested or affected parties an opportunity to inform the Commission of their views, suggestions, objections, or other information regarding the proposed

¹ The FTC Act makes it unlawful for one to engage in "unfair methods of competition and unfair or deceptive acts or practices in commerce."

Guides. Based on this information, the Commission determined that it was in the public interest to offer guidance to the industry thereby promoting a higher level of compliance with the laws administered by the Commission by adopting the Guides. The Guides are voluntary guidelines containing interpretations of acts or practices that the Commission has issued to assist members of the industry in complying with Section 5 of the FTC Act.

The Furniture Guides generally advise members of the industry to make affirmative disclosures for the benefit of consumers to ensure that the prospective purchaser is not misled into thinking that the product is different from that which is actually offered, because of the appearance, description, depictions or representations made about the product, in advertising, labeling or other promotional materials. The Guides also advise that advertisers making representations concerning (a) tests made on products, or (b) the performance characteristics of upholstery fabrics do in fact have a "reasonable basis" for such representations. Further, the guides also inform advertisers that the Commission may require documentation from them to substantiate their representations concerning the product. The Guides also provide several definitions for the industry, including definitions regarding certain types of wood. In summary, the Guides for the Household Furniture Industry, 16 CFR Part 250, advise members of the industry to:

- (1) Make affirmative disclosures of material facts concerning merchandise, which if known to a purchaser, would influence his or her decision to purchase the merchandise;
- (2) Attach an accurate tag or label in a prominent location on each product;
- (3) Describe wood, wood imitations and color used in or on furniture only with qualified wood names or generally accepted wood names. The description shall not be deceptive;
- (4) Identify certain woods as "walnut", "mahogany" and "maple" only if such woods are derived from specified species;
- (5) Refrain from making representations or misleading inferences about a product being made of leather, when in fact it is not;
- (6) Refrain from making false or misleading representations concerning outer coverings of furniture or furniture stuffing;
- (7) Accurately describe the origin of furniture, whether domestic or foreign; and whether the furniture is actually new, being made of parts and materials that were entirely unused;

(8) Refrain from describing as "floor sample" furniture that has been rented, repossessed or "traded-in";

(9) Refrain from using deceptive trademarks or claiming to be a manufacturer or wholesaler when in fact they are not; and

(10) Look to the applicable guides and rules for further guidance on guarantees, pricing and advertising.

II. Regulatory Review Program

The Commission has determined to review all current Commission rules and guides periodically. These reviews seek information about the costs and benefits of the Commission's rules and guides and their regulatory and economic impact. The information obtained assists the Commission in identifying rules and guides that warrant modification or rescission. Therefore, the Commission solicits comments on, among other things, the economic impact of and the continuing need for the Household Furniture Industry Guides; possible conflict between the Guides and state, local or other federal laws; and the effect on the Guides of any technological, economic, or other industry changes.

III. Request for Comments

The Commission solicits written public comments on the following questions:

1. Is there a continuing need for the Household Furniture Guides?
 - (a) What benefits have the Guides provided to purchasers of the products or services affected by the Guides?
 - (b) Have the Guides imposed costs on purchasers?
2. What changes, if any, should be made to the Guides to increase the benefits of the Guides to purchasers?
 - (a) How would these changes affect the costs the Guides impose on companies subject to their requirements?
3. What significant burdens or costs, including costs of adherence, have the Guides imposed on companies subject to their requirements?
 - (a) Have the Guides provided benefits to such companies?
4. What changes, if any, should be made to the Guides to reduce the burdens or costs imposed on companies subject to their requirements?
 - (a) How would these changes affect the benefits provided by the Guides?
5. Do the Guides overlap or conflict with other federal, state, or local laws or regulations?
6. Since the Guides were issued, what effects, if any, have changes in the relevant technology or economic conditions had on the Guides?

7. What effect, if any, has the use of modern technology such as the Internet and E-mail had on the Guides?

(a) How has the use of modern technology such as the Internet and E-mail affected the rights of consumers and the responsibilities of sellers?

8. Are there any abuses in the marketing of furniture products that are not addressed by the Guides?

(a) What mechanisms (e.g., consumer education, self-regulation, amendment or rescission of the Guides) should be explored to deal with any marketing abuses that may exist?

9. What significant burdens or costs, including costs of adherence, have the Guides imposed on small companies subject to their requirements?

(a) How do these burdens or costs differ from those imposed on larger companies subject to the requirements of the Guides?

10. To what extent are the burdens or costs that the Guides impose on small companies similar to those that small companies would incur under standard and prudent business practices?

11. What changes, if any, should be made to the Guides to reduce the burdens or cost imposed on small companies?

(a) How would these changes affect the benefits of the Guides?

(b) Would such changes adversely affect the competitive position of larger companies?

List of Subjects in 16 CFR Part 250

Forest and forest products, Furniture industry, Trade practices.

Authority: 15 U.S.C. 41-58

By direction of the Commission.

Donald S. Clark,

Secretary.

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Parts 10, 201, 250, 290, 310, 329, 341, 361, 369, 606, and 610

[Docket No. 00N-0086]

Amendment of Regulations Regarding Certain Label Statements on Prescription Drugs

AGENCY: Food and Drug Administration, HHS.

ACTION: Proposed rule.

SUMMARY: The Food and Drug Administration (FDA) is proposing to