FEDERAL TRADE COMMISSION

Agency Information Collection Activities; Proposed Collection; Comment Request

AGENCY: Federal Trade Commission (FTC or 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 February 28, 2014, the current PRA clearance for information collection requirements contained in its Informal Dispute Settlement Procedures Rule. That clearance expires on February 28, 2011.

DATES: Comments must be received on or before January 24, 2011.

ADDRESSES: Interested parties are invited to submit written comments electronically or in paper form, by following the instructions in the Request for Comments part of the SUPPLEMENTARY INFORMATION section below. Comments in electronic form should be submitted by using the following Web link: (https://ftcpublic.commentworks.com/ftc/idsrpra) (and following the instructions on the Web-based form). Comments in paper form should be mailed or delivered to the following address: Federal Trade Commission, Office of the Secretary, Room HB–113 (Annex J), 600 Pennsylvania Avenue, NW., Washington, DC 20580, in the manner detailed in the SUPPLEMENTARY INFORMATION section below.


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 regulations under the FTC’s Informal Dispute Settlement Procedures Rule (the Dispute Settlement Rule or Rule) (OMB Control Number 3031–0113), 16 CFR 703.

The Dispute Settlement Rule is one of three rules 1 that the FTC implemented pursuant to requirements of the Magnuson-Moss Warranty Act, 15 U.S.C. 2301 et seq. (Warranty Act or Act).2 The Dispute Settlement Rule, 16 CFR 703, specifies the minimum standards which must be met by any informal dispute settlement mechanism (IDSM) that is incorporated into a written consumer product warranty and which the consumer must use before pursuing legal remedies under the Act in court. In enacting the Warranty Act, Congress recognized the potential benefits of consumer dispute mechanisms as an alternative to the judicial process. Section 110(a) of the Act sets out the Congressional policy to “encourage warrantors to establish procedures whereby consumer disputes are fairly and expeditiously settled through informal dispute settlement mechanisms” and erected a framework for their establishment.3 As an incentive to warrantors to establish IDSMs, Congress provided in Section 110(a)(3) that warrants may incorporate into their written consumer product warranties a requirement that a consumer must resort to an IDSM before pursuing a legal remedy under the Act for breach of warranty.4 To ensure fairness to consumers, however, Congress also directed that, if a warrantor were to incorporate such a “prior resort requirement” into its written warranty, the warrantor must comply with the minimum standards set by the Commission for such IDSMs.5 Section 110(a)(2) of the Act directed the Commission to establish those minimum standards.6

The Dispute Settlement Rule contains standards for IDSMs, including

1 The other two rules relate to the information that must appear in any written warranty offered on a consumer product costing more than $15 and the pre-sale availability of warranty terms.
5 Id.