(''NIST'') to develop test procedures for the determination of the substantial equivalency of re-refined or otherwise processed used oil or blend of oil (consisting of such re-refined or otherwise processed used oil and new oil or additives) with new oil distributed for a particular end use and to report such test procedures to the Commission.[5] Within 90 days after receiving such report from NIST, the Commission is required to prescribe, by rule, the substantial equivalency test procedures, as well as labeling standards applicable to containers of recycled oil.[6] EPCA further requires that the Commission's rule permit any container of processed used oil to bear a label indicating any particular end use, such as for use as engine lubricating oil, so long as a determination of ''substantial equivalency'' with new oil has been made in accordance with the test procedures prescribed by the Commission.[7]

On July 27, 1995, NIST reported to the Commission test procedures for determining the substantial equivalency of re-refined or otherwise processed used engine oils with new engine oils. To implement EPCA's statutory directive, therefore, the Commission issued, and thereafter published on October 31, 1995, a rule (covering recycled engine oil) entitled Test Procedures and Labeling Standards for Recycled Oil (''Recycled Oil Rule''), 16 CFR Part 311.[8] The Recycled Oil Rule adopts the test procedures developed by NIST, and allows (although it does not require) a manufacturer to represent on a recycled engine-oil container label that the oil is substantially equivalent to new engine oil, as long as the determination of equivalency is based on the NIST test procedures.

The EPCA further provides that once the Recycled Oil Rule becomes final, no Commission order or rule, and no law, regulation, or order of any State (or political subdivision thereof), may remain in effect if it has labeling requirements with respect to the comparative characteristics of recycled oil with new oil that are not identical to the labels permitted by this rule.[9] Also, no rule or order of the Commission may require any container of recycled oil to also bear a label containing any term, phrase, or description connoting less than substantial equivalency of such recycled oil with new oil.[10]

Under EPCA, the Recycled Oil Rule preempts the Used Oil Rule's labeling and advertising requirements for engine oils. For non-engine oils, the Used Oil Rule's labeling disclosure provisions continue to be subject to the Congressional stay, and the advertising disclosure provisions continue to be subject to the Commission's stay. The only part of the Used Oil Rule not affected by the stays is that section which prohibits the deceptive use of the term ''re-refined.'' When the Commission published the Recycled Oil Rule in October 1995, it also stated that as part of its regulatory review process, it would consider the continuing need for the Used Oil Rule.[11]

Part B—Objectives

Based on the foregoing, the Commission has tentatively determined that to eliminate unnecessary duplication, and any inconsistency with EPCA's goals, a separate Used Oil Rule is no longer necessary.[12] The objective of this notice is to solicit comment on whether the Commission should initiate a rulemaking proceeding to repeal the Used Oil Rule.

Part C—Alternative Actions

The Commission is not considering any alternative other than the possibility of repealing the Used Oil Rule.

Part D—Request for Comments

Members of the public are invited to comment on any issues or concerns they believe are relevant or appropriate to the Commission's review of the Used Oil Rule. The Commission requests that factual data upon which the comments are based be submitted with the comments. In this section, the Commission identifies the issues on which it solicits public comments. The identification of issues is designed to assist the public and should not be construed as a limitation on the issues on which public comment may be submitted.

Questions

(1) Is there a continuing need for the Rule?

(a) What benefits has the Rule provided to purchasers of the products affected by the Rule?

(b) Has the Rule imposed costs on purchasers?

(2) What changes, if any, should be made to the Rule to increase the benefits of the Rule to purchasers?

(a) How would these changes affect the costs the Rule imposes on firms subject to its requirements?

(3) What significant burdens or costs, including costs of compliance, has the Rule imposed on firms subject to its requirements?

(a) Has the Rule provided benefits to such firms?

(4) What changes, if any, should be made to the Rule to reduce the burdens or costs imposed on firms subject to its requirements?

(a) How would these changes affect the benefits provided by the Rule?

(5) Does the Rule overlap or conflict with other federal, state, or local laws or regulations?

(6) Since the Rule was issued, what effects, if any, have changes in relevant technology or economic conditions had on the Rule?

(7) Is misrepresentation of the re-refined quality of used lubricating oil by manufacturers and distributors of such oil a significant problem in the marketplace?

(8) Should the Rule, or any portion of it, be kept in effect, or should it be repealed?

(9) How would repealing the Rule affect the benefits experienced by consumers?

(10) How would repealing the Rule affect the benefits and burdens experienced by firms subject to the Rule's requirements?

(11) Is the Recycled Oil Rule likely to provide all or most of the benefits now provided by the Used Oil Rule?

Authority: Section 18(d)(2)(B) of the Federal Trade Commission Act, 15 U.S.C. 57a(d)(2)(B).

List of Subjects in 16 CFR Part 406

Advertising, Labeling, Trade practices, Used lubricating oil.

By direction of the Commission.

Donald S. Clark,

Secretary.

[FR Doc. 96–8180 Filed 4–2–96; 8:45 am]

BILLING CODE 6750–01–M

[5] 42 U.S.C. 6363(c).

[6] 42 U.S.C. 6363(d)

[7] 42 U.S.C. 6363(d) (1) (B).

[8] 60 FR 55414 (Oct. 31, 1995).

[9] 42 U.S.C. 6363(e)(1).

[10] 42 U.S.C. 6363(e)(2).

[11] 60 FR 55414, 55417.

[12] Repealing the used Oil Rule would eliminate the Commission's ability to obtain civil penalties for any future misrepresentations of the re-refined quality of oil. However, the Commission has tentatively determined that repealing the Rule would not seriously jeopardize the Commission's ability to act effectively. The Recycled Oil Rule defines re-refined oil to mean used oil from which physical and chemical contaminants acquired through use have been removed. Any significant problems that might arise could be addressed on a case-by-case basis, administratively under Section 5 of the FTC Act, 15 U.S.C. 45, or through Section 13(b) actions, 15 U.S.C. 53(b), filed in federal district court. Prosecuting serious misrepresentations in district court allows the Commission to obtain injunctive relief as well as equitable remedies, such as redress or disgorgement.

16 CFR Parts 700, 701, 702, and 239

Request for Comments Concerning Interpretations of Magnuson-Moss Warranty Act; Rule Governing Disclosure of Written Consumer Product Warranty Terms and Conditions; Rule Governing Pre-Sale Availability of Written Warranty Terms; and Guides for the Advertising of Warranties and Guarantees

AGENCY: Federal Trade Commission.

ACTION: Request for public comments.

SUMMARY: The Federal Trade Commission (''the Commission'') is requesting public comment on a set of warranty-related rules and guides: (1) its Interpretations of the Magnuson-Moss Warranty Act (''Interpretations''); (2) its Rule Governing Disclosure of Written Consumer Product Warranty Terms and Conditions (''Rule 701''); (3) its Rule Governing Pre-Sale Availability of Written Warranty Terms (''Rule 702''); and (4) its Guides for the Advertising of Warranties and Guarantees (''Guides''). The Commission is also requesting comments about the overall costs and benefits of these rules and guides and their overall regulatory and economic impact as part of its systematic review of all current Commission regulations and guides.

The Interpretations represent the Commission's views on various aspects of the Magnuson-Moss Warranty Act (''the Act''), 15 U.S.C. *et seq.*, and are intended to clarify the Act's requirements. They are similar to industry guides in that they are advisory in nature, but failure to comply with them may result in corrective action by the Commission under the applicable statutory provisions. Rule 701 specifies the information that must appear in a written warranty on a consumer product. Rule 702 details the obligations of sellers and warrantors to make warranty information available to consumers prior to purchase. The Guides are intended to help advertisers avoid or deceptive practices in the advertising of warranties or guarantees.

DATES: Written comments will be accepted until June 3, 1996.

ADDRESS: Comments should be directed to: Secretary, Federal Trade Commission, Room H–159, Sixth and Pennsylvania Ave., N.W., Washington, D.C. 20580. Comments about the Interpretations, Rules, and/or Guides should be identified as ''Warranty Rules—Comment.''

FOR FURTHER INFORMATION CONTACT: Carole I. Danielson, Investigator, Division of Marketing Practices, Federal Trade Commission, Washington, D.C. 20580, (202) 326–3115.

SUPPLEMENTARY INFORMATION: The Commission has determined, as part of its oversight responsibilities, to review rules and guides periodically. Pursuant to these reviews, the Commission seeks information about the costs and benefits of the rules and guides under review, as well as their regulatory and economic impact. The information obtained will assist the Commission in identifying rules and guides that warrant modification or rescission. At this time, the Commission in identifying rules and guides that warrant modification or rescission. At this time, the Commission solicits written public comments concerning its warranty rules and guides: (1) the Commission's Interpretations of the Magnuson-Moss Warranty Act, 16 CFR Part 700; (2) the Rule Governing Disclosure of Written Consumer Product Warranty Terms and Conditions, 16 CFR Part 701; (3) the Rule Governing Pre-Sale Availability of Written Warranty Terms, 16 CFR Part 702; and (4) the Guides for the Advertising of Warranties and Guarantees, 16 CFR Part 239. These four rules and guides are being reviewed together because all four pertain to warranties.

A. Background

1. 16 CFR Part 700: Interpretations of the Magnuson-Moss Warranty Act (''Interpretations''). The Magnuson-Moss Warranty Act, 15 U.S.C. 2301 *et seq.*, which governs written warranties on consumer products, was signed into law on January 4, 1975. After the Act was passed, the Commission received many questions concerning the Act's requirements. In response to these inquiries, the Commission decided to provide guidance in order to ease compliance with the requirements of the Act. Initially, the Commission published, on June 18, 1975, a policy statement in the Federal Register (40 FR 25721) to provide interim guidance during the initial implementation of the Act. However, as the Commission continued to receive questions and requests for advisory opinions, it determined that guidance of a more permanent nature was appropriate. Therefore, on July 13, 1977, the Commission published in the Federal Register (42 FR 36112) its Interpretations of the Magnuson-Moss Warranty Act to assist warrantors and suppliers of consumer products in complying with the Act.

These Interpretations apply to consumer products distributed in commerce and sold with a written warranty. They represent the Commission's views on various terms and provisions of the Act that are not entirely clear on the face of the statute. Thus, they are intended to clarify the Act's requirements for consumers, manufacturers, importers, distributors, and retailers attempting to comply with them. They are not substantive rules, and do not have the force or effect of statutory provisions; like industry guides, they are advisory in nature. Nonetheless, failure to comply with the Interpretations could result in enforcement action by the Commission under the applicable statutory provisions.

The Interpretations cover a wide range of subjects, including which types of products are considered ''consumer products'' under the Act; whether warrantors have a duty to install under a full warranty; how to distinguish between ''written warranty,'' ''service contract,'' and ''insurance''; what constitutes an ''expression of general policy'' and the requirements for expressions of general policy; the use of warranty registration cards under full and limited warranties; and what may be an illegal tying arrangement under Section 102(c) of the Act.

2. 16 CFR Part 701: Disclosure of Written Consumer Product Warranty Terms and Conditions (''Rule 701''). The language of the Act and its legislative history indicate that Congress intended that the Commission promulgate rules regarding the disclosure of written warranty terms and conditions. Accordingly, on December 31, 1975, the Commission published in the Federal Register (40 FR 60188) its Rules Governing Disclosure of Written Consumer Product Warranty Terms and Conditions. Rule 701 establishes requirements for warrantors for disclosing the terms and conditions of written warranties on consumer products actually costing the consumer more than $15.00. It tracks the disclosure requirements suggested in Section 102(a) of the Act. It also specifies the information that must appear in the written warranty, as well as the exact language that must be used for certain disclosures. Under Rule 701, the information must be disclosed in simple, easily understood, and concise language in a single document. In promulgating Rule 701, the Commission determined that the items required to be disclosed are material facts about product warranties, the nondisclosure of which would be deceptive or misleading.

In addition to specifying the information that must appear in a written warranty, Rule 701 also requires

that, if the warrantor uses a warranty registration or owner registration card, the warranty must disclose whether return of the registration card is a condition precedent to warranty coverage. Finally, it clarifies that, in connection with some ''seal of approval'' programs, the disclosures required by the Rule do not have to be given in the actual seal itself, but rather must be made in a publication.

3. Pre-Sale Availability of Written Warranty Terms, 16 CFR Part 702 (''Rule 702''). Section 102(b)(1)(A) of the Act directs the Commission to prescribe rules requiring that the terms of any written warranty on a consumer product be made available to the prospective purchaser prior to the sale of the product. Accordingly, on December 31, 1975, the Commission published in the Federal Register (40 FR 60189) its Rules Governing the Pre-Sale Availability of Written Warranty Terms (''Rule 702''). In promulgating Rule 702, the Commission determined that the availability of warranty information prior to sale is an important tool for consumers in making a purchasing decision either about the product itself or about buying a service contract for the product. The Rule was amended on March 12, 1987 (52 FR 7569).

Rule 702 establishes requirements for sellers and warrantors for making the terms of any written warranty on a consumer product available to the consumer prior to sale. Among other things, the Rule require sellers to make warranty information readily available either by (1) displaying it in close proximity to the product or (2) furnishing it on request and posting signs in prominent locations advising consumers that warranty information is available. The Rule requires warrantors to provide materials to enable sellers to comply with the Rule's requirements, and also sets out the methods by which warranty information can be made available prior to the sale if the product is sold through catalogs, mail order or door-to-door sales.

4. Guides for the Advertising of Warranties and Guarantees, 16 CFR Part 239 (''Guides''). In May, 1985, the Commission published in the Federal Register its Guides for the Advertising of Warranties and Guarantees, 16 CFR Part 239 (50 FR 18470, May 1, 1985 and 50 FR 20899, May 21, 1985). The Guides were intended to help advertisers avoid unfair or deceptive practices when advertising warranties or guarantees. They took the place of the Commission's ''Guides Against Deceptive Advertising of Guarantees,'' 16 CFR Part 239, adopted April 26, 1960, which had become outdated due to developments in Commission case law and, more importantly, changes in circumstances brought about by the Magnuson-Moss Warranty Act and by Rules 701 and 702 under that Act. The 1985 Guides advise that advertisements mentioning warranties or guarantees should contain a disclosure that the actual warranty document is available for consumers to read before they buy the advertised product. In addition, the Guides set forth advice for using the terms ''satisfaction guarantees,'' ''lifetime,'' and similar representations. Finally, the Guides advise that sellers or manufacturers should not advertise that a product is warranted or guaranteed unless they promptly and fully perform their warranty obligations.

B. Regulatory Flexibility Act

The Regulatory Flexibility Act provides for analysis of the potential impact on small businesses of Rules proposed by federal agencies. (5 U.S.C. 603, 604). Rules 701 and 702 are the only warranty-related matters currently under review that require such an analysis. In 1987, the Commission conducted a Regulatory Flexibility Act analysis of Rule 702 in connection with its amendment of that Rule. *See* 52 FR 7569. This is the first review of Rule 701 since it was promulgated in 1975 and thus presents the first opportunity to conduct such an analysis for that Rule. Therefore, this notice includes questions to elicit information for that analysis.

The Commission believes that a very high percentage of businesses subject to Rule 701 are ''small'' based on Small Business Administration size standards. Unfortunately, the available data do not provide a precise measurement of the impact Rule 701 has had on small businesses nor the economic impact that would result from leaving the Rule unchanged.

For example, in the regulatory analysis conducted for Rule 702, the Commission's investigation found that nearly all the manufacturers (11,365 companies or 97 percent) and nearly all retailers (952,916 companies or 99.3 percent) affected by Rule 702 were considered ''small'' using the size standards promulgated by the Small Business Administration. That investigation indicated that, if the companies were compared according to annual receipts, small retailers would represent about 47 percent and small manufacturers about 23 percent of the gross annual receipts in their respective industries.

In 1984, the FTC's Office of Impact Evaluation issued a study evaluating the Impact of the Warranty Rules [Market Facts, *Warranty Rules Consumer Follow-Up: Evaluation Study, Final Report*, Washington, D.C., July 1984 (''the Study'')]. The Study found that some type of warranty was offered for 87 percent of the consumer products surveyed. Of those warranted products, almost 63 percent carried only a manufacturer's warranty, about 12 percent were warranted only by the retailer, and about 13 percent were covered by both a manufacturer's and a retailer's warranty. Thus, the costs of Rule 701 would appear to fall principally on manufacturers, since those entities are more likely to provide a written warranty. However, we do not know how many of those manufacturers or retailers who give written warranties are also small entities.

Section 102 of the Magnuson-Moss Warranty Act, 15 U.S.C. 2301 *et seq.*, requires warrantors who use written warranties to disclose fully and conspicuously the terms and conditions of the warranty. The Act lists a number of items that may be included in any rules requiring disclosure that the Commission might prescribe, and, in Rule 701, the Commission tracked those items. In promulgating the Rule, the Commission attempted to comply with the congressional mandate in Section 102 of the Act while minimizing the economic impact on affected business. For example, the Commission limited the disclosure requirements to warranties on consumer products actually costing the consumer more than $15.00. Furthermore, the Commission exempted ''seal of approval'' programs from providing the disclosures on the actual seal.

The Commission nonetheless wishes to ensure that no substantial economic impact is being overlooked. Therefore, public comment is requested on the effect of Rule 701 on the costs to, profitability and competitiveness of, and employment in small entities.

C. Issues for Comment

At this time, the Commission solicits written public comments on the following questions with regard to the Interpretations, Rule 701, Rule 702, and the Guides:

1. Is there a continuing need for these Interpretations, Rules, and Guides?

2. Have the Interpretations, Rules, and Guides had a significant economic impact (costs or burdens) on consumers? What significant benefits or costs (including costs of compliance) have they had on firms who are subject to their requirements?

3. What benefits have the Interpretations, Rules, and Guides provide to consumers who purchase the

warranted products or services affected by the Act?

(a) What changes, if any, should be made to the Interpretations, Rules, and Guides to increase the benefits to consumers?

(b) How would these changes affect the costs the Interpretations, Rules, and Guides impose on firms subject to their requirements?

4. What changes, if any, should be made to the Interpretations, Rules and Guides to minimize any burden or cost imposed on firms subject to their requirements?

5. Do the Interpretations, Rules, and Guides overlap or conflict with other federal, state, or local government laws or regulations?

6. Since the Interpretations, Rules, and Guides were issued, have changed in technology or economic conditions affected the need or purpose for them?

7. What has been the effect of Rule 701 on the costs, profitability, competitiveness, and employment of small business entities?

(a) What would be the economic impact on small businesses from leaving Rule 701 unchanged?

(b) Are there regulatory alternatives that would reduce any adverse economic impact of Rule 701, yet comply with the mandate of the Magnuson-Moss Warranty Act?

(c) What are the aggregate costs and benefits of Rule 701? Are there provisions in the Rule that are not necessary to implement the Magnuson-Moss Warranty Act or that have imposed costs not outweighed by benefits? Who has benefited and who has borne the cost? Have the costs or benefits of the Rule dissipated over time?

List of Subjects in 16 CFR Part 700

Warranties, trade practices.

Authority: 15 U.S.C. 41–58.

By direction of the Commission.

Donald S. Clark,

Secretary.

[FR Doc. 96–8181 Filed 4–2–96; 8:45 am]

BILLING CODE 6750–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Parts 71, 170, and 171

[Docket No. 95N–0220]

RIN 0910–AA66

Substances Approved for Use in the Preparation of Meat and Poultry Products; Reopening of Comment Period

AGENCY: Food and Drug Administration, HHS.

ACTION: Proposed rule; reopening of comment period.

SUMMARY: The Food and Drug Administration (FDA) is reopening for 60 days the comment period for a proposed rule that appeared in the Federal Register of December 29, 1995 (60 FR 67490). The document proposed to amend FDA's regulations governing the review of petitions for the approval of food and color additives and substances generally recognized as safe (GRAS) to provide for joint review of such petitions by the Food Safety and Inspection Service (FSIS), U.S. Department of Agriculture (USDA), when meat or poultry product uses are proposed. The closing date for submission of comments was March 14, 1996. This action is being taken in response to a request for additional time to answer comments.

DATES: Written comments by June 3, 1996.

ADDRESSES: Submit written comments to the Dockets Management Branch (HFA–305), Food and Drug Administration, 12420 Parklawn Dr., rm. 1–23, Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: George H. Pauli, Center for Food Safety and Applied Nutrition (HFS–200), Food and Drug Administration, 200 C St. SW., Washington, DC 20204, 202–418–3090.

SUPPLEMENTARY INFORMATION: In the Federal Register of December 29, 1995 (60 FR 67490), FDA published a proposal to amend the regulations governing the review of petitions for the approval of food and color additives and GRAS substances to provide for joint review of such petitions by FSIS when meat or poultry product uses are proposed. By agreement between USDA and FDA, such listings would eliminate the need for a separate FSIS rulemaking to allow the use in meat and poultry products of FDA-approved substances. Interested persons were given until March 14, 1996, to submit comments on the proposal. FSIS published a companion document in the same issue of the Federal Register (60 FR 67459) and is extending its comment period for 60 days. In response to a request for additional time to answer comments, as well as for consistency with FSIS, FDA is reopening the comment period on FDA's proposal for 60 days.

Interested persons may, on or before June 3, 1996, submit to the Dockets Management Branch (address above) written comments regarding this proposal. Two copies of any comments are to be submitted, except that individuals may submit one copy. Comments are to be identified with the docket number found in brackets in the heading of this document. Received comments may be seen in the office above between 9 a.m. and 4 p.m., Monday through Friday.

Dated: March 28, 1996.

William K. Hubbard,

Associate Commissioner for Policy Coordination.

[FR Doc. 96–8166 Filed 4–2–96; 8:45 am]

BILLING CODE 4160–01–F

DEPARTMENT OF LABOR

Pension and Welfare Benefits Administration

29 CFR Parts 2509, 2520 and 2550

RIN 1210–AA51

Removal of Interpretive Bulletins and Regulations Relating to the Employee Retirement Income Security Act of 1974

AGENCY: Pension and Welfare Benefits Administration, Department of Labor.

ACTION: Proposed rule.

SUMMARY: This document contains a notice of a proposal to remove from the Code of Federal Regulations certain interpretive bulletins and regulations (or portions thereof) under the Employee Retirement Income Security Act of 1974 (ERISA, 29 U.S.C. 1001, *et. seq.*) that the Department of Labor (the Department) believes are obsolete (collectively, the obsolete regulations). The obsolete regulations generally provided transitional relief for plan sponsors, plan administrators, and others subject to the requirements of title I of ERISA, in coming into compliance with ERISA's requirements in the first several years following ERISA's enactment in 1974. Because the election periods or dates of applicability under these rules have expired, the Department believes that the regulations are no longer