

Commission, Sixth Street and Pennsylvania Avenue, NW., Washington, DC 20580, telephone number (202) 326-2222.

Questions

(1) Is any manufacturer currently manufacturing quick-freeze spray products?

(2) Is any individual or business entity currently marketing quick-freeze spray products?

(3) Do any retail stores or suppliers still maintain stocks of quick-freeze spray products for resale?

(4) What are the benefits and the costs of the Rule to firms subject to the Rule's requirements?

(5) What are the benefits and the costs of the Rule to consumers?

(6) Has technology changed so that the Rule is no longer needed?

(7) Does regulation of this product by the Environmental Protection Agency render the Rule unnecessary?

(8) Are there any other federal or state laws or regulations, or private industry standards, that eliminate the need for the Rule?

(9) Should the Rule be kept in effect or should it be repealed?

V. Request for Public Hearings

Because there does not appear to be any dispute as to the material facts or issues raised by this proceeding and because written comments appear adequate to present the views of all interested parties, a public hearing has not been scheduled. If any person would like to present testimony at a public hearing, he or she should follow the procedures set forth in the **DATES** and **ADDRESSES** sections of this Notice.

VI. Preliminary Regulatory Analysis

The Regulatory Flexibility Act ("RFA"), 5 U.S.C. 601-11, requires an analysis of the anticipated impact of the proposed repeal of the Rule on small businesses.³ The analysis must contain, as applicable, a description of the reasons why action is being considered, the objectives of and legal basis for the proposed action, the class and number of small entities affected, the projected reporting, recordkeeping and other compliance requirements being proposed, any existing federal rules

³Section 22 of the FTC Act, 15 U.S.C. 57b-3, also requires the Commission to perform "regulatory impact analyses" of proposed rule, but only if the rule will have certain "significant" economic or regulatory effects. The commission has determined that a preliminary regulatory analysis is not required by section 22 in this proceeding because the Commission has no reason to believe that repealing the Rule will have a "significant" economic or regulatory impact, either beneficial or detrimental, upon persons subject to the Rule or upon consumers.

which may duplicate, overlap or conflict with the proposed action, and any significant alternatives to the proposed action that accomplish its objectives and, at the same time, minimize its impact on small entities.

A description of the reasons why action is being considered and the objectives of the proposed repeal of the Rule have been explained elsewhere in this Notice. Repeal of the Rule would appear to have little or no effect on any small business. The Commission is not aware of any existing federal laws or regulations that would conflict with repeal of the Rule.

For all these reasons the Commission certifies, pursuant to section 605 of RFA, 5 U.S.C. 605, that, if the Commission determines to repeal the Rule, that action will not have a significant impact on a substantial number of small entities. To ensure that no substantial economic impact is being overlooked, however, the Commission requests comments on this issue. After reviewing any comments received, the Commission will determine whether it is necessary to prepare a final regulatory flexibility analysis.

VII. Paperwork Reduction Act

The Quick-Freeze Spray Rule does not impose "information collection requirements" under the Paperwork Reduction Act ("PRA"), 44 U.S.C. 3501 *et seq.* Although the Rule contains disclosure requirements, these disclosures are not covered under the Act because the disclosure language is mandatory and provided by the government. Repeal of the Rule, however, would eliminate any burdens on the public imposed by these disclosure requires.

VIII. Additional Information For Interested Persons

A. Motions or Petitions

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

B. Communications by Outside Parties to Commissioners or Their Advisors

Pursuant to Rule 1.18(c) of the Commission Rules of Practice, 16 CFR 1.18(c), communications with respect to the merits of this proceeding from any outside party to any Commissioner or Commissioner's advisor during the course of this rulemaking shall be subject to the following treatment. Written communications, including written communications from members of Congress, shall be forwarded promptly to the Secretary for placement

on the public record. Oral communications, not including oral communications from members of Congress, are permitted only when such oral communications are transcribed verbatim or summarized at the discretion of the Commissioner or Commissioner's advisor to whom such oral communications are made, and are promptly placed on the public record, together with any written communications relating to such oral communications. Memoranda prepared by a Commissioner or Commissioner's advisor setting forth the contents of any oral communications from members of Congress shall be placed promptly on the public record. If the communication with a member of Congress is transcribed verbatim or summarized, the transcript or summary will be placed promptly on the public record.

List of Subjects in 16 CFR Part 417

Quick-freeze aerosol spray trade practices.

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

By direction of the Commission.

Donald S. Clark,

Secretary.

[FR Doc. 95-23044 Filed 9-15-95; 8:45 am]

BILLING CODE 6750-01-M

16 CFR Part 418

Rule Concerning Deceptive Advertising and Labeling as to Length of Extension Ladders

AGENCY: Federal Trade Commission.

ACTION: Notice of Proposed Rulemaking.

SUMMARY: The Federal Trade Commission ("Commission") announces the commencement of a rulemaking proceeding for the trade regulation rule concerning Deceptive Advertising and Labeling as to Length of Extension Ladders ("Extension Ladder Rule" or "Rule"), 16 CFR Part 418. The proceeding will address whether or not the Extension Ladder Rule should be repealed. The Commission invites interested parties to submit written date, views, and arguments on how the Rule has affected consumers, businesses and others, and on whether there currently is a need for the Rule. This notice includes a description of the procedures to be followed, an invitation to submit written comments, a list of questions and issues upon which the Commission particularly desires comments, and instructions for prospective witnesses and other interested persons who desire to participate in the proceeding.

DATES: Written comments must be submitted on or before October 18, 1995.

Notifications of interest in testifying must be submitted on or before October 18, 1995. If interested parties request the opportunity to present testimony, the Commission will publish a notice in the **Federal Register** stating the time and place at which the hearings will be held and describing the procedures that will be followed in conducting the hearings. In addition to submitting a request to testify, interest parties who wish to present testimony must submit, on or before October 18, 1995, a written comment or statement that describes the issues on which the party wishes to testify and the nature of the testimony to be given.

ADDRESSES: Written comments and requests to testify should be submitted to Office of the Secretary, Federal Trade Commission, Room H-159, Sixth Street and Pennsylvania Avenue, NW., Washington, DC 20580, telephone number 202-326-2506. Comments and requests to testify should be identified as "16 CFR Part 418—Comment—Extension Ladder Rule" and "16 CFR Part 418—Request to Testify—Extension Ladder Rule," respectively. If possible, submit comments both in writing and on a personal computer diskette in Word Perfect or other word processing format (to assist in processing, please identify the format and version used). Written comments should be submitted, when feasible and not burdensome, in five copies.

FOR FURTHER INFORMATION CONTACT: John A. Crowley, Attorney, Bureau of Consumer Protection, Division of Service Industry Practices, Room H-200, Sixth Street and Pennsylvania Avenue, NW., Washington, DC 20580, telephone number 202-326-3280.

SUPPLEMENTARY INFORMATION:

I. Introduction

On May 23, 1995 the Commission published an Advance Notice of Proposed Rulemaking ("ANPR") seeking comment on the proposed repeal of the Extension Ladder Rule, 60 FR 27245. In accordance with mandates of section 18 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. 57a, the ANPR was sent to the Chairman of the Committee on Commerce, Science, and Transportation, United States Senate and the Chairman of the Subcommittee on Commerce, Trade and Hazardous Materials, United States House of Representatives. The ANPR comment period closed on June 22, 1995. The Commission received no public comments.

Pursuant to the FTC Act, 15 U.S.C. 41-58, and the Administrative Procedure Act, 5 U.S.C. 551-59, 701-06,

by this Notice of Proposed Rulemaking ("NPR") the Commission initiates a proceeding to consider whether the Extension Ladder Rule should be repealed or remain in effect, and solicits public comments.¹ The Commission is also interested in comments on whether the Rule should be streamlined or otherwise amended. If the Commission determines, based on the data, views and arguments submitted, that the Commission should consider additional alternatives, it will publish a supplemental notice of proposed rulemaking and will request public comments on those alternatives.

The Commission is undertaking this rulemaking proceeding as part of the Commission's ongoing program of evaluating trade regulation rules and industry guides to determine their effectiveness, impact, cost and need. This proceeding also responds to President Clinton's National Regulatory Reinvention Initiative, which, among other things, urge agencies to eliminate obsolete or unnecessary regulations.

II. Background Information

The Extension Ladder Rule regulates the advertising, labeling and marking of extension ladders. The Commission had found that the industry practice of representing the sizes or lengths of their products in terms of the total length of their component sections, e.g., a "20-foot" or "20-foot size" extension ladder consisting of two 10-foot sections, tended to mislead the general public into the erroneous belief that such represented sizes or lengths were the maximum working or useful lengths of the products so described. To correct this misconception, the Commission in 1969 promulgated the Extension Ladder Rule, which makes it an unfair or deceptive act or practice and an unfair method of competition to represent the size or length of such product, in terms of the total length of the component sections thereof, unless:

(a) Such size or length representation is accompanied by the words "total length of sections" or words with similar meanings which clearly indicate the basis of the representation; and,

(b) Such size or length representation is accompanied by a statement in close proximity to the size or length representation which clearly and

¹ In accordance with mandates of section 18 of the FTC Act, 15 U.S.C. 57a, the Commission submitted this NPR to the Chairman of the Committee on Commerce, Science, and Transportation, United States Senate, and the Chairman of the Subcommittee on Commerce, Trade and Hazardous Materials, United States House of Representatives, 30 days prior to publication of the NPR.

conspicuously shows the maximum length of the product when fully extended for use (i.e., excluding the footage lost in overlapping) along with an explanation for the basis of such representation.²

The Commission, as part of its oversight responsibilities, reviews 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. Accordingly, on April 19, 1993, the Commission published in the **Federal Register** a request for public comments on its Trade Regulation Rule on Advertising and Labeling As To Length of Extension Ladders, 16 C.F.R. Part 418. 58 FR 21125.

In its Request for Comment, the Commission indicated that if this rule is retained, the Commission intended to revise the examples contained in the rule to include "metric" measurements. The Commission then asked commenters to address questions relating to the costs and benefits of the Rule, the burdens it imposes, and the basis for assessing whether it should be retained, or amended.

Six specific comments were received. One commenter, a consumer, opined that the only label that should be on ladders is the "maximum working length" since consumers should not have to do any figuring to determine the length of the ladder that would meet their needs.

Of the other five commenters, four are manufacturers or suppliers of ladders and one is a trade association. A number of these comments refer to the American National Standards Institute (ANSI) standard A14, which governs the labeling of ladders. ANSI standard A14 details the requirements for labeling portable wood ladders, portable metal ladders, fixed ladders, job made ladders and portable reinforced plastic ladders. The ANSI standard requires specification of the maximum working length of extension ladders, as well as several other pieces of information not required by the Extension Ladder Rule, including the total length of the ladder's sections and the highest standing level of the ladder. Compliance with the ANSI standard therefore ensures compliance with the labeling requirements of the Extension Ladder

² The rule then gives an example of proper length representation when the product consists of two ten foot sections: "maximum working length 17', total length of sections 20'" or "17' extension ladder".

Rule. Several commenters noted this overlap in coverage of the Extension Ladder Rule and ANSI standard, A14, and recommended that the Rule be retained unchanged.

Another commenter stated that the Rule has imposed minor, incremental costs, but opined that the benefits have been significant in that consumers have a better understanding of extension ladder length. The commenter questioned whether there was a continuing need for this Rule given the existence of ANSI standard A14 and UL Standard 184.

In addition to these specific comments, one general comment, applicable to several rules being reviewed, was received from an advertising agency association. This organization recommended rescission of the Extension Ladder Rule because the general prohibitions of Section 5 of the FTC Act covering false and deceptive advertising apply to the ladder industry, and thus the Rule creates unnecessary administrative costs for the government, industry members and consumers. This commenter did not submit any analysis or data relating to the imposition of unnecessary administrative costs on affected industry members, government or consumers.

Commission staff also engaged in an informal review of industry practices by examining the marking of length on extension ladders available for retail sale at several chain stores. That review indicated general compliance with the requirements of the Rule. Additionally, a check of Commission records failed to find any complaints regarding non-compliance with the Rule, or any initiation of law enforcement actions alleging violations of the Rule's requirements. 60 FR 27245.

On May 23, 1995, the Commission issued an Advance Notice of Proposed Rulemaking ("ANPR") based on a review of the submissions received in response to the Request for Comment. The Commission determined that there may no longer be a need to continue the Extension Ladder Rule in light of the apparent changes in industry practices and the existence of standards mandating the point-of-sale disclosures required by the Rule. 60 FR 27246. No comments were received in response to this request.

III. Rulemaking Procedures

The Commission finds that the public interest will be served by using expedited procedures in this proceeding. First, there do not appear to be any material issues of disputed fact to resolve in determining whether to repeal the Rule. Second, the use of

expedited procedures will support the Commission's goal of eliminating obsolete or unnecessary regulations without an undue expenditure of resources, while ensuring that the public has an opportunity to submit data, views and arguments on whether the Commission should repeal the Rule.

The Commission, therefore, has determined, pursuant to 16 CFR 1.20, to use the procedures set forth in this notice. These procedures include: (1) Publishing this Notice of Proposed Rulemaking; (2) soliciting written comments on the Commission's proposal to repeal the Rule; (3) holding an informal hearing, if requested by interested parties; (4) obtaining a final recommendation from staff and (5) announcing final Commission action in a notice published in the **Federal Register**.

IV. Invitation to Comment and Questions for Comment

Interested persons are requested to submit written data, views or arguments on any issue of fact, law or policy they believe may be relevant to the Commission's decision on whether to repeal the Rule. The Commission requests that commenters provide representative factual data in support of their comments. Individual firms' experiences are relevant to the extent they typify industry experience in general or the experience of similar-sized firms. Commenters opposing the proposal repeal of the Rule should explain the reasons they believe the Rule is still needed and, if appropriate, suggest specific alternatives. Proposals for alternative requirements should include reasons and data that indicate why the alternatives would better protect consumers from unfair or deceptive acts or practices under section 5 of the FTC Act, 15 U.S.C. 45.

Although the Commission welcomes comments on any aspect of the proposed repeal of the Rule, the Commission is particularly interested in comments on questions and issues raised in this Notice. All written comments should state clearly the question or issue that the commenter is addressing.

Before taking final action, the Commission will consider all written comments timely submitted to the Secretary of the Commission and testimony given on the record at any hearings scheduled in response to requests to testify. Written comments submitted will be available for public inspection in accordance with the Freedom of Information Act, 5 U.S.C. 552, and Commission regulations, on normal business days between the hours

of 8:30 a.m. to 5:00 p.m. at the Federal Trade Commission, Public Reference Room, Room H-130, Federal Trade Commission, Sixth Street and Pennsylvania Avenue, NW., Washington, DC 20580, telephone number 202-326-2222.

Questions

- (1) Does the existence of the ANSI standard governing the labeling of extension ladders eliminate or greatly lessen the need for the Rule?
- (2) What are the benefits and the costs of the Rule to consumers?
- (3) What are the benefits and the costs of the Rule to firms subject to the Rule's requirements?
- (4) Are there other federal or state laws or regulations, or private industry standards, that eliminate a need for the Rule?
- (5) Does the Rule overlaps or conflict with other federal, state, or local government laws or regulations?
- (6) Is there a continuing need for the Rule or should the Rule be repealed?

V. Requests for Public Hearings

Because there does not appear to be any dispute as to material facts or issues raised by this proceeding and because written comments appear adequate to present the views of all interested parties, a public hearing has not been scheduled. If any person would like to present testimony at a public hearing, he or she should follow the procedures set forth in the **DATES** and **ADDRESSES** sections of this Notice.

VI. Preliminary Regulatory Analysis

The Regulatory Flexibility Act (RFA), 5 U.S.C. 601-11, requires an analysis of the anticipated impact of the proposed repeal of the Rule on small businesses.³ The analysis must contain, as applicable, a description of the reasons why action is being considered, the objectives of and legal basis for the proposed action, the class and number of small entities affected, the projected reporting, recordkeeping and other compliance requirements being proposed, any existing federal rules which may duplicate, overlap or conflict with the proposed action, and any significant alternatives to the

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proposed action that accomplish its objectives and, at the same time, minimize its impact on small entities.

A description of the reasons why action is being considered and the objectives of the proposed repeal of the Rule have been explained elsewhere in this Notice. Repeal of the Rule would appear to have little or no effect on any small business. The Commission is not aware of any existing federal laws or regulations that would conflict with repeal of the Rule.

In light of these reasons, the Commission certifies, pursuant to section 605 of RFA, 5 U.S.C. 605, that if the Commission determines to repeal the Rule that action will not have a significant impact on a substantial number of small entities. To ensure that no substantial economic impact is being overlooked, however, the Commission requests comments on this issue. After reviewing any comments received, the Commission will determine whether it is necessary to prepare a final regulatory flexibility analysis.

VII. Paperwork Reduction Act

The Extension Ladder Rule does not impose "information collection requirements" under the Paperwork Reduction Act ("PRA"), 44 U.S.C. 3501 *et seq.* The Rule, however, does contain disclosure requirements, which specify that when the size or length of an extension ladder is represented in terms of the total length of the component section such fact must be noted and a statement must be placed in close proximity to the notation which clearly and conspicuously discloses the maximum length of the product when fully extended for use.⁴ Accordingly, repeal of the Rule would eliminate any burdens on the public imposed by these disclosure requirements.

VIII. Additional Information for Interested Persons

A. Motions or Petitions

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

B. Communications by Outside Parties to Commissioners of Their Advisors

Pursuant to Rule 1.18(c) of the Commission's Rules of Practice, 16 CFR 1.18(c), communications with respect to the merits of this proceeding from any

outside party to any Commissioner or Commissioner's advisor during the course of this rulemaking shall be subject to the following treatment. Written communications, including written communications from members of Congress, shall be forwarded promptly to the Secretary for placement on the public record. Oral communications, not including oral communications from members of Congress, are permitted only when such oral communications are transcribed verbatim or summarized at the discretion of the Commissioner or Commissioner's advisor to whom such oral communications are made, and are promptly placed on the public record, together with any written communications relating to such oral communications. Memoranda prepared by a Commissioner or Commissioner's advisor setting forth the contents of any oral communications from members of Congress shall be placed promptly on the public record. If the communication with a member of Congress is transcribed verbatim or summarized, the transcript or summary will be placed promptly on the public record.

List of Subjects in 16 CFR Part 418

Advertising, Trade practices, Extension ladders.

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

By direction of the Commission.

Donald S. Clark,

Secretary.

[FR Doc. 95-23043 Filed 9-15-95; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 240

[Release No. 34-36213, International Series Release No. 852, File No. S7-26-95]

RIN 3235-AG65

Exemption of the Securities of the United Mexican States Under the Securities Exchange Act of 1934 for Purposes of Trading Futures Contracts on Those Securities

AGENCY: Securities and Exchange Commission.

ACTION: Proposed rule amendment and solicitation of public comments.

SUMMARY: The Commission proposes for comment an amendment to Rule 3a12-8 that would designate debt obligations issued by the United Mexican States ("Mexico") as "exempted securities" for the purpose of marketing and trading of futures contracts on those securities in

the United States. The amendment is intended to permit futures on Mexican government debt to be traded in the U.S. This change is not intended to have any substantive effect on the operation of the Rule.

DATES: Comments should be submitted by October 18, 1995.

ADDRESSES: All comments should be submitted in triplicate and addressed to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. All comments should refer to File No. S7-26-95, and will be available for public inspection and copying at the Commission's Public Reference Room, 450 Fifth Street, NW., Washington, DC.

FOR FURTHER INFORMATION CONTACT: James T. McHale, Attorney, Office of Market Supervision, Division of Market Regulation, Securities and Exchange Commission (Mail Stop 5-1), 450 Fifth Street, NW., Washington, DC 20549, at 202/942-0190.

SUPPLEMENTARY INFORMATION:

I. Introduction

Under the Commodity Exchange Act ("CEA"), it is unlawful to trade a futures contract on any individual security unless the security in question is an exempted security (other than a municipal security) under the Securities Act of 1933 ("Securities Act") or the Securities Exchange Act of 1934 ("Exchange Act"). Debt obligations of foreign governments are not exempted securities under either of these statutes. The Securities and Exchange Commission ("SEC" or "Commission"), however, has adopted Rule 3a12-8 under the Exchange Act to designate debt obligations issued by certain foreign governments as exempted securities under the Exchange Act solely for the purpose of marketing and trading futures contracts on those securities in the United States. As amended, the foreign governments currently designated in the Rule are Great Britain, Canada, Japan, Australia, France, New Zealand, Austria, Denmark, Finland, the Netherlands, Switzerland, Germany, the Republic of Ireland, Italy, and the Kingdom of Spain (the "Designated Foreign Governments"). As a result, futures contracts on the debt obligations of these countries may be sold in the United States, as long as the other terms of the Rule are satisfied.

The Commission today is soliciting comments on a proposal to amend Rule 3a12-8 (17 CFR 240.3a12-8) to add the debt obligations of Mexico to the list of Designated Foreign Government securities that are exempted by Rule 3a12-8. To qualify for the exemption,

⁴Under amendments to the P.R.A. in the Paperwork Reduction Act of 1995 (Pub. L. 104-13, 109 Stat. 163, to be codified at 44 U.S.C. 3501-20), which will become effective on October 1, 1995, these third-party disclosures may constitute a "collection of information" for which OMB clearance must be sought.