

SUPPLEMENTARY INFORMATION: At the June 9th meeting, the FCC Technological Advisory Council will discuss progress on and issues involving its work program agreed to at its initial meeting on March 9th, 2016. The FCC will attempt to accommodate as many people as possible. However, admittance will be limited to seating availability. Meetings are also broadcast live with open captioning over the Internet from the FCC Live Web page at <http://www.fcc.gov/live/>. The public may submit written comments before the meeting to: Walter Johnston, the FCC's Designated Federal Officer for Technological Advisory Council by email: Walter.Johnston@fcc.gov or U.S. Postal Service Mail (Walter Johnston, Federal Communications Commission, Room 2-A665, 445 12th Street SW., Washington, DC 20554). Open captioning will be provided for this event. Other reasonable accommodations for people with disabilities are available upon request. Requests for such accommodations should be submitted via email to fcc504@fcc.gov or by calling the Office of Engineering and Technology at 202-418-2470 (voice), (202) 418-1944 (fax). Such requests should include a detailed description of the accommodation needed. In addition, please include your contact information. Please allow at least five days advance notice; last minute requests will be accepted, but may not be possible to fill.

Federal Communications Commission.

Ronald T. Repasi,

Deputy Chief, Office of Engineering and Technology.

[FR Doc. 2016-08529 Filed 4-13-16; 8:45 am]

BILLING CODE 6712-01-P

FEDERAL DEPOSIT INSURANCE CORPORATION

Sunshine Act Meeting

Pursuant to the provisions of the "Government in the Sunshine Act" (5 U.S.C. 552b), notice is hereby given that at 7:08 p.m. on Monday, April 11, 2016, the Board of Directors of the Federal Deposit Insurance Corporation met in closed session to consider matters related to the Corporation's supervision, corporate, and resolution activities.

In calling the meeting, the Board determined, on motion of Vice Chairman Thomas M. Hoenig, seconded by Director Thomas J. Curry (Comptroller of the Currency), concurred in by Director Richard Cordray (Director, Consumer Financial Protection Bureau), and Chairman

Martin J. Gruenberg, that Corporation business required its consideration of the matters which were to be the subject of this meeting on less than seven days' notice to the public; that no earlier notice of the meeting was practicable; that the public interest did not require consideration of the matters in a meeting open to public observation; and that the matters could be considered in a closed meeting by authority of subsections (c)(4), (c)(8), and (c)(9)(B) of the "Government in the Sunshine Act" (5 U.S.C. 552b(c)(4), (c)(8), and (c)(9)(B)).

Dated: April 12, 2016.

Federal Deposit Insurance Corporation.

Robert E. Feldman,

Executive Secretary.

[FR Doc. 2016-08718 Filed 4-12-16; 4:15 pm]

BILLING CODE P

FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The applications will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act (12 U.S.C. 1843). Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than May 9, 2016.

A. Federal Reserve Bank of Dallas (Robert L. Triplett III, Senior Vice

President) 2200 North Pearl Street, Dallas, Texas 75201-2272:

1. *A.N.B. Holding Company, Ltd.*, Terrell, Texas; to acquire additional voting shares up to 38 percent of The ANB Corporation, and thereby indirectly acquire voting shares of The American National Bank of Texas, both in Terrell, Texas; Lakeside Bancshares, Inc., and Lakeside National Bank, both in Rockwall, Texas.

Board of Governors of the Federal Reserve System, April 11, 2016.

Michael J. Lewandowski,

Associate Secretary of the Board.

[FR Doc. 2016-08610 Filed 4-13-16; 8:45 am]

BILLING CODE 6210-01-P

FEDERAL TRADE COMMISSION

Telemarketing Sales Rule Information Collection Activities; Proposed Collection; Comment Request

AGENCY: Federal Trade Commission ("Commission" or "FTC").

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 for an additional three years the current PRA clearance for information collection requirements in its Telemarketing Sales Rule ("TSR"). That clearance expires on August 31, 2016.

DATES: Comments must be submitted on or before June 13, 2016.

ADDRESSES: Interested parties may file a comment online or on paper, by following the instructions in the Request for Comment part of the **SUPPLEMENTARY INFORMATION** section below. Write "TSR PRA Comment, FTC File No. P094400" on your comment, and file your comment online at <https://ftcpUBLIC.commentworks.com/ftc/tsrrulepra> by following the instructions on the web-based form. If you prefer to file your comment on paper, mail your comment to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue NW., Suite CC-5610 (Annex J), Washington, DC 20580, or deliver your comment to the following address: Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street SW., 5th Floor, Suite 5610 (Annex J), Washington, DC 20024.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or

copies of the proposed information requirements for the TSR should be addressed by mail to Craig Tregillus, Staff Attorney, Division of Marketing Practices, Bureau of Consumer Protection, Federal Trade Commission, Room CC-8607, 600 Pennsylvania Ave. NW., Washington, DC 20580, or by telephone to (202) 326-2970.

SUPPLEMENTARY INFORMATION: 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). As required by section 3506(c)(2)(A) of the PRA, the FTC is providing this opportunity for public comment before requesting that OMB extend the existing paperwork clearance for the TSR, 16 CFR part 310 (OMB Control Number 3084-0097).

The TSR, 16 CFR 310, implements the Telemarketing and Consumer Fraud and Abuse Prevention Act, 15 U.S.C. 6101-6108 ("Telemarketing Act"), as amended by the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act ("USA PATRIOT Act"), Public Law 107056 (Oct. 25, 2001). The Telemarketing Act seeks to prevent deceptive or abusive telemarketing practices in telemarketing, which, pursuant to the USA PATRIOT Act, includes calls made to solicit charitable contributions by third-party telemarketers. The Telemarketing Act mandated certain disclosures by telemarketers, and directed the Commission to include recordkeeping requirements in promulgating a rule to prohibit such practices. As required by the Telemarketing Act, the TSR mandates certain disclosures for telephone sales and requires telemarketers to retain certain records regarding advertising, sales, and employees. The required disclosures provide consumers with information necessary to make informed purchasing decisions. The required records are to be made available for inspection by the Commission and other law enforcement personnel to determine compliance with the Rule. Required records may also yield information helpful to measuring and redressing consumer injury stemming from Rule violations.

In 2003, the Commission amended the TSR to include certain new disclosure requirements and to expand the Rule in other ways. See 68 FR 4580 (Jan. 29, 2003). Specifically, the Rule was

amended to cover upsells¹ (not only in outbound calls, but also in inbound calls) and additional transactions were included under the Rule's purview. For example, the Rule was extended to cover the solicitation by telephone of charitable donations by third-party telemarketers in response to the mandate of the USA PATRIOT Act. Finally, the amendments established the National Do Not Call Registry ("Registry"), permitting consumers to register, via either a toll-free telephone number or the Internet, their preference not to receive certain telemarketing calls.² Accordingly, under the TSR, most sellers and telemarketers are required to refrain from calling consumers who have placed their numbers on the Registry.³ Moreover, sellers and telemarketers must periodically access the Registry to remove from their telemarketing lists the telephone numbers of those consumers who have registered.⁴

In 2008, the Commission promulgated amendments to the TSR regarding prerecorded calls, 16 CFR 310.4(b)(1)(v), and call abandonment rate calculations, 16 CFR 310.4(b)(4)(i).⁵ The amendment regarding prerecorded calls added certain information collection requirements.⁶ Specifically, the amendment expressly authorized sellers and telemarketers to place outbound prerecorded telemarketing calls to consumers only if: (1) The seller has

¹ An "upsell" is the solicitation in a single telephone call of the purchase of goods or services after an initial transaction occurs. The solicitation may be made by or on behalf of a seller different from the seller in the initial transaction, regardless of whether the initial transaction and the subsequent solicitation are made by the same telemarketer ("external upsell"). Or, it may be made by or on behalf of the same seller as in the initial transaction, regardless of whether the initial transaction and subsequent solicitation are made by the same telemarketer ("internal upsell").

² 68 FR 4580 (Jan. 29, 2003). The Registry applies to any plan, program, or campaign to sell goods or services through interstate phone calls. This includes telemarketers who solicit consumers, often on behalf of third-party sellers. It also includes sellers who provide, offer to provide, or arrange to provide goods or services to consumers in exchange for payment. It does not limit calls by political organizations, charities, or telephone survey companies.

³ 16 CFR 310.4(b)(1)(iii)(B).

⁴ 16 CFR 310.4(b)(3)(iv). Effective January 1, 2005, the Commission amended the TSR to require telemarketers to access the Registry at least once every 31 days. See 69 FR 16368 (Mar. 29, 2004).

⁵ See 73 FR 51164 (Aug. 29, 2008).

⁶ By contrast, the revised standard for measuring the call abandonment rate did not impose any new or affect any existing reporting, recordkeeping or third-party disclosure requirements within the meaning of the PRA. That amendment relaxed the prior requirement that the abandonment rate be calculated on a "per day per campaign" basis by permitting, but not requiring, its calculation over a 30-day period, as industry requested.

obtained written agreements from those consumers to receive prerecorded telemarketing calls after a clear and conspicuous disclosure of the purpose of the agreement; and (2) the call discloses and provides an automated telephone keypress or voice-activated opt-out mechanism at the outset of the call.⁷

In 2010, the Commission published additional amendments taking effect that year to require specific new disclosures in the sale of a "debt relief service," as that term is defined in section 310.2(m) to include for-profit credit counseling services, debt settlement, and debt negotiation services. The amendments result in PRA burden for all covered entities—both new and existing respondents—that engage in telemarketing of these services. The amendments, among other things: (1) Applied the TSR to *inbound* telemarketing of debt relief services;⁸ and (2) added new required disclosures and prohibited representations to curb deceptive practices prevalent in the telemarketing of debt relief services.⁹

Burden Statement:

Estimated Annual Hours Burden: 1,238,670 hours.

The estimated burden for recordkeeping is 14,541 hours for all industry members affected by the Rule. The estimated burden for the disclosures that the Rule requires for both the live telemarketing call provisions of the TSR and those regarding prerecorded calls is 1,223,777 hours for all affected industry members and estimated reporting burden is 352 hours. Thus, the total PRA burden is

⁷ The prerecorded call amendment provided the first ever explicit authorization in the TSR for sellers and telemarketers to place prerecorded telemarketing calls to consumers. The pre-amendment call abandonment prohibition of the TSR implicitly barred such calls by requiring that all telemarketing calls be connected to a sales representative, rather than a recording, within two seconds of the completed greeting of the person who answers. The requirements apply not only to prerecorded calls that are answered by a consumer, but also to prerecorded messages left on consumers' answering machines or voicemail services.

⁸ While the TSR already covered outbound calls by debt relief service providers, the amendments also brought inbound debt-relief calls within the TSR's reach.

⁹ Most recently, the Commission published further amendments in 2015 that prohibit the use of certain payment methods in both outbound and inbound telemarketing, expand the advance fee ban on recovery services, and clarify several provisions to reflect Commission enforcement policy. 80 FR 77554 (Dec. 14, 2015). The prohibitions on the use of remotely created payment checks, remotely created payment orders, cash-to-cash money transfers and cash reload mechanisms do not take effect until June 13, 2016. The other amendments took effect upon publication. None of the prohibitions and clarifications in these amendments result in PRA burden for covered entities. 80 FR at 77558.

1,238,670 hours. These estimates are explained below.

Number of Respondents: As a preliminary matter, only telemarketers and sellers, not telefundors (third-party telemarketers soliciting contributions on behalf of charities), are subject to the Registry provisions of the Rule, and only sellers, not telemarketers or telefundors, are subject to the new express agreement obligations attributable to the prerecorded call disclosure requirements.¹⁰ The Registry data does not separately account for telefundors; they are a subset of the overall number of telemarketing entities known to access the Registry for any given year.¹¹

In calendar year 2015, 22,401 telemarketing entities accessed the Registry. Of these entities, 498 were “exempt” entities obtaining access to data.¹² By definition, none of the exempt entities are subject to the TSR. In addition, 16,248 sellers and 5,259 telemarketers accessed the Registry. Of those, however, 11,250 sellers and 3,612 telemarketers with independent access to the Registry obtained data for just one state. Staff assumes that these entities are operating solely intrastate, and thus would not be subject to the TSR.¹³ Applying this Registry data, staff estimates that 7,041 telemarketing entities (22,401 – 498 – 11,250 – 3,612) are currently subject to the TSR, of which 4,998 (16,248 – 11,250) are sellers and 1,647 (5,259 – 3,612) are telemarketers.¹⁴

(a) Recordkeeping Hours

Staff estimates that the above-noted 7,041 telemarketing entities subject to

¹⁰ Telemarketers and telefundors must comply, however, with the abandoned call provisions of the TSR and the opt-out requirements of the 2008 amendments.

¹¹ For the sake of simplicity and to err conservatively, FTC staff’s burden estimates for provisions less likely to be applicable to telefundors (e.g., prize promotion disclosure obligations for outbound live calls, under 16 CFR 310.4(d)) will not be reduced by a separate estimate for the subset of telemarketers that are telefundors. Conversely, estimates of the number of new-entrant telemarketers will incorporate new-entrant telefundors.

¹² An exempt entity is one that, although not subject to the TSR, voluntarily chooses to scrub its calling lists against the data in the Registry.

¹³ These entities would nonetheless likely be subject to the Federal Communications Commission’s (“FCC”) Telephone Consumer Protection Act regulations, including the requirement that entities engaged in intrastate telephone solicitations access the Registry.

¹⁴ For purposes of these calculations, staff assumes that telemarketers making prerecorded calls download telephone numbers listed on the Registry, rather than conduct online searches, because the latter may consume much more time. Other telemarketers not placing the high-volume of automated prerecorded calls may elect to search online, rather than to download.

the Rule each require approximately one hour per year to file and store records required by the TSR for an annual total of 7,041 burden hours. The Commission staff also estimates that 75 new entrants per year would need to spend 100 hours each developing a recordkeeping system that complies with the TSR for an annual total of 7,500 burden hours.¹⁵ These figures, based on prior estimates, are consistent with staff’s current knowledge of the industry. Thus, the total estimated annual recordkeeping burden for new and existing telemarketing entities, including those offering debt relief services and making prerecorded calls,¹⁶ is 14,541 hours.

(b) Disclosure Hours

Staff believes that in the ordinary course of business a substantial majority of sellers and telemarketers make the disclosures the Rule requires because to do so constitutes good business practice. To the extent this is so, the time and financial resources needed to comply with disclosure requirements do not constitute “burden.” 16 CFR 1320.3(b)(2). Moreover, many state laws require the same or similar disclosures as the Rule mandates. Thus, the disclosure hours burden attributable solely to the Rule is far less than the total number of hours associated with the disclosures overall. As when the FTC last sought 3-year OMB clearance for this Rule, staff estimates that most of the disclosures the Rule requires would be made in at least 75 percent of telemarketing calls even absent the Rule.¹⁷ Accordingly, staff has continued to estimate that the hours burden for most of the Rule’s disclosure requirements is 25 percent of the total

¹⁵ This figure includes new entrants making prerecorded calls and offering debt relief services, based on prior estimates that neither would require more than 100 hours to comply with those requirements. See 74 FR 11,952, 11,954 n. 17 (Mar. 20, 2009); 75 FR 48,458, 48,504 (Aug. 10, 2010); 78 FR 19,483, 19,484 n. 15 (Apr. 1, 2013).

¹⁶ The recordkeeping requirements for prerecorded calls are de minimis, and are subsumed within the PRA estimates above for existing and new telemarketing entities. As in its prior estimates, staff continues to believe that any ongoing incremental burden on sellers to create and retain electronic records of written agreements by new customers to receive prerecorded calls should not be material since the agreements may be obtained and recorded electronically pursuant to the Electronic Signatures In Global and National Commerce Act (commonly, “E-SIGN”). Although telemarketers (and telefundors) that place prerecorded calls on behalf of sellers or charities must capture and transmit to the seller any requests they receive to place a consumer’s telephone number on the seller’s entity-specific do-not-call list, this obligation extends both to live and prerecorded telemarketing calls, and is also subsumed within the PRA estimates above.

¹⁷ 78 FR at 19,485.

hours associated with disclosures of the type the TSR requires.

Based on previous assumptions, staff estimates that of the 7,041 telemarketing entities noted above, 3,235 conduct inbound telemarketing.¹⁸ Inbound calls from consumers in response to direct mail solicitations that make certain required disclosures are exempt from the TSR.¹⁹ Although such calls are exempt from the Rule, the Commission believes it is likely that industry members choosing to make the requisite disclosures in direct mail solicitation might do so only in an effort to qualify for the exemption. Thus, Commission staff believes it is appropriate to include in the relevant burden hour calculation both the burden for compliance with the Rule’s oral disclosures and the burden incurred by entities that make written disclosures in order to qualify for the inbound direct mail exemption. Accordingly, consistent with its previous analyses, staff estimates that, of the 3,235 entities that conduct inbound telemarketing, approximately one-third (1,078) will choose to incorporate written disclosures in their direct mail solicitations that exempt them from complying with the Rule.²⁰

Consistent with its past practice, staff necessarily has made additional assumptions in estimating burden. From the total volume of outbound and inbound calls, staff first calculated disclosure burden for initial transactions that resulted in sales, derived from external data and/or estimates drawn from a range of calendar years (2001–2012). Staff recognizes that disclosure burdens may still be incurred regardless of whether or not a call results in a sale. Conversely, a substantial percentage of outbound calls result in consumers hanging up before the seller or telemarketer makes the required disclosure(s). However,

¹⁸ While staff does not have information directly stating the number of inbound telemarketers, data last appearing in the DMA 2009 Statistical Fact Book (February 2009), p. 18, shows that 17% of all direct marketing in 2008 was by inbound telemarketing and 20% was by outbound telemarketing. Accordingly, based on such relative weighting, staff estimates that the number of inbound telemarketers is approximately 3,235 ((7,041 × 17) ÷ (17 + 20)).

¹⁹ Some exceptions to this broad exemption exist, including solicitations regarding prize promotions, investment opportunities, business opportunities other than business arrangements covered by the Franchise Rule or Business Opportunity Rule, advertisements involving goods or services described in 310.3(a)(1)(vi), advertisements involving goods or services described in 310.4(a)(2)–(4); and any instances of upselling included in such telephone calls.

²⁰ Since only sellers, and not telemarketers, would make the written disclosures, and this estimate includes both, it conservatively overstates the number of entities subject to the requirement.

because the requirements in § 310.3(a)(1) for certain disclosures before a consumer pays for a telemarketing purchase apply only to sales, early call cessation (*i.e.*, consumers hanging up before any disclosure or before full disclosure) is excluded from staff's burden estimates for § 310.3(a)(1).

For transactions in which a sale is not a precursor to a required disclosure, *i.e.*, the upfront disclosures required in all outbound telemarketing calls and outbound or inbound "upsell" calls by § 310.4(d), consistent with past estimates, staff has continued to calculate burden for initial transactions based on estimates of the total volume of outbound and inbound calls, discounted for anticipated early hang-ups. For transactions in which a sale is a precursor to required disclosure, *i.e.*, § 310.3(a)(1), the calculation is based on the volume of direct sales.

Based on industry data and further FTC extrapolations,²¹ staff estimates that 2.3 billion outbound telemarketing calls are subject to FTC jurisdiction, that 450 million of these calls result in direct sales,²² and that there are 1.8 billion inbound calls that result in direct sales. Staff retains its longstanding estimate that, in a telemarketing call involving the sale of goods or services, it takes 7 seconds²³ for telemarketers to recite the required pre-sale disclosures plus 3 additional seconds²⁴ to disclose the information required in the case of an upsell. Staff also retains its longstanding

²¹ Staff employs the methodology, assumptions, and studies it has consistently used since their development for the 2003 TSR amendments to determine, indirectly from external sales data and the relative percentages of inbound and outbound calls, the number of telemarketing calls and resulting number of sales because no call or sales number totals are otherwise available. Staff relies on its own prior estimates that of the \$134.7 billion of sales from outbound calls to consumers in 2012 (DMA 2013 Statistical Fact Book, at 5), 92.8% of those sales, or \$125 billion, are subject to FTC jurisdiction, with the average value of a sale being \$85, and 20% of outbound calls resulting in a sale.

²² For staff's PRA burden calculations, only direct sales orders by telephone are relevant. That is, sales generated through leads or customer traffic are excluded from these calculations because such sales are not subject to the TSR's recordkeeping and disclosure provisions. The direct sales transactions total of 450 million is based on an estimated 1.5 billion sales transactions from outbound calls being subject to FTC jurisdiction reduced by an estimated 30 percent attributable to direct orders. This percentage estimate is derived from the only known available outside direct sales data for telephone marketing to consumers. See DMA Statistical Fact Book (2001), p. 301.

²³ See, e.g., 60 FR 32,682, 32,683 (June 23, 1995); 63 FR 40,713, 40,714 (July 30, 1998); 66 FR 33,701, 33,702 (June 25, 2001); 71 FR 28,698, 28,700 (May 17, 2006); 74 FR 11,952, 11,955 (Mar. 20, 2009); 78 FR at 19,485.

²⁴ 71 FR 3302, 3304 (Jan. 20, 2006); 71 FR at 28,700; 78 FR at 19,485.

estimates that at least 60 percent of sales calls result in "hang-ups" before the telemarketer can make all the required disclosures and that "hang-up" calls allow for only 2 seconds of disclosures.²⁵

Staff bases all ensuing upsell calculations on the volume of additional sales after an initial sale, with the assumption that a consumer is unlikely to be predisposed to an upsell if he or she rejects an initial offer—whether through an outbound or an inbound call. Using industry information, staff assumes an upsell conversion rate of 40% for inbound calls as well as outbound calls.²⁶ Moreover, staff assumes that consumers who agree to an upsell will not terminate an upsell before the seller or telemarketer makes the full required disclosures.

Based on the above inputs and assumptions, staff estimates that the total time associated with these pre-sale disclosure requirements is 826,389 hours per year: [(2.3 billion outbound calls × 40% lasting the duration × 7 seconds of full pre-sale disclosures ÷ 3,600 (conversion of minutes to hours) × 25% burden = 447,222 hours) + (2.3 billion outbound calls × 60% terminated after 2 seconds of disclosures ÷ 3,600 × 25% burden = 191,667 hours) + (450 million outbound calls resulting in direct sales × 40% upsell conversions × 3 seconds of related disclosures ÷ 3,600 × 25% burden = 37,500 hours) + (1.8 billion inbound calls × 40% upsell conversions × 3 seconds ÷ 3,600 × 25% burden = 150,000 hours)] = 826,389 hours.

The TSR also requires several general sales disclosures in telemarketing calls before the customer pays for goods or services.²⁷ These disclosures include the total costs of the offered goods or services, all material restrictions, and all material terms and conditions of the seller's refund, cancellation, exchange, or repurchase policies (if a representation about such a policy is a part of the sales offer).

Staff estimates that the general sales disclosures for telemarketing calls require 352,695 hours annually. This figure includes the burden for written disclosures (1,078 inbound telemarketing entities estimated to be

²⁵ See, e.g., 60 FR at 32,683; 78 FR at 19,485.

²⁶ This assumption originated with industry response to the Commission's 2003 Final Amended TSR. See 68 FR 4580, 4597 n. 183 (Jan. 29, 2003). Although it was posited specifically regarding inbound calls, FTC staff will continue to apply this assumption to outbound calls as well, absent the receipt of any information to the contrary.

²⁷ 16 CFR 310.3(a)(1)(i)–(iii).

direct mail²⁸ × 10 hours²⁹ per year × 25% burden = 2,695 hours), as well as the figure for oral disclosures [450 million outbound calls × 8 seconds ÷ 3,600 × 25% burden = 250,000 hours) + (450 million outbound calls × 40% upsell attempts × 20% sales conversion × 8 seconds ÷ 3,600 × 25% burden = 20,000 hours) + (1.8 billion inbound calls × 40% upsell attempts × 20% sales conversion × 8 seconds ÷ 3,600 × 25% burden = 80,000 hours)] = 352,695 hours.³⁰

To estimate the time required to provide the general sales disclosures for calls offering debt relief services, staff employs different assumptions and calculations set forth when the debt relief amendments were issued.³¹ Employing that analysis, as modified in response to a public comment to account for inbound debt relief sales,³² staff continues to assume that outbound calls to sell and inbound calls to buy debt relief services are made only to consumers who are delinquent on one or more credit cards.³³ For simplicity, and lacking specific information or prior comment to the contrary, staff further assumes that each such consumer will receive one outbound call and place one inbound call for these services.

To estimate the number of consumers who are delinquent on one or more credit cards, staff assumes that couples constitute a single decision-making unit, as do single adults (widowed, divorced, separated, never married) within each household. According to the most current U.S. Census Bureau data available, there are 162,016,000 decision-making units.³⁴ Of these,

²⁸ See *supra* text preceding note 20.

²⁹ FTC staff believes a typical firm will spend approximately 10 hours per year engaged in activities ensuring compliance with this provision of the Rule; this, too, has been stated in prior FTC notices inviting comment on PRA estimates. No comments were received, and staff believes this estimate remains reasonable.

³⁰ The percentage and unit of time measurements are FTC staff estimates.

³¹ 75 FR at 48,504–05.

³² Debt relief sales in outbound calls have always been subject to the general sales disclosure requirements, and are subsumed in the outbound general sales disclosure totals.

³³ By extension upsells on these initial calls would not be applicable. Moreover, staff believes that few, if any, upsells on initial outbound and inbound calls would be for debt relief.

³⁴ U.S. Census Bureau, *Income and Poverty in the United States: 2014*, (September 2015), p. 6, available at <http://www.census.gov/content/dam/Census/library/publications/2015/demo/p60-252.pdf> (reflecting 124,587,000 households in 2014); U.S. Census Bureau, *Sharing a Household: Household Composition and Economic Well Being: 2007–2010* (June 2012), Table 2, p. 4, available at www.census.gov/hhes/www/poverty/publications/P60-242.pdf (reflecting 37,429,000 adults living with a householder that is neither a spouse nor cohabiting partner in 2010).

116,975,552 have one or more credit cards,³⁵ and there are 3,193,433 decision-making units with at least one delinquent credit card account.³⁶

Accordingly, since reciting the general sales disclosures takes eight seconds, staff estimates that the general sales disclosure burden for inbound debt relief calls is 1,774 hours (3,193,433 inbound debt relief calls to decision-making units with at least one delinquent credit card account × 8 seconds ÷ 3,600 × 25% burden).

The general sales disclosures required by § 310.3(a)(1)(i)–(iii) must also be made by sellers and telemarketers for some inbound calls that are excluded from the general media and direct mail exemptions from the TSR for inbound calls;³⁷ namely, calls in response to ads for investment opportunities, certain business opportunities,³⁸ credit card loss protection (“CCLP”),³⁹ credit repair,⁴⁰ loss recovery services,⁴¹ and advance fee loans.⁴²

Staff’s estimates for each of these types of non-exempt inbound calls begins by comparing the number of complaints reported to the FTC’s Consumer Sentinel system in the most recent complete year to the total number of reported fraud complaints for that year. The resulting percentage of total fraud complaints must be adjusted to reflect the fact that only a relatively small percentage of telemarketing calls are fraudulent. To extrapolate the percentage of fraudulent telemarketing

calls, staff divides a Congressional estimate of annual consumer injury from telemarketing fraud (40 billion)⁴³ by recent available data on total consumer and business-to-business telemarketing sales (\$305.1 billion in 2012),⁴⁴ or 13%. The two percentages are then multiplied together to determine the percentage of the 1.8 billion annual inbound telemarketing calls represented by each type of fraud complaint.

Thus, for the 7,355 Sentinel complaints in 2015 about investment opportunities covered by the TSR,⁴⁵ or 0.6% of the 1,246,849 total fraud complaints reported that year,⁴⁶ the general sales disclosure burden is 3,200 hours (1.8 billion inbound calls × 0.0008 [0.006 × 0.13] × 8 seconds ÷ 3,600). Likewise, the burden for business opportunity sales (10,059 complaints), including complaints for multi-level marketing/pyramids/chain letters) is 4,000 hours (1.8 billion × .001 [0.008 × 0.13] × 8 seconds ÷ 3,600);⁴⁷ for advance fee loan sales (19,908 complaints), 8,000 hours (1.8 billion × 0.002 [0.016 × 0.13] × 8 seconds ÷ 3,600); for credit repair sales (1,751 complaints), 400 hours (1.8 billion × 0.0001 [0.001 × 0.13] × 8 seconds ÷ 3,600); 400 hours for loss recovery services (2,509 complaints) (1.8 billion × 0.0001 [0.001 × 0.13] × 8 seconds ÷ 3,600); 120 hours for CCLP sales (266 complaints) (1.8 billion × 0.00003 [0.0002 × 0.13] × 8 seconds ÷ 3,600). The exceptions to the TSR’s inbound call exemptions therefore add an additional 16,120 hours to the general sales disclosure burden.

Altogether, the general sales disclosure burden thus is 370,589 hours (352,695 hours for outbound sales + 1,774 hours for debt relief inbound sales + 16,120 hours for non-exempt inbound sales).

Additional specific disclosures are required if the call involves a prize promotion,⁴⁸ the sale of credit card loss protection products,⁴⁹ an offer with a negative option feature,⁵⁰ or the sale of a debt relief service.⁵¹ Staff estimates that the specific sales disclosures other than for debt relief services will require 22,363 hours annually [(450 million direct sales transactions from outbound calls × 5% [estimate of percentage of sales transactions involving prize promotions] × 3 seconds ÷ 3,600 × 25% burden = 4,688 hours) + 450 million direct sales transactions from outbound calls × 0.1% [estimate of percentage of sales transactions involving CCLP] × 4 seconds ÷ 3,600 × 25% burden = 125 hours) + (450 million sales transactions from outbound calls × 40% attempted upsell conversions × 20% sales conversions × 0.1% [estimate of percentage of outbound calls involving CCLP upsells] × 4 seconds × 25% burden ÷ 3,600 = 10 hours) + (1.8 billion inbound calls × 40% attempted upsell conversions × 20% sales conversions × 0.1% [estimate of percentage of inbound calls involving CCLP upsells] × 4 seconds × 25% burden ÷ 3,600 = 40 hours) + (450 million sales transactions from outbound calls × 10% [estimate of percentage of outbound calls involving negative options] × 4 seconds ÷ 3,600 × 25% burden = 12,500 hours) + (450 million sales transactions from outbound calls × 40% attempted upsell conversions × 20% sales conversions × 10% [estimate of percentage of outbound calls involving negative option upsells] × 4 seconds × 25% burden ÷ 3,600 = 1,000 hours) + (1.8 billion inbound calls × 40% attempted upsell conversions × 20% sales conversions × 10% [estimate of percentage of inbound calls involving negative option upsells] × 4 seconds ÷ 3,600 × 25% burden = 4,000 hours).

Staff estimates that reciting the specific sales disclosures in each debt relief sales call will take ten seconds, and therefore the disclosure burden associated with the debt relief disclosures is 4,436 hours (3,193,433 outbound debt relief calls × 10 seconds

³⁵ The estimate of consumers with one or more credit cards is derived by multiplying the estimated decision making units (162,016,000) by the percentage of consumers with one or more credit cards (72.2%). Federal Reserve Bank of Boston, Consumer Payments Research Center, *The 2009 Survey of Consumer Payment Choice* (April 2011), p. 8, available at www.bostonfed.org/economic/ppdp/2011/ppdp1101.pdf.

³⁶ The estimate of consumers with a delinquent account is derived by multiplying the estimate of consumers with one or more credit cards (116,975,552) by the delinquency rate for credit cards (2.73%). Board of Governors of the Federal Reserve System, *Charge Off and Delinquency Rates on Loans and Leases at Commercial Banks*, available at <http://www.federalreserve.gov/releases/chargeoff/delallsa.htm> (reporting a 2.73% delinquency rate for credit cards for the fourth quarter of 2012).

³⁷ 16 CFR 310.6(b)(5) (general media) and § 310.6(b)(6) (direct mail).

³⁸ Staff has previously accounted only for the business opportunity exclusion, which so significantly overstated the number of complaints not covered by the Franchise Rule or Business Opportunity Rule that it served as a proxy for all the other exclusions. See *infra* note 47. With the recent burgeoning increase in advance fee loan complaints, that may no longer be the case, and staff accordingly now accounts for all the exclusions, even though some may seem trivial.

³⁹ 16 CFR 310.3(a)(1)(vi).

⁴⁰ 16 CFR 310.4(a)(2).

⁴¹ 16 CFR 310.4(a)(3).

⁴² 16 CFR 310.4(a)(4).

⁴³ The FBI believes that this estimate now overstates telemarketing fraud losses as a result of its investigations and closings of once massive telemarketing boiler room operations. See FBI, *A Byte Out of History: Turning the Tables on Telemarketing Fraud* (Dec. 8, 2010), available at https://www.fbi.gov/news/stories/2010/december/telemarketing_120810/telemarketing_120810. See also Internet Crime Complaint Center, 2009 Annual Report on Internet Crime (citing \$559.7 million of losses claimed in consumer complaints), available at <http://www.justice.gov/criminal-fraud/mass-marketing-fraud>.

⁴⁴ DMA 2013 Statistical Fact Book (January 2013), p. 5.

⁴⁵ FTC, Consumer Sentinel Network Data Book for January–December 2015 (February 2016) (“Sentinel Data”), Appendix B3, p. 83, available at <https://www.ftc.gov/reports/consumer-sentinel-network-data-book-january-december-2015>.

⁴⁶ Sentinel Data at 7.

⁴⁷ Sentinel Data at 7, 80. While this total excludes “Franchises/Distributorships” covered by the Franchise Rule and thus not subject to the TSR, the data cannot additionally be segregated to omit “Work-At-Home” opportunities now covered by the Business Opportunity Rule and thus also not subject to the TSR. Staff therefore believes this total significantly overstates the opportunities subject to the TSR.

⁴⁸ 16 CFR 310.3(a)(1)(iv)–(v).

⁴⁹ 16 CFR 310.3(a)(1)(vi). It is neither staff’s understanding nor belief that CCLP sales occur through inbound calls. Staff anticipates, however, the potential for such sales in an upsell following an inbound call.

⁵⁰ 16 CFR 310.3(a)(1)(vii).

⁵¹ 16 CFR 310.3(a)(1)(viii).

× 25% burden = 2,218 hours) + (3,193,433 inbound debt relief calls × 10 seconds × 25% burden = 2,218 hours).

Thus, the total specific sales disclosure burden is 26,799 hours annually (22,363 for non-debt-relief calls) + 4,436 (for debt relief calls).

Cumulatively, therefore, the total annual burden for all of the sales disclosures is 397,388 hours (370,589 hours general sales disclosures + 26,799 hours specific sales disclosures).

(c) Reporting Hours

Finally, any entity that accesses the Registry, regardless whether it is paying for access, must submit minimal identifying information to the operator of the Registry. This basic information includes the name, address, and telephone number of the entity; a contact person for the organization; and information about the manner of payment. The entity also must submit a list of the area codes for which it requests information and certify that it is accessing the Registry solely to comply with the provisions of the TSR. If the entity is accessing the Registry on behalf of other seller or telemarketer clients, it has to submit basic identifying information about those clients, a list of the area codes for which it requests information on their behalf, and a certification that the clients are accessing the Registry solely to comply with the TSR.

As it has since the Commission's initial proposal to implement user fees under the TSR, FTC staff estimates that affected entities will require no more than two minutes for each entity to submit this basic information, and anticipates that each entity will have to submit the information annually.⁵² Based on the number of entities accessing the Registry that are subject to the TSR, this requirement will result in 235 burden hours (7,041 entities × 2 minutes per entity). In addition, FTC staff continues to estimate that up to one-half of those entities may need, during the course of their annual period, to submit their basic identifying information more than once in order to obtain additional area codes of data. Thus, this would result in an additional 117 burden hours. Accordingly, accessing the Registry will impose a

⁵² See 67 FR 37,366 (May 29, 2002). The two-minute estimate likely is conservative. The OMB regulation defining "information" under the PRA generally excludes disclosures that require persons to provide facts necessary simply to identify themselves, e.g., the respondent, the respondent's address, and a description of the information the respondent seeks in detail sufficient to facilitate the request. See 5 CFR 1320.3(h)(1).

total burden of approximately 352 hours per year.

Cumulatively of the foregoing components, disclosure burden for new and existing telemarketing entities, including those making debt relief and prerecorded calls,⁵³ is 1,223,777 hours (826,389 hours [pre-sale disclosures] + 370,589 hours [general sales disclosures] + 26,799 hours [specific sales disclosures]).

Thus, total recordkeeping, disclosure, and reporting burden is 1,238,670 hours (14,541 hours + 1,223,777 hours + 352 hours).

Estimated Annual Labor Cost:
\$15,893,001.

(a) Recordkeeping Labor Cost

Assuming a cumulative burden of 7,500 hours a year to set up compliant recordkeeping systems for new telemarketing entities (75 new entrants/year × 100 hours each), and applying to that a skilled labor rate of \$26.92/hour,⁵⁴ labor costs would approximate \$201,900 yearly for all new telemarketing entities. As indicated above, staff estimates that existing telemarketing entities require 7,041 hours, cumulatively, to maintain compliance with the TSR's recordkeeping provisions. Applying a clerical wage rate of \$15.33/hour,⁵⁵ recordkeeping maintenance for existing telemarketing entities would amount to an annual cost of approximately \$107,939. Thus, the estimated labor cost for recordkeeping associated with the TSR for both new and existing telemarketing entities, including prerecorded and debt relief calls, is \$309,839.

(b) Disclosure Labor Cost

The estimated annual labor cost for disclosures for all telemarketing entities is \$15,578,681. This total is the product of applying an assumed hourly wage rate of \$12.73⁵⁶ to the earlier stated

⁵³ The required opt-out disclosure for all prerecorded calls mandated by the 2008 amendments would not require any material time expenditure, and arguably less time than a pre-existing and now identical FCC disclosure requirement. In any event, because the "opt-out" disclosure applies only to prerecorded calls, which are fully automated, no additional worker hours would be expended in its electronic delivery.

⁵⁴ This figure is derived from the mean hourly wage shown for "Computer Support Specialist." "Occupational Employment and Wages—May 2015," Bureau of Labor Statistics, U.S. Department of Labor, released March 30, 2016, Table 1 ("National employment and wage data from the Occupational Employment Statistics survey by occupation, May 2014"), available at <http://www.bls.gov/news.release/ocwage.t01.htm>.

⁵⁵ This figure is derived from the mean hourly wage shown for Office Clerks, General. See *id.*

⁵⁶ This figure is derived from the mean hourly wage shown for Telemarketers. See *supra* note 54.

estimate of 1,223,777 hours pertaining to the pre-sale, general and specific disclosures.

(c) Reporting Labor Cost

Estimated labor cost supplying basic identifying information to the Registry operator is \$4,481 (352 hours × \$12.73 per hour).

Thus, cumulatively for both new and existing telemarketing entities, including prerecorded and debt relief calls, total labor costs are \$15,893,001 [(\$309,839, recordkeeping) + (\$15,578,681 disclosure) + (\$4,481, reporting)].

Estimated Annual Non-Labor Cost:
\$4,757,647.

(a) Recordkeeping

Staff believes that the capital and start-up costs associated with the TSR's recordkeeping provisions are de minimis. They mandate that companies maintain records, but not in any particular form. While the requirements necessitate that affected entities have a means of storage, industry members should have that already for business purposes independent of the Rule. Even if an entity finds it necessary to purchase a storage device, the cost is likely to be minimal, especially when annualized over the item's useful life.

Affected entities may need some storage media such as file folders, computer back-up tapes, or paper in order to comply with the Rule's recordkeeping requirements. Although staff believes that most affected entities would maintain the required records in the ordinary course of business, consistent with its prior analyses, staff estimates that the estimated 7,041 telemarketing entities subject to the Rule continue to spend an annual amount of \$50 each on office supplies as a result of the Rule's recordkeeping requirements, for a total recordkeeping cost burden for both new and existing telemarketing entities, including those making prerecorded calls, of \$352,050.

(b) Disclosure

Consistent with its past practice of applying the disclosure estimates discussed above, and totaling 1,223,777 hours, to a retained estimated commercial calling rate of 6 cents per minute (\$3.60 per hour), staff estimates a total of \$4,405,597 in telephone charges.⁵⁷

It is applied additionally to the ensuing calculation of reporting labor cost regarding the Registry operator.

⁵⁷ Staff believes that other non-labor costs would be incurred largely by affected entities in the ordinary course of business and, beyond that, would not materially exceed those ordinary costs.

Staff believes that the inbound telemarketing entities choosing to comply with the Rule by making written disclosures incur no additional capital or operating expenses as a result of the Rule's requirements because they are likely to provide written information to prospective customers in the ordinary course of business. Adding the disclosures required by the direct mail exemption to that written information likely requires no supplemental non-labor expenditures.

Thus, cumulatively for both new and existing telemarketing entities, including prerecorded and debt relief calls, total capital and/or other non-labor costs are \$4,757,647 (\$352,050 (office supplies) + \$4,405,597 (telephone charges)).

Request for Comment: Pursuant to section 3506(c)(2)(A) of the PRA, the FTC invites comments on: (1) Whether the disclosure, recordkeeping, and reporting requirements are necessary, including whether the resulting information will be practically useful; (2) the accuracy of our burden estimates, including whether the methodology and assumptions used are valid; (3) how to improve the quality, utility, and clarity of the disclosure requirements; and (4) how to minimize the burden of providing the required information to consumers. All comments should be filed as prescribed in the **ADDRESSES** section above, and must be received on or before June 13, 2016.

You can file a comment online or on paper. For the Commission to consider your comment, we must receive it on or before June 13, 2016. Write "TSR PRA Comment, FTC File No. P094400" on your comment. Your comment—including your name and your state—will be placed on the public record of this proceeding, including to the extent practicable, on the public Commission Web site, at <http://www.ftc.gov/os/publiccomments.shtm>. As a matter of discretion, the Commission tries to remove individuals' home contact information from comments before placing them on the Commission Web site.

Because your comment will be made public, you are solely responsible for making sure that your comment does not include any sensitive personal information, like anyone's Social Security number, date of birth, driver's license number or other state identification number or foreign country equivalent, passport number, financial account number, or credit or debit card number. You are also solely responsible for making sure that your comment does not include any sensitive health information, like medical records or

other individually identifiable health information. In addition, do not include any "[t]rade secret or any commercial or financial information which is . . . privileged or confidential" as provided in section 6(f) of the FTC Act 15 U.S.C. 46(f), and FTC Rule 4.10(a)(2), 16 CFR 4.10(a)(2). In particular, do not include competitively sensitive information such as costs, sales statistics, inventories, formulas, patterns devices, manufacturing processes, or customer names.

If you want the Commission to give your comment confidential treatment, you must file it in paper form, with a request for confidential treatment, and you have to follow the procedure explained in FTC Rule 4.9(c).⁵⁸ Your comment will be kept confidential only if the FTC General Counsel grants your request in accordance with the law and the public interest.

Postal mail addressed to the Commission is subject to delay due to heightened security screening. As a result, we encourage you to submit your comments online. To make sure that the Commission considers your online comment, you must file it at <https://ftcpublic.commentworks.com/ftc/tsrrulepra>, by following the instructions on the web-based form. When this Notice appears at <http://www.regulations.gov/#/home>, you also may file a comment through that Web site.

If you file your comment on paper, write "TSR PRA Comment, FTC File No. P094400" on your comment and on the envelope, mail your comment to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue NW., Suite CC-5610 (Annex J), Washington, DC 20580, or deliver your comment to the following address: Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street SW., 5th Floor, Suite 5610 (Annex J), Washington, DC 20024. If possible, submit your paper comment to the Commission by courier or overnight service.

The FTC Act and other laws that the Commission administers permit the collection of public comments to consider and use in this proceeding as appropriate. The Commission will consider all timely and responsive public comments that it receives on or before June 13, 2016. For information on the Commission's privacy policy,

⁵⁸In particular, the written request for confidential treatment that accompanies the comment must include the factual and legal basis for the request, and must identify the specific portions of the comment to be withheld from the public record. See FTC Rule 4.9(c), 16 CFR 4.9(c).

including routine uses permitted by the Privacy Act, see <http://www.ftc.gov/ftc/privacy.htm>.

David C. Shonka,
Acting General Counsel.

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FEDERAL TRADE COMMISSION

Agency Information Collection Activities; Submission for OMB Review; Comment Request

AGENCY: Federal Trade Commission ("Commission" or "FTC").

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 seeks public comments on its proposal to extend for an additional three years the current PRA clearance for information collection requirements contained in its Alternative Fuels Rule. That clearance expires on June 30, 2016.

DATES: Comments must be submitted on or before May 16, 2016.

ADDRESSES: Interested parties may file a comment online or on paper, by following the instructions in the Request for Comment part of the **SUPPLEMENTARY INFORMATION** section below. Write "Paperwork Comment: FTC File No. P134200" on your comment, and file your comment online at <https://ftcpublic.commentworks.com/ftc/altfuelspra2> by following the instructions on the web-based form. If you prefer to file your comment on paper, mail your comment to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue NW., Suite CC-5610 (Annex J), Washington, DC 20580, or deliver your comment to the following address: Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street SW., 5th Floor, Suite 5610 (Annex J), Washington, DC 20024.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the proposed information requirements for the Alternative Fuels Rule should be directed to Hampton Newsome, Attorney, (202) 326-2889, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW., Washington, DC 20580.

SUPPLEMENTARY INFORMATION: