F33C and A36TC; Bellanca model 17–30A; Cessna models 172XP, A185, 188, A188, 206, T206, 207, T207, 210, T210, P210, 310R, T310P, T310Q, T310R, 320D, 320E, 320F, 336, 337, T337, P337, 340, 401, 402, 414 and T41B/C; Colemill conversion of Commander 500A; Goodyear Airship Blimp 22; Maule model M–4; Mooney model M20–K; Navion model H; Pierre Robin HR 100; The New Piper Aircraft, Inc. (formerly Piper Aircraft Company) models PA28–201T, PA28R–201T, PA28RT–201T, PA34–200T and PA34–220T; Prinair Dehavilland Heron; Reims models FR172, F337 and FT337; and Swift Museum Foundation, Inc. models GC–1A and GC–1B equipped with the IO–360 engine.

**Note 1:** This airworthiness directive (AD) applies to each engine identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For engines that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (d) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

*Compliance:* Required as indicated, unless accomplished previously.

To prevent crankshaft failure and subsequent engine failure, accomplish the following:

(a) At the next engine overhaul, or whenever the crankshaft is next removed from the engine, after the effective date of this AD, whichever occurs first, determine if the crankshaft was manufactured using the airmelt or vacuum arc remelt (VAR) process in accordance with the identification procedure described in TCM Critical SB No. CSB96–8, dated June 25, 1996. If the crankshaft was manufactured using the airmelt process or if the manufacturing process is unknown, remove the crankshaft from service and replace with a serviceable crankshaft manufactured using the VAR process.

(b) For all TCM IO–360, LTSIO–360, TSIO–360, IO–520, LIO–520, LTSIO–520 and TSIO–520 and Rolls-Royce, plc IO–360 and TSIO–360 engine models that have VAR crankshafts installed, regardless of serial number; at the next and every subsequent crankshaft removal from the engine case or installation of a replacement crankshaft, prior to crankshaft installation in the engine, conduct an ultrasonic inspection of the crankshaft in accordance with the procedures specified in TCM Mandatory SB No. MSB96–10, dated August 15, 1996, and, if necessary, replace with a serviceable part.

**Note 2:** Accomplishment of the ultrasonic inspection required by this AD does not fulfill any requirements for magnaflux or any other inspections specified in TCM or Rolls-Royce, plc overhaul manuals.

(c) The ultrasonic inspection of the crankshaft must be performed by a non-destructive test (NDT) ultrasonic (UT) Level II inspector who is qualified under the guidelines established by the American Society of Nondestructive Testing or MIL–STD–410 or FAA-approved equivalent, or must be trained by TCM personnel or their designated representative on how to accomplish and conduct this inspection procedure. The person approving the engine for return to service is required to verify that the UT inspection was accomplished in accordance with the requirements of this paragraph.

(d) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Atlanta Aircraft Certification Office. The request should be forwarded through an appropriate FAA Maintenance Inspector, who may add comments and then send it to the Manager, Atlanta Aircraft Certification Office.

**Note 3:** Information concerning the existence of approved alternative methods of compliance with this airworthiness directive, if any, may be obtained from the Atlanta Aircraft Certification Office.

(e) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the aircraft to a location where the requirements of this AD can be accomplished.

Issued in Burlington, Massachusetts, on March 12, 1997.

**James C. Jones,**

*Acting Manager, Engine and Propeller Directorate, Aircraft Certification Service.*

[FR Doc. 97–7978 Filed 3–28–97; 8:45 am]

BILLING CODE 4910–13–U

## FEDERAL TRADE COMMISSION

## 16 CFR Part 425

## Request for Comments Concerning Rule Regarding Use of negative Option Plans by Sellers in Commerce

**AGENCY:** Federal Trade Commission.

**ACTION:** Request for public comments.

**SUMMARY:** The Federal Trade Commission (''Commission'') requests public comments about the overall costs and benefits and the continuing need for its Trade Regulation Rule regarding the Use of Negative Option Plans by Sellers in Commerce (''the Negative Option Rule'' or ''the Rule''), as part of the Commission's systematic review of all current Commission regulations and guides.

**DATES:** Written comments will be accepted until June 2, 1997.

**ADDRESSES:** Comments should be directed to: Secretary, Federal Trade Commission, Room H–159, Sixth Street and Pennsylvania Ave., N.W., Washington, D.C. 20580. Comments should be identified as ''Negative Option Rule, 16 CFR Part 425—Comment.''

**FOR FURTHER INFORMATION CONTACT:** Edwin Rodriguez, Attorney, Federal Trade Commission, Washington, D.C. 20580, telephone number (202) 326–3147.

**SUPPLEMENTARY INFORMATION:**

### I. Background

*A. Negative Option Rule*

The Commission promulgated the Negative Option Rule on February 15, 1973, 38 FR 4896 (1973), under section 5 of the Federal Trade Commission Act (''FTC Act''), 15 U.S.C. 45.[1] The Rule became effective on June 7, 1974. In promulgating the Rule following a rulemaking proceeding, the Commission made the following findings:

(1) marketers of prenotification negative option plans had failed to disclose adequately the provisions of such plans to the detriment of their subscribers, Id. at 4899;

(2) subscribers had encounters difficulties in substantiating that they were not given adequate time to respond to the negative option notice supplied by the merchandiser, Id. at 4900;

(3) marketers of prenotification negative option plans had delivered unordered or substituted merchandise in the place of merchandise specifically ordered by subscribers, without their subscribers' prior consent, Id.;

(4) marketers of prenotification negative option plans had failed to honor proper cancellation notices from contract-complete subscribers[2] and continued to send them merchandise, Id. at 4901;

(5) subscribers had been dunned or billed for unordered merchandise, and sellers had failed to provide meaningful service to a large number of their subscribers in connection with complaints involving operations, particularly in regard to billing problems, Id.; and

(6) marketers of prenotification negative option plans had operated their entire systems in such a manner as to place the burden for correcting ''errors'' on their subscribers, Id. at 4902.

Based on these findings, the Commission determined that it was in the public interest to prescribe

[1] Section 5 of the FTC Act declares unfair methods of competition and unfair or deceptive acts or practices to be unlawful.

[2] Negative option plans often require subscribers to purchase a minimum quantity of merchandise, after which they may cancel their subscriptions. The Rule refers to a subscriber who has purchased the minimum quantity of merchandise required by the terms of the plan as a ''contract-complete subscriber.''

regulations for the operation of prenotification negative option plans.[3] The Rule defines covered ''negative option plans'' as contractual arrangements under which a seller and a subscriber enter into an agreement whereby the seller periodically sends the subscriber an announcement in advance (the ''prenotification'') that identifies merchandise it proposes to send to the subscriber, and thereafter bills the subscriber for the merchandise unless the subscriber instructs the seller by a date or within a time specified in the announcement not to send the merchandise (the ''negative option'').[4] In summary, the Negative Option Rule requires a seller using a prenotification ''negative option plan'' to:

(1) disclose specific material information about the plan ''clearly and conspicuously'' in promotional materials;

(2) send the subscriber an announcement (which identifies the merchandise selection to be sent) in advance of shipping merchandise and give the subscriber a specific amount of time to notify the seller that the subscriber does not want the selection (otherwise, the seller may send the merchandise and bill the subscriber for it);

(3) notify subscribers that they may return merchandise with return postage guaranteed and receive credit under certain circumstances;

(4) give credit to subscribers and guarantee postage adequate to return merchandise under certain circumstances;

(5) ship introductory and bonus merchandise within four weeks of receipt of an order;

(6) terminate promptly the subscription of a contract-complete subscriber upon written request; and

(7) ship substitute merchandise only with the express consent of the subscriber.

In 1986, the Commission conducted a review of the Negative Option Rule pursuant to the Regulatory Flexibility Act, 5 U.S.C. 601 et seq., to determine the impact of the Rule on small entities. In a **Federal Register** notice published on November 21, 1986, 51 FR 42087, the Commission announced the results of that review, concluding that ''there is a continued need for the Rule; there is no reason to believe that the Rule has had a significant economic impact on a substantial number of small entities; and the rule should not be changed.''

*B. Treatment of Unordered Merchandise*

In commenting on the Negative Option Rule; interested parties should be aware of certain other legal requirements that apply to any marketer who ships and attempts to collect for unordered merchandise. Specifically, it is unlawful to send any merchandise by any means without the express prior request of the recipient (unless the merchandise is clearly identified as a gift, free sample, or the like, or is mailed by a charitable organization soliciting contributions); or, to try to obtain payment for or the return of the unordered merchandise. Merchandise sent without the customer's prior express agreement may be treated as unordered merchandise pursuant to section 3009 of the Postal Reorganization Act of 1970, 39 U.S.C. 3009, and section 5 of the FTC Act.[5] Customers who receive unordered merchandise are legally entitled to treat the merchandise as a gift. The law concerning unordered merchandise is not being reviewed in this proceeding. An understanding of how that law works in tandem with the Negative Option Rule, however, is useful.

## II. Regulatory Review Program

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

## III. Request for Comment

The Commission solicits written public comments on the following questions:

(1) Is there a continuing need for the Negative Option 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? How would these changes affect the benefits to purchasers?

(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? If so, what benefits?

(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? For example, do sellers use E-mail or the Internet to promote or sell subscriptions to negative option plans? If so, in what manner; and does use of this new technology affect consumers' rights or sellers' responsibilities under the Rule?

(7) Are there any abuses occurring in the promotion, sale, or operation of negative option plans that are not prohibited or regulated by the Rule? If so, what mechanisms should be explored to address such abuses (e.g., consumer education, industry self-regulation, rule amendment)?

[3] The Rule applies only to prenotification negative option plans, i.e., those in which marketers send a notice of selection to subscribers prior to shipment of merchandise and ship and bill the subscriber for the merchandise if the subscriber does not return a rejection notice within a prescribed time. The Rule does not apply to negative option marketing arrangements under which marketers optionally tender merchandise to subscribers without previously sending a prenotification announcement. The Commission determined that the latter arrangements that were used at the time the Commission promulgated the Rule (which were known as continuity plans, subscription shipments, library standing order arrangements, or annual and series arrangements) were so different from the prenotification negative option plans (such as book and record clubs) that separate treatment by the Commission would be warranted if and when consumer complaints justified Commission attention. Id. at 4908.

[4] The Commission considered and rejected assertions that it should ban prenotification negative option plans as being inherently unfair. Id. at 4902–04.

[5] Under section 3009(a) of the Postal Reorganization Act, mailing of unordered merchandise constitutes a violation of section 5 of the FTC Act. In a public notice it published on September 11, 1970, the Commission formally recognized section 3009 as the proper interpretation of section 5, 35 FR 14328 (1970). In order to clarify the 1970 notice and avoid misunderstanding concerning the Commission's enforcement policy, the Commission published an additional notice on January 31, 1978, stating that the standard under section 5 of the FTC Act was not limited to unordered merchandise sent by U.S. mail. The Commission explained that it might, for example, prosecute as a violation of section 5 a nonmail shipment of merchandise that does not meet the standards of 39 U.S.C. 3009, 43 FR 4113 (1978).

**List of Subjects in 16 CFR Part 425**

Trade practices.

**Authority:** 15 U.S.C. 41–58.

By direction of the Commission.

**Donald S. Clark,**

*Secretary.*

[FR Doc. 97–8064 Filed 3–28–97; 8:45 am]

**BILLING CODE 6750–01–M**

## NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

### 36 CFR Part 1258

**RIN 3095–AA71**

### NARA Reproduction Fee Schedule

**AGENCY:** National Archives and Records Administration (NARA).

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** NARA proposes to revise its schedule of fees for reproduction of records created by other Federal agencies and transferred to the custody of the Archivist of the United States; donated historical materials; Presidential records and Presidential historical materials transferred to the custody of the Archivist; and records filed with the Office of the Federal Register. The fees are being changed to reflect current costs of providing the reproductions. This rule will affect members of the public and Federal agencies who order reproductions from NARA.

**DATES:** Comments must be received by May 30, 1997.

**ADDRESSES:** Submit comments to the Regulation Comment Desk (NPOL), Room 4100, National Archives at College Park, 8601 Adelphi Road, College Park, MD 20740–6001. Comments may also be faxed to (301)713–7270.

**FOR FURTHER INFORMATION CONTACT:** Nancy Allard on (301) 713–7360.

**SUPPLEMENTARY INFORMATION:** The fees for reproduction of records promulgated in 36 CFR Part 1258 are set in accordance with 44 U.S.C. 2116(c), which requires that, to the extent possible, NARA recover the actual cost of making copies of records and other materials transferred to the custody of the Archivist of the United States. In general, NARA has chosen to recoup only the order handling labor, the direct materials costs, shipping, and the labor directly associated with making the reproduction. The majority of these fees were last revised in 1991 on the basis of a cost study conducted in 1989 and 1990. That study concentrated on a few ''typical'' organizations in the Washington, DC, area and applied the resulting fees nationwide.

Since 1991, NARA costs have increased because of higher materials and shipping costs and mandatory cost of living adjustments to staff salaries. Changes in work processes from the opening of the new Archives II facility, use of vendor services for fulfillment of textual and non-textual orders in the Washington, DC, area, and a need to better reflect reproduction processes at our field locations required a comprehensive review of the reproduction process. In 1995, NARA contracted with a nationally recognized accounting firm to conduct a new fee schedule study. The activity-based costing (ABC) method was used for the study, which surveyed all NARA organizations involved in the reproduction order process.

Based on recommendations in the study, we propose to modify the way that NARA charges for certain types of reproductions. For electrostatic copies of paper documents made by NARA staff in the Washington, DC, area and original camera microfilming, we propose to use ''blended'' pricing, i.e., a price per block of copies, rather than per unit fees. This pricing structure is intended to reduce the amount of time spent by archival staff estimating the number of pages to be copied when preparing quotes for researchers and to reduce the amount of time spent by the Trust Fund staff in processing refunds for overestimated copy counts and in pursuing debt collection for underestimated copy counts. We also propose to sell copies of accessioned microfilm by the roll, rather than by the foot as we currently do, to eliminate the need to measure the film before preparing quotes and to make the pricing structure parallel to the microfilm publications program.

We propose to raise the minimum fee for mail orders from $6 to $10 to better cover the costs that are directly associated with handling an order of any size, including order tracking, payment processing, and shipping. We are deleting published fees for products and services for which there has been little demand in the past several years, including technical service fees, although fees will be computed upon request as stated in paragraph § 1258.12(i).

We are retaining the current fees for self-service paper-to-paper (10 cents per copy) and microfilm-to-paper copies (25 cents per copy), which represent approximately 42 percent of our reproduction volume. While the new fees for electrostatic copying done by NARA staff are significantly higher than the current fee, comparisons of NARA's fees to the prices charged by quick-copy shops would be misleading. Due to the fragile condition of our paper records and the need to preserve them for future use, NARA must forego the use of certain automating features available for today's copiers. We have compared our fees with those charged by similar organizations: the Library of Congress, the Georgia State Archives, and the University of Maryland Interlibrary Loan Program.

In general, our prices fall into the same range as these organizations. Using a mail order for 30 paper-to-paper copies as an example, this would be the cost to the customer at each organization:

$15 at NARA ($10 for the first block of 20 copies; $5 for each additional block of 20 copies);

$15.50 at the Library of Congress ($10 for the first 25 copies; 50¢ for each additional copy; $3 for each citation or item handled);

$15 or $25 at the Georgia State Archives (25¢ per copy with minimum mail order amounts determined by residency of the customer); and

$14.50 at the University of Maryland Interlibrary Loan Program ($12.50 for the first 20 copies; 20¢ for each additional copy).

We have removed §§ 1258.2(c)(10) and 1258.11 relating to fees for reproduction of accessioned records in response to Freedom of Information Act (FOIA) requests as unnecessary. The fees in § 1258.11 have always been identical to the fees in § 1258.12 since NARA has long held the position that the fee provisions of the FOIA do not apply to archival records, rather that our specific fee statute (44 U.S.C. 2116(c)) serves as an alternative statute for fee issues.

Finally, we propose to make this fee schedule effective July 1, 1997, as we indicate in proposed § 1258.16.

This proposed rule is not a significant regulatory action for purposes of Executive Order 12866 of September 30, 1993, and has not been reviewed by the Office of Management and Budget. As required by the Regulatory Flexibility Act, it is hereby certified that this rule will not have a significant impact on small entities.

**List of Subjects in 36 CFR 1258**

Archives and records.

For the reasons set forth in the preamble, NARA proposes to amend chapter XII of title 36, Code of Federal Regulations, as follows: