

DEPARTMENT OF THE TREASURY

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Supporting Statement – Information Collection Request

OMB Control Number 1513–0087

Information Collection Request Title:

Labeling and Advertising Requirements Under the Federal Alcohol Administration Act

Information Collections Issued under this Title:

Labeling and Advertising Requirements Under the Federal Alcohol Administration Act

A. Justification

1. What are the circumstances that make this collection of information necessary, and what legal or administrative requirements necessitate the collection? Also align the information collection to TTB's Line of Business/Sub-function and IT Investment, if one is used.

The Federal Alcohol Administration Act, (FAA Act), at 27 U.S.C. 205(e) and (f), specifically requires the Secretary of the Treasury to issue regulations regarding the labeling and advertising of wines, distilled spirits, and malt beverages. The FAA Act provides that these regulations should, among other things, prohibit consumer deception and the use of misleading statements on labels and in advertising and ensure that labels and advertising provide the consumer with adequate information as to the identity and quality of the product. The legislative history of the FAA Act shows that Congress intended to grant broad rulemaking authority to the Secretary to ensure that alcohol beverage labels and advertisements meet these legislative goals.

Under these regulations, bottlers and importers of alcohol beverages must provide certain mandatory information and adhere to certain performance standards for statements made on labels and in advertisements of alcohol beverages to ensure that consumers are not deceived or mislead about a product's identity and quality.

The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers the FAA Act and its related regulations pursuant to section 1111(d) of the Homeland Security Act of 2002, codified at 6 U.S.C. 531(d). The Secretary also has delegated various authorities through Treasury Department Order 120–01 to the TTB Administrator to administer and enforce the FAA Act.

The performance standards requirements for the labeling and advertising of alcohol beverages are found in the following sections of 27 CFR:

4.32	4.38	4.39	4.62	4.64	5.32
5.33	5.42	5.63	5.65	7.22	7.28
7.29	7.52	7.54			

This information collection is aligned with —

- Line of Business/Sub-function: Law Enforcement/Substance Control.
- IT Investment: Regulatory Major Application Systems.

2. How, by whom, and for what purpose is this information used?

Consumers use the information on labels and in advertising in purchasing alcohol beverage products. The law requires the display of mandatory information, including the identity of the product (e.g., “grape wine,” “Chardonnay,” etc.) and the control of other labeling statements to prevent consumer deception and confusion.

3. To what extent does this collection of information involve the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology? What consideration is given to use information technology to reduce burden?

The use of improved information technology is not applicable to a collection of information for the purpose of disclosure to the general public through labeling and advertising.

4. What efforts are used to identify duplication? Can similar information already available be used or modified for use for the purposes described in Item 2 above?

Identifying similar sources of information is not applicable to the collection of information for the purpose of disclosure to the general public through labeling and advertising.

5. If this collection of information impacts small businesses or other small entities, what methods are used to minimize burden?

The FAA Act requires that the performance standards for statements made on labels and in advertisements of alcohol beverages sold in interstate commerce set forth by the Secretary of the Treasury, among other things, prohibit consumer deception and provide adequate information as to the identity and quality of the product. The standards cannot be reduced on the basis of the size of the respondent. Producers of alcohol beverage products not entered into interstate commerce may apply for a certificate of exemption that would exempt them from the requirements of the FAA Act covered by this information collection.

6. What consequences to Federal program or policy activities and what, if any, technical or legal obstacles to reducing burden will occur if this collection is not conducted or is conducted less frequently?

This collection of information is required by the FAA Act, and it is intended to eliminate the deceptive or misleading labeling and advertising of alcohol beverage products. If there were no labeling and advertising requirements or performance standards for labeling and advertising claims on alcohol beverages entered into interstate commerce, deceptive or misleading information about such products could be provided to the public. This information collection is required only as alcohol beverages are labeled or advertised and entered into interstate commerce. It is not possible to collect this information on a less frequent basis.

7. Are there any special circumstances associated with this information collection that would require it to be conducted in a manner inconsistent with OMB guidelines?

There are no special circumstances associated with this information collection.

8. What effort was made to notify the general public about this collection of information? Summarize the public comments that were received and describe the action taken by the agency in response to those comments.

TTB published a "60-day notice" in the Federal Register on July 9, 2015, at 80 FR 39481, soliciting comments from the public on the renewal of this information collection. TTB received no comments on this information collection.

9. Was any payment or gift given to respondents, other than remuneration of contractors or grantees? If so, why?

No payment or gift is associated with this collection.

10. What assurance of confidentiality was provided to respondents, and what was the basis for the assurance in statute, regulations, or agency policy?

No specific assurance of confidentiality is provided for disclosure of information to the general public through labeling and advertising.

11. What is the justification for questions of a sensitive nature? If personally identifiable information (PII) is being collected in an electronic system, identify the Privacy Impact Assessment (PIA) that has been conducted for the information collected under this request and/or the Privacy Act System of Records notice (SORN) issued for the electronic system in which the PII is being stored.

This information collection contains no questions of a sensitive nature. This information collection involves the disclosure of information to the general public through labeling and advertising of alcohol beverages. As such, this information collection does not collect personally identifiable information (PII) in an electronic system. Therefore, no Privacy Impact Assessment (PIA) or System of Records Notice (SORN) is required for this collection.

12. What is the estimated hour burden of this collection of information?

It is estimated that 9,552 respondents will provide the required information once per year. Each response should take an average of 1 hour per respondent, for a total of 9,552 burden hours.

13. What is the estimated annual cost burden to respondents or recordkeepers resulting from this information collection request (excluding the value of the hour burden in Question 12 above)?

There is no cost associated with this information collection. TTB does not believe respondents face any capital or start-up costs or any increased operation or maintenance costs as a result of this requirement. Under this information collection, respondents are providing information on alcohol beverage labels and in advertisements that would normally be provided to identify their products to the consumer.

14. What is the annualized cost to the Federal Government?

There is no cost to the Federal Government for this information collection.

15. What is the reason for any program changes or adjustments reported?

There are no program changes associated with this information collection. As an adjustment, we are revising the burden estimate to reflect an increase in the number of respondents and the resulting burden hours due to an increase in the number of regulated industry members.

16. Outline plans for tabulation and publication for collections of information whose results will be published.

TTB will not publish the results of this collection.

17. If seeking approval to not display the expiration date for OMB approval of this information collection, what are the reasons that the display would be inappropriate?

This information collection consists of information disclosed to consumers on alcohol beverage labels and in advertisements. As such, there is no prescribed TTB form for this collection, and, therefore, there is no medium for TTB to display the OMB approval expiration date.

18. What are the exceptions to the certification statement?

- (c) See item 5 above.
- (f) This is not a recordkeeping requirement.
- (i) No statistics are involved.
- (j) See item 3 above.

B. Collection of Information Employing Statistical Methods.

This collection of information does not employ statistical methods.