

**Federal Trade Commission**  
**Supporting Statement for FTC Administrative Activities**  
**OMB Control No. 3084-0169**

The Federal Trade Commission (“FTC” or “Commission”) is seeking renewal of its existing clearance under the Paperwork Reduction Act (“PRA”), 44 U.S.C. §§ 3501-3521, for Administrative Activities. This clearance addresses: (a) requests to the Commission under Parts 1 and 4 of the Commission’s Rules of Practice; (b) the FTC’s consumer complaint systems; and (c) the FTC’s program evaluation activities. Each section below is broken into subsections relating to these subject matter areas. The largest share of the burden for this clearance is attributable to collections of information associated with the FTC’s consumer complaint reporting systems.

*Summary of Changes from Previously Approved Collection:*

- The largest share of the burden for this clearance is attributable to collections of information associated with the FTC’s consumer complaint reporting systems. Based on the average number of complaints received annually for the three years prior to the clearance period, FTC staff anticipates a reduction in consumer complaint activity over the course of the next three-year clearance period. This yields a reduction in the burden associated with the Information Collection titled “Complaint Systems” from 1,166,994 to 452,131 hours annually.

Information Collection: Complaint Systems		
	Responses	Burden Hours
Current Cleared Totals	19,929,191	1,166,994
Requested 3-Year Burden	7,750,841	452,131
Difference (+/-)	(-12,178,330)	(-714,863)

- The FTC has experienced a reduction in complaint volumes during the prior three years following a temporary increase in Do-Not Call complaints over the course of the prior three-year clearance (2018-2020). These revised estimates are in line with historical trends following a temporary increase in complaint activity from 2015 to 2017.
- There are no program changes or adjustments as a part of this renewal.

**JUSTIFICATION**

**1) Necessity for Collecting the Information**

**a) Requests to the Commission**

The Federal Trade Commission Act (“FTC Act”), 15 U.S.C. §§ 41 et seq., authorizes the Federal Trade Commission to collect information for the purpose of responding to requests for

Commission action. Procedures relating to these collections are found in Parts 1 and 4 of the Commission's Rules of Practice.

Pursuant to Part 1 of the FTC's rules of practice, any person, partnership, or corporation may request advice from the Commission or FTC staff regarding a course of action the requester contemplates. *See* 16 C.F.R. §§ 1.1-1.3. Under Rule 1.2, the request should state the question that the requester wants resolved, disclose the identity of the companies and other persons involved, cite the provision of law under which the question arises, and state all facts the requester believes to be material. Such information is necessary for the Commission or FTC staff to render responsive advice.

The FTC's ethics regulations require former FTC employees who are seeking ethical clearance to participate in FTC matters to submit screening affidavits to facilitate resolution of their requests. *See* Commission Rule 4.1(b), 16 C.F.R. § 4.1(b). Requests to participate must include, among other things, a description of the proceeding in which participation is contemplated; the name of the Commission office or division in which the former employee was employed and the position the employee occupied; and a statement whether, while employed by the Commission, the former employee participated in any proceeding or investigation concerning the same company, individual, or industry currently involved in the matter in question. These requirements prevent the improper use of confidential nonpublic information acquired while working at the FTC.

The Commission's procedural rules also authorize outside parties to request employee testimony, through compulsory process or otherwise, and to request documentary material through compulsory process in cases or matters to which the agency is not a party. FTC Rule 4.11(e), 16 C.F.R. § 4.11(e). These rules require persons seeking testimony or material from the Commission to submit a statement in support of the request. The statement must set forth the party's interest in the case or matter, the relevance of the desired testimony or material, and a discussion of whether it is reasonably available from other sources. If testimony is sought, the statement shall also contain a general summary of the testimony and a discussion of whether Commission records could be produced and used in its place. The required information is necessary to evaluate the request.

## **b) Complaint Systems**

The FTC's Bureau of Consumer Protection ("BCP") allows consumers to report fraud, identity theft, and National Do Not Call Registry violations through telephone hotlines and three online consumer report forms.<sup>1</sup> Consumers may call a hotline phone number or log on to the FTC's website to report violations using the applicable reporting forms. The provision of this information is voluntary and helps BCP staff to carry out the agency's consumer protection

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<sup>1</sup> These online forms also include related variations that constitute the same basic "collection of information": (1) Spanish language versions also available at [www.ftc.gov](http://www.ftc.gov) and (2) the [www.econsumer.gov](http://www.econsumer.gov) complaint form utilized for cross-border complaints.

mission. The FTC is also mandated by Congress under the Identity Theft and Assumption Deterrence Act of 1998, 18 U.S.C. §§ 1001 et seq., to serve as the central clearinghouse for identity theft complaints.

### **c) Program Evaluations**

As described below, the FTC conducts evaluations of its competition advocacy program and its merger divestiture orders.

*Competition Advocacy Program.* The FTC’s Competition Advocacy Program draws on the Commission’s expertise in competition and consumer protection matters to encourage federal and state legislatures, courts, and other state and federal agencies to consider the effects of proposed actions on consumers and competition. Each year, the FTC sends approximately 20 letters or written comments to different state and federal government officials to provide guidance on the likely competitive effects of various laws or regulations. Occasionally, the FTC sends letters to certain private organizations, such as a trade or professional association, whose policymaking activities may affect consumers or competition.

The FTC’s Office of Policy and Planning (“OPP”) evaluates the effectiveness of these advocacy comments by soliciting feedback from selected comment recipients. Respondents’ participation is voluntary. Requests for feedback typically ask the respondents whether they agree or disagree with a statement concerning the advocacy comment that they received. These questions inquire as to the applicability, value, persuasive influence, public effect, and informative value of the FTC’s comments. Respondents also have an opportunity to provide additional remarks related either to the written comments received or the FTC’s advocacy program in general. This process provides important information to enhance the effectiveness of the competition advocacy program.

Statutory authority for the advocacy program is found in part in sections 6(a) and (f) of the FTC Act, which authorize the FTC “to gather and compile information concerning, and to investigate from time to time the organization, business, conduct, practices, and management of any person, partnership, or corporation engaged in or whose business affects commerce,” and “to make public from time to time such portions of the information obtained by it hereunder as are in the public interest.”<sup>2</sup> These provisions authorize the Commission to participate in proceedings conducted by other agencies, and to petition other agencies to implement rulemakings.<sup>3</sup>

*Divestiture Review.* To resolve competitive concerns in mergers and acquisitions, the Commission may order divestiture of assets to an acquirer approved by the Commission. In

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<sup>2</sup> 15 U.S.C. §§ 46(a), (f).

<sup>3</sup> See, e.g., *A & B Freight Lines v. FTC*, 1980-1 Trade Cas. (CCH) & 63,127 (D.D.C. 1980), aff’d. per curiam, No. 80-1264 (D.C. Cir. Jan 26, 1981), cert. denied, 452 U.S. 962 (1981).

order to assess the effectiveness of these divestitures, the FTC's Bureau of Competition's Compliance Division conducts relatively brief follow-up calls with acquirers of divested assets.

## **2) Use of the Information**

### **a) Requests to the Commission**

The Commission seeks information from members of the public who submit requests for Commission action to facilitate an appropriate response to their requests. For example, information submitted to the Commission pursuant to FTC Rule 4.1(b) enables the Commission to determine whether it should permit a person or entity to participate in an FTC matter. In addition, information submitted pursuant to Rule 4.11(e) requests enables FTC staff to determine how to best allocate agency resources (e.g., staff may deny a request for testimony from an FTC employee where it appears that such testimony would not be in the public interest).

### **b) Complaint Systems**

The FTC's Consumer Response Center ("CRC") processes complaints received by telephone and submitted online and stores them in Consumer Sentinel, a secure online database available only to law enforcement. The forms and survey are used to improve public access to the CRC. Consumers may call a hotline phone number or may log on to the FTC's web site to register a complaint using the applicable complaint form.

### **c) Program Evaluations**

*Competition Advocacy Program.* The information gathered from recipients of advocacy comments is used internally to assess the effectiveness of the FTC's advocacy program. This information is also used to target limited advocacy resources most efficiently. The ability to learn from survey results has furthered the success of the FTC's advocacy program, as demonstrated by a 2016 award by the International Competition Network to the FTC for its advocacy work involving disruptive technologies and the sharing economy.<sup>4</sup>

*Divestiture Review.* The information obtained by the FTC's Bureau of Competition as a result of its follow-up conversations with acquirers of divested assets under Commission merger orders will be used to assess the effectiveness of the orders and refine future remedies, where necessary and appropriate.

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<sup>4</sup> THE WORLD BANK 2015-2016 Competition Advocacy Contest, *How to Build a Culture of Competition for Private Sector Development and Economic Growth* (2016).

### **3) Consideration of the Use of Information Technology to Reduce Burden**

The Commission employs electronic options for filing and data collection whenever possible, consistent with the purposes of the Government Paperwork Elimination Act, 44 U.S.C. § 3504 note (“GPEA”).

#### **a) Requests to the Commission**

Requests for Commission action under the Commission’s procedural rules are filed electronically and on paper. 16 C.F.R. § 4.2(d)(2).

#### **b) Complaint Systems**

The CRC offers consumers the ability to submit consumer reports via internet, mail, or telephone, but most consumers file consumer reports and complaints with the Commission via the internet or by telephone. When the Commission invites consumers to provide feedback regarding their experience filing a report, it does so via the same means through which the report was filed.

#### **c) Program Evaluations**

*Commission Advocacy Program.* Staff typically sends requests for feedback electronically. Where staff requests feedback by U.S. mail, staff includes a self-addressed stamped envelope for responses.

*Divestiture Review.* Staff employ direct telephone conversations with the acquirers of divested assets to obtain information as part of divestiture reviews. Engaging in real time discussion enables both staff and acquirers to ask follow-up questions and seek additional clarification as necessary.

### **4) Efforts to Identify Duplication/Availability of Similar Information**

#### **a) Requests to the Commission**

FTC staff has not identified any other sources that would provide the information necessary to review and respond to requests to the Commission pursuant to its Rules of Practice. It is important that requesters certify that they are making a full disclosure of relevant information to allow the Commission to respond effectively to requests for advisory opinions, clearance to participate in FTC matters, or to provide documents or testimony from Commission employees.

## **b) Complaint Systems**

Commission staff have not identified any other sources that would provide the information necessary to evaluate the effectiveness of the Commission's complaint systems.

## **c) Program Evaluations**

Commission staff have not identified any other sources that would provide the information obtained through its program evaluation functions for its advocacy and divestiture review programs. Information regarding the efficacy of the Commission's advocacy program and the impacts of its divestiture orders are not readily available through other means.

## **5) Efforts to Minimize Burden on Small Businesses**

### **a) Requests to the Commission**

The Commission's Rules of Practice are designed to impose the minimum burden necessary on persons submitting requests for Commission action. The Commission's rules require submitters to provide only the information necessary to develop an informed response.

### **b) Consumer Reporting Systems**

FTC consumer reporting forms are designed to impose the minimum burden necessary on persons who submit consumer reports about fraud, identity theft, Do Not Call violations, and other issues. Contacting the CRC with a consumer report is entirely voluntary, and consumers have full discretion in determining how much information to provide with their report. In addition, to facilitate consumer reporting, the FTC provides an online complaint assistant to walk consumers through the reporting process at [ReportFraud.ftc.gov](http://ReportFraud.ftc.gov) and offers expanded hours of operation for its hotline to better serve consumers and small businesses throughout the United States.

### **c) Program Evaluations**

*Competition Advocacy Program.* Requests for feedback on the efficacy of the Commission's advocacy program are unlikely to impose burden on small businesses. These requests are typically targeted to state, federal, and local policymakers (e.g., state legislators and federal regulators), but may occasionally be sent to private entities whose policymaking activities may affect consumers or competition.

*Divestiture Review.* Surveys conducted as part of the Commission's divestiture review process are unlikely to impose burden on small businesses. The acquirers of divested assets are typically not small businesses. To the extent that small businesses are involved in a divestiture review, the Commission has minimized the potential burden on survey recipients. Participation is voluntary, and the time involved to prepare for and participate in survey phone calls is limited.

## **6) Consequences of Conducting Collection Less Frequently**

### **a) Requests to the Commission**

The required information is necessary to evaluate requests for Commission action pursuant to its procedural rules. If the information required was collected less frequently, the FTC's ability to evaluate requests to participate in Commission matters and requests for documents or testimony would be undermined. In addition, the Commission's efforts to prevent the misuse of nonpublic information would be hampered.

### **b) Complaint Systems**

The requested information allows the FTC to evaluate the efficacy of its complaint reporting systems. If the FTC is unable to collect timely information on consumer complaints and customer satisfaction, the agency will lack critical input to effectively: (1) address consumer education needs nationwide; (2) target companies and individuals actively defrauding the public; and (3) review industry compliance with the numerous statutes and regulations enforced by the FTC.

The consumer complaint data collected through the complaint forms is the foundation of the FTC's highly successful Consumer Sentinel Network. The Consumer Sentinel Network allows federal, state and local law enforcement organizations common access to a secure database containing over 20 million complaints, including victims of consumer fraud and identity theft. To date, Consumer Sentinel has over 2,900 members, including international law enforcement agencies. The continuous collection of consumer complaint data is critical to the Consumer Sentinel Network's sustained success.

The FTC is also mandated by Congress under the Identity Theft and Assumption Deterrence Act of 1998, 18 U.S.C. § 1028 note, to be the central clearinghouse for identity theft complaints. The FTC's efforts in this regard serve to fulfill its statutory obligation.

### **c) Program Evaluations**

*Competition Advocacy Program.* Responses are more accurate and useful when feedback is solicited soon after an advocacy letter is sent to a recipient. If the FTC were to collect this information less frequently, staff likely would receive fewer responses and the information received would be less reliable.

*Divestiture Review.* The information is collected infrequently. Staff attempts to conduct the first phone call approximately a year after the divestiture is completed, and conducts follow-up phone calls thereafter only if required. If these calls were not made, staff would not necessarily become aware of issues that arise with a particular divestiture.

**7) Circumstances Requiring Collection Inconsistent With Guidelines**

This collection of information is consistent with all applicable guidelines contained in 5 C.F.R. § 1320.5(d)(2).

**8) Consultation Outside the Agency**

The FTC sought public comment on its request to OMB for a three-year extension of the current PRA clearance for this information collection, as required by 5 C.F.R. § 1320.8(d). *See* 86 Fed. Reg. 1971 (Jan. 11, 2021). No comments were received. The FTC is providing a second opportunity for public comment while seeking OMB approval to extend this PRA clearance.

**9) Payments or Gifts to Respondents**

Not applicable.

**(10) & (11) Assurances of Confidentiality/Matters of a Sensitive Nature**

Information collected by the FTC for a law enforcement purpose is subject to the confidentiality provisions of Sections 6(f) and 21 of the Federal Trade Commission Act, 15 U.S.C. §§ 46(f), 57b-2, as applicable. Moreover, it is the FTC’s general policy not to publish or divulge the name of a complaining party except as required by law or by the FTC’s rules. For example, the FTC may disclose the identity of a consumer complainant in the course of referring the complaint to other legal authorities. *See* FTC Rule of Practice 2.2(c), 16 C.F.R. § 2.2(c).

The FTC may share certain consumer complaints with the company that is the subject of the complaint, if the FTC determines that such sharing would help resolve the consumer’s complaint. Identity theft information also may be disclosed to financial institutions that have signed a confidentiality agreement with the FTC. The FTC shares this information to fulfill its statutory obligation under the Identity Theft and Assumption Deterrence Act of 1998, 18 U.S.C. § 1028 note.<sup>5</sup> Finally, the Commission may post trend reports based on aggregate data from consumer fraud and identity theft complaints on the FTC.gov website, at <https://www.ftc.gov/enforcement/data-visualizations/explore-data>. However, the Commission does not release personally identifying information in these reports.

Information collected by the FTC is maintained and safeguarded in accordance with the requirements of the Federal Information Security Modernization Act of 2014, 44 U.S.C. §§ 3551 *et seq.*, and applicable OMB and NIST guidance. Notice to individuals about the FTC’s information collection authority, purpose, and routine uses of their information is provided under the Privacy Act of 1974, 5 U.S.C. § 552a, as applicable, and in system of records notices

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<sup>5</sup> In part, the Act requires that the FTC establish procedures to refer complaints to appropriate entities, which may include “(A) the three major national consumer reporting agencies; and (B) appropriate law enforcement agencies for potential law enforcement action.”



published pursuant to the Act, including the safeguards that apply to such information. See <https://www.ftc.gov/site-information/privacy-policy/privacy-act-systems>.

**(12) Burden Estimate**

**Estimated annual hours burden: 452,318 hours**

**Estimated annual cost burden: \$26,890**

**a) Requests to the Commission: 110 hours**

FTC staff bases its estimates for requests to the Commission on the average number of requests received in recent years. Based on this experience, staff estimates that the FTC receives annually approximately 30 requests for clearance submitted by former FTC employees to participate in certain matters and screening affidavits submitted by partners or legal or business associates of former employees pursuant to Rule 4.1(b), 16 C.F.R. § 4.1(b). There are also procedures set out in Rule 4.11(e) for agency review of outside requests for Commission employee testimony, through compulsory process or otherwise, in cases or matters to which the agency is not a party. Rule 4.11(e) requires that a person who seeks such testimony submit a statement in support of the request. That statement must include the party's interest in the given case or matter, the relevance of testimony or material sought, and a discussion of whether it is reasonably available from other sources. Staff estimates that agency personnel receive approximately 15 such requests per year.

The Commission estimates that the above along with other miscellaneous requests including requests for Commission or staff advisory opinions total approximately 55 requests per year. Staff estimates respondents will incur, on average, approximately 2 hours of burden to submit a request, resulting in a cumulative **110 burden hours** per year (55 requests × 2 burden hours).

**Annual cost burden:**

The Commission determines estimated labor costs by applying applicable wage rates to the burden hours discussed above. Commission staff estimates that executives and attorneys for a requester typically prepare and submit requests for Commission action. Based on an estimated average wage of \$145/hour for executive and attorney wages, staff estimates a total annual cost burden of **\$15,950** (110 hours × \$145). Staff estimates that requesters would incur no capital, start-up, operation, maintenance, or other similar costs associated with submitting covered requests.

**b) Complaint Systems: 452,131 annual hours**

**Consumer Response Center (CRC)**

Consumers can submit reports about fraud and other violations of law via telephone or through the FTC's website to the CRC. Both methods collect the same types of data; telephone

counselors request the same information that consumers would enter on the applicable forms available on the FTC's website. For telephone users, FTC staff estimates that it takes approximately 6.1 minutes per call to gather the necessary information. FTC staff estimates that it takes a consumer approximately 4.8 minutes to enter information on the Commission's online complaint form.

### Complaints Concerning the National Do Not Call Registry

Consumer can submit reports regarding potential violations of the FTC's Telemarketing Sales Rule, 16 C.F.R. Part 310, and compliance with the National Do Not Call Registry. To facilitate reporting, the FTC maintains both an online form and a toll free hotline with an automated voice response system. The form and voice response system prompt consumers to provide necessary information, including the phone number that was called, whether the call was prerecorded, the date and time of the call, their contact information, and any additional comments regarding their complaint. FTC staff estimates consumers are likely to spend approximately 3 minutes for filing a report by phone and 2.5 minutes for online complaints.

### Identity Theft

Identity theft reports generally require the FTC to collect more information than is typical for general consumer reports such as fraud complaints, including description of actions complainants have taken with credit bureaus, companies, and law enforcement, and the identification of multiple suspects.<sup>6</sup> In addition, the FTC's IdentityTheft.gov website provides consumers with enhanced features to allow consumers to create a personal recovery plan and various steps to implement it. For consumers who create a personalized recovery plan, FTC staff estimates that consumers will need 15 minutes, on average, to complete the complaint form, create an IdentityTheft.gov account, and to review their personalized recovery plan. For consumers who file a complaint but do not opt to create a personalized recovery plan, FTC staff estimates that consumers will need approximately 8.5 minutes, on average, to complete the online identity theft reporting form. For consumers who choose to report identity theft via phone, FTC staff estimates that it takes approximately 6 minutes per call to file an identity theft report.<sup>7</sup>

### CRC Surveys

The FTC conducts satisfaction surveys to obtain information about the support that the CRC provides to consumers. Each consumer surveyed is asked several questions chosen from a list prepared by staff. The questions request information about the overall effectiveness of the

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<sup>6</sup> Executive Order 13681, *Improving the Security of Consumer Financial Transactions* (October 17, 2014), mandated that the FTC establish a complaint reporting system for Identity Theft victims on IdentityTheft.gov.

<sup>7</sup> A substantial portion of identity theft-related calls typically consists of counseling consumers on other steps they should consider taking to obtain relief (which may include directing consumers to a revised online complaint form). The time needed for counseling is excluded from this estimate.

call center and online complaint intake forms. For the online survey, half of the questions ask consumers to rate CRC performance on a scale or request a yes-or-no response. The second half of the online survey asks more open-ended questions seeking a short answer. In addition, the CRC may survey a sample of consumers immediately after they file their complaints regarding the services they received. Staff estimates that each respondent will require 4.3 minutes to answer the questions during the phone survey and about 3.1 minutes for the online survey (approximately 20-30 seconds per question).

In addition, the FTC uses ForeSee, Inc. for online customer satisfaction surveys on [ReportFraud.ftc.gov](http://ReportFraud.ftc.gov). It randomly selects consumers to take part in a brief survey to provide feedback about the Web site. Staff estimates the brief survey will require 6.5 minutes per respondent. This estimate and others relating to ForeSee surveys are included under “Misc. and fraud-related consumer complaints (Web chat)” in the table below.

#### Consumer Sentinel Network Survey

The following table details FTC staff estimates of burden for these various collections of information, including the surveys. These estimates are based on the average number of complaints received annually for the previous three years from 2017-2019, and represent FTC staff’s projections for the next three-year clearance period. The FTC has experienced a reduction in complaint volumes during the prior three years following a temporary increase in Do-Not Call complaints over the course of the prior three-year clearance. As a result, these estimates represent a reduction in overall complaint volumes from the prior clearance, and are more in line with the Commission’s historical experience.

<b>Activity</b>	<b>#Respondents</b>	<b>#Minutes/Activity</b>	<b>Total Hours</b>
Misc. and fraud-related consumer complaints (phone)	338,831	6.1	34,448
Misc. and fraud-related consumer complaints (online)	604,335	4.8	48,347
Misc. and fraud-related consumer complaints (Web chat)	28,558	6.5	3,094
Identity theft (Web chat)	52,908	6.5	5,732
Do-Not-Call related consumer complaints (phone)	678,314	3.0	33,916
Do-Not-Call related consumer complaints (online)	5,473,341	2.5	228,056
Identity theft complaints (phone)	86,983	6.0	8,690
Identity theft complaints (online) (those who create a personal recovery plan)	235,176	15.0	58,794

Identity theft complaints (online) (those who complete online form but do not create a personal recovery plan)	165,388	8.5	23,430
Identity Theft (Web chat)	52,596	6.5	5,698
CRC Customer Satisfaction Questionnaire (phone)	7,442	4.3	533
CRC Customer Satisfaction Questionnaire (online) – ReportFraud.ftc.gov	22,241	3.1	1,149
CRC Customer Satisfaction Questionnaire (online) – IdentityTheft.gov	4,728	3.1	244
<b>Totals</b>	<b>7,750,841</b>		<b>452,131</b>

**Annual cost burden:**

The cost per respondent to file a complaint is negligible. Participation is voluntary and will not require any labor expenditures by respondents. There are no capital, start-up, operation, maintenance, or other similar costs for respondents.

**c) Program Evaluations: 77 hours**

*Competition Advocacy Program: 5 hours*

As explained in Section 1(c), FTC staff sends requests for feedback to selected advocacy comment recipients to help evaluate the effectiveness of the Commission’s advocacy program. The Commission may send questionnaires to up to 20 respondents per year. These requests solicit feedback on topics including the influence and effectiveness of advocacy comments. They also provide respondents with an opportunity to provide additional remarks regarding the comments they received and advocacy comments in general. The responses are used to guide the FTC’s selection and prioritization of future competition advocacy opportunities.

FTC staff estimates that, on average, respondents will need 15 minutes or less to respond. Thus, staff estimates a cumulative burden of **5 burden hours** (20 respondents per year × 15 minutes per respondent). Staff does not intend to conduct any follow-up to these requests that would require the participation of respondents.

**Annual cost burden:** FTC staff estimates an hourly labor cost of \$100 for the time spent by respondents (primarily, staff at state and federal agencies or members of federal and state legislatures and their staff). Thus, staff estimates a total labor cost of \$25 for each response (15 minutes × \$100 per hour). Assuming 20 respondents will respond to requests for feedback on an annual basis, staff estimates cumulative yearly labor costs will be approximately **\$500** (20

respondents × \$25 per response). FTC staff estimates that respondents would incur no capital, start-up, operation, maintenance, or other similar costs for respondent to these questionnaires.

*Divestiture Review: 72 hours*

The Commission issues, on average, 15-17 orders in merger cases per year that require divestitures or other remedies. Bureau of Competition (BC) staff monitors and evaluates the effectiveness of these remedies by interviewing purchasers of the divested assets within the first year after the divestiture is completed.<sup>8</sup>

BC staff interviews representatives of the buyers to ask whether all assets required to be divested were, in fact, divested; whether the buyer has used the divested assets to enter the market of concern to the Commission and, if so, the extent to which the buyer is participating in the market; whether the divestiture met the buyer's expectations; and whether the buyer believes the divestiture has been successful. In a few cases, BC staff may also interview monitors, if appropriate. In these interviews, staff seeks to learn about pricing and other basic facts regarding competition in the markets of concern, and participation is voluntary.

For interviews with purchasers of divested assets, responding companies designate the company representative most likely to have the necessary information; typically, a company executive and an attorney represent the company. Each interview takes less than one hour to complete. BC staff further estimates that it takes each participant no more than one hour to prepare for the interview. Accordingly, staff estimates that, for each interview with purchasers of divested assets, staff estimates that two individuals (typically a company executive and an attorney) will devote two hours each (one hour preparing and one hour participating) to responding to questions for a total of four hours. Assuming that staff evaluates approximately 17 divestitures per year during the three-year clearance period, staff estimates that the total hours burden will be approximately 68 hours per year (17 divestiture reviews × 4 hours for preparing and participating). Staff may include approximately two monitor interviews a year. Interviews of monitors typically involve only the monitor and staff estimates that monitors will devote approximately one hour to complete the interview and no more than one hour to prepare for the interview. This yields a burden of 4 hours for interviews with monitors (2 interviews × 2 hours for preparing and participating). This yields a total burden of **72 burden hours** per year.

**Annual cost burden:**

Using the burden hours estimated above, staff estimates that the total annual labor cost, based on an estimated average of \$145/hour for executive and attorney wages, would be **\$10,440**

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<sup>8</sup> In rare instances when staff has difficulty reaching the buyer (for example, the initial buyer has either sold the divested assets or has dissolved in bankruptcy), staff will attempt to contact the then current owners of the assets if one exists. Even so, the information gathered during the interviews with successor owners will be very similar to what staff would seek from the initial buyer.

(72 hours × \$145). There are no capital, start-up, operation, maintenance, or other similar costs to respondents.

**(13) Estimated Capital and other Non-Labor Costs**

There are no capital, start-up, operation, maintenance, or other similar costs to the respondents.

**(14) Estimated Cost to Federal Government**

Internal costing is based on the following assumed hourly wages for FTC staff, inclusive of benefits: attorneys (\$94/hour); paralegals (\$63/hour); secretarial (\$41/hour).

**a) Requests to the Commission: \$16,500**

Pursuant to Rule 4.1(b), the FTC receives approximately 30 requests for clearance submitted by former FTC employees to participate in certain matters and screening affidavits submitted by partners or legal or business associates of former employees. Staff spends roughly 2 hours of attorney time, in addition to 15 minutes of paralegal or secretarial support to resolve each request, resulting in an annual cost of approximately \$6,000.

The Commission's rules also provide for agency review of outside requests for Commission employee testimony through compulsory process or otherwise, requests for advisory opinions, and requests for documentary material pursuant to compulsory process in cases or matters to which the agency is not a party. Rule 4.11(e) requires that a person who seeks testimony or material must submit a statement in support of the request. Staff estimates that agency personnel receive approximately 3 requests seeking employee testimony each year. Staff estimates that requests solely for FTC employee testimony will require approximately two hours of staff attorney time plus 15 minutes of paralegal or secretarial support on each request. Combined, that results in an approximate yearly cost of approximately \$600-700 per year to resolve requests for employee testimony.

Staff estimates that agency personnel receive approximately 25 other requests in a given year seeking advisory opinions or documentary materials.<sup>9</sup> FTC staff projects these requests will require on average four hours of attorney time and 15 minutes of paralegal or secretarial support to resolve. Cumulatively, for 25 requests, this totals approximately \$9,700 - \$9,800 per year.

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<sup>9</sup> Responding to requests for materials can cost more than responding to requests simply for Commission employee testimony since they generally require several hours of paralegal and staff attorney time to collect and review documents.

**b) Complaint Systems: \$13,600,000**

The total annual contract cost to the agency for its consumer complaint intake system discussed above is approximately \$13,600,000.

**c) Program Evaluations: \$6,600**

*Competition Advocacy Program.* FTC staff solicits feedback from up to 20 selected advocacy comment recipients each year to help evaluate the effectiveness of the Commission's advocacy program. These solicitations for feedback require approximately 3 attorney hours and 7 paralegal hours. Analysis of the survey data and incorporation into written work product such as the Commission's annual Performance Plan, internal memoranda, and other documents require approximately 20 attorney hours. FTC staff estimates that conducting surveys associated with its advocacy program will require approximately \$2,600 of attorney and paralegal time per year.

*Divestiture Review.* The total annual cost to the agency for the information collection is approximately \$4,000. Each of the 17 annual reviews require approximately 3.0 hours by a staff attorney. This includes about an hour to prepare for the call, the time for the call, and approximately one hour to write up the results.

**(15) Changes in Burden**

The largest share of the burden for this clearance is attributable to collections of information associated with the FTC's consumer complaint reporting systems. The changes in burden estimates for the renewal period result from a decrease in FTC staff's estimates of the number of complaints that are anticipated for the period. The FTC's burden estimates are based on the average number of complaints received annually for the previous three years from 2017-2019, and represent FTC staff's projections for the next three-year clearance period. The FTC has experienced a reduction in complaint volumes during the prior three years following a temporary increase in Do-Not Call complaints over the course of the prior three-year clearance (2018-2020). As a result, these estimates represent a reduction in overall complaint volumes from the prior clearance, and are more in line with the Commission's historical experience. See subsection (b) below for further details.

**a) Applications to the Commission:**

There is no change.

**b) Complaint Systems:**

The estimated annual hour burden relating to consumer complaint systems is adjusted downward from 1,166,994 in 2018 to 452,131 in 2021, because of a reduction in the number of consumer complaints received in the previous three years. FTC staff estimated in 2018 that the FTC would receive approximately 19,929,191 per year during the 2018-2020 clearance period.

Instead, the Commission received on average 7,750,841 during that period. This rate of complaints more accurately reflects the historical average for complaints received following a temporary increase from 2015-2018. FTC staff's new lower estimate for complaint activity has resulted in an overall reduction in burden relating to consumer complaint systems for the renewal period.

**c) Program Evaluations:**

*Competition Advocacy Program:* There is no change.

*Divestiture Review:* There is no change.

**(16) Plans for Tabulation and Publication**

**a) Requests to the Commission**

Staff has no plans to publish any tabulations of the submitted information.

**b) Complaint Systems**

The agency posts annual Data Books based on aggregate data from consumer fraud and identity theft reports on the FTC.gov website, at <https://www.ftc.gov/enforcement/data-visualizations/explore-data>. The information in these reports includes the total number of complaints by state and top complaint categories. There is also a counterpart annual analysis of National Do Not Call Registry complaints. The agency may also create ad hoc reports containing the aggregated data for specific industry sectors or geographic regions in response to requests from Congress.

**c) Program Evaluations**

*Competition Advocacy Program.* FTC staff anticipates periodic tabulation of responses to prepare internal memoranda. Although FTC staff has no specific plans for publication, external publication of the data in some format in the future is possible. Data from past surveys has infrequently been published, for example, in an Organisation for Economic Cooperation and Development presentation<sup>10</sup> and a law review article.<sup>11</sup>

*Divestiture Review.* Staff does not anticipate tabulating results of the divestiture follow-ups for publication.

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<sup>10</sup> See United States Note for OECD Roundtable on Evaluation of the Actions and Resources of Competition Authorities (May 25, 2007), available at <http://www.ftc.gov/sites/default/files/attachments/us-submissions-oecd-and-other-international-competition-fora/evalauth.pdf>.

<sup>11</sup> Arnold C. Celnicker, *The Federal Trade Commission's Competition and Consumer Advocacy Program*, 33 ST. LOUIS UNIVERSITY LAW JOURNAL 379 (1989).



**(17) Display of the Expiration Date for OMB Approval**

Not applicable. The expiration date will be displayed on relevant forms.

**(18) Exceptions to the Certification for Paperwork Reduction Act Submissions**

The FTC certifies that this collection of information is consistent with the requirements of 5 C.F.R. § 1320.9, and the related provisions of 5 C.F.R. § 1320.8(b)(3), and is not seeking an exception to these certification requirements.