

the consent agreement, and the allegations in the complaint. An electronic copy of the full text of the consent agreement package can be obtained from the FTC Home Page (for July 22, 1998), on the World Wide Web, at "http://www.ftc.gov/os/actions97.htm." A paper copy can be obtained from the FTC Public Reference Room, Room H-130, Sixth Street and Pennsylvania Avenue, N.W., Washington, D.C. 20580, either in person or by calling (202) 326-3627. Public comment is invited. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with Section 4.9(b)(6)(ii) of the Commission's Rules of Practice (16 CFR 4.9(b)(6)(ii)).

#### Analysis of Proposed Consent Order to Aid Public Comment

The Federal Trade Commission has accepted an agreement to a proposed consent order from Gateway 2000, Inc. ("Gateway"), a manufacturer and direct marketer of personal computers.

The proposed consent order has been placed on the public record for sixty (60) days for the reception of comments by interested persons. Comments received during this period will become part of the public record. After sixty (60) days, the Commission will again review the agreement and will decide whether it should withdraw from the agreement or make final the agreement's proposed order.

The Commission's complaint charges that the proposed respondent violated Section 5 of the FTC Act by deceptively advertising its provision of on-site warranty service and its refund policy, and by its use of deceptive language in its written warranties. Additionally, the complaint alleges that Gateway has violated the Magnuson-Moss Warranty Act ("Warranty Act")<sup>1</sup> and two Rules promulgated thereunder: the Rule concerning the Disclosure of Written Consumer Product Warranty Terms and Conditions ("Disclosure Rule"),<sup>2</sup> and the Rule concerning the Pre-Sale Availability of Written Warranty Terms ("Pre-Sale Rule").<sup>3</sup> Under Section 110(b) of the Warranty Act, U.S.C. 2310(b), violations of the Act or its Rules are also violations of Section 5 of the FTC Act.

The draft Complaint charges that Gateway violated section 5 of the FTC Act in three ways. First, that the respondent falsely advertised its policy of "money-back" guarantees by

deducting a shipping charge from a full refund to the consumer. Second, that the respondent falsely advertised that consumers would be provided with free "on-site service" upon request. Third, the draft Complaint charges the respondent with falsely representing, in its written warranties, the remedies available to a consumer seeking incidental or consequential damages.

The draft Complaint also alleges: that the respondent violated the Pre-Sale Rule by failing to make the text of the written warranty readily available to prospective buyers prior to sale through one or more of the means specified by the Rule; that Gateway failed to comply with requirements of the Disclosure Rule that certain language be included in written warranties pertaining to the exclusion or limitation of consequential or incidental damages, and a notice that the rights of the purchaser with respect to the warranty may vary from state to state such that the exclusion or limitation may not apply to a particular consumer; and, that Gateway's warranties disclaimed all implied warranties and, therefore, failed to comply with the Warranty Act's prohibition against the disclaimer of implied warranties, 15 U.S.C. 2308.

Gateway has agreed to a one-time payment to the U.S. Treasury of \$289,429.05 to settle allegations that it falsely and deceptively advertised that a consumer's shipping charges would be refunded if they exercised their 30-day money-back guarantee option. The draft Order prohibits the respondent from failing to make a full refund of the purchase price unless it has disclosed, in close proximity to the guarantee, that deductions will be made. The draft Order prohibits the respondent from misrepresenting its provision of "on-site service." The draft Order prohibits the respondent from failing to make the text of the written warranty readily available to prospective buyers prior to sale through one or more of the means specified in 16 CFR 702.3(c). The draft Order prohibits the respondent from failing to comply with the provisions of the Disclosure rule, 16 CFR Part 701.3 and from failing to comply with the provisions of U.S.C. 2308.

The proposed Consent order contains provisions designed to remedy the violations charged and to prevent the proposed respondent from engaging in similar acts and practices in the future. The remainder of the proposed order consists of a five year record keeping provision and other standard compliance provisions.

The purpose of this analysis is to facilitate public comment on the proposed order, and is not intended to

constitute an official interpretation of the agreement and proposed order, or to modify in any way their terms.

By direction of the Commission.

**Donald S. Clark,**

Secretary.

[FR Doc. 98-20105 Filed 7-27-98; 8:45 am]

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### GENERAL ACCOUNTING OFFICE

#### Extension of Terms of Members of the Medicare Payment Advisory Commission

**AGENCY:** General Accounting Office.

**ACTION:** Notice of extension of terms.

**SUMMARY:** In accordance with the Balanced Budget Act of 1997, the Comptroller General appointed the 15 members of the Medicare Payment Advisory Commission. This notice announces the extension of the terms of all current members for an additional 7 months.

**EFFECTIVE DATE:** July 28, 1998.

**ADDRESSES:** The General Accounting Office is at 441 G St. NW., Washington, DC 20548. The Office of the Chairman of the Medicare Payment Advisory Commission is at Suite 800, 1730 K St., Washington, DC 20006.

**FOR FURTHER INFORMATION CONTACT:** General Accounting Office: Walter S. Ochinko, 202-512-7157. Medicare Payment Advisory Commission: Murray N. Ross, 202-653-7220.

**SUPPLEMENTARY INFORMATION:** Section 1805 of the Social Security Act, as added by section 4022 of the Balanced Budget Act of 1997 (Pub. L. 105-33, 111 Stat. 251, 350) provided for creation of the Medicare Payment Advisory Commission, comprising 15 members appointed by the Comptroller General. Appointments generally are to be for 3 years, except that the Comptroller General was authorized to designate staggered terms for the initial members.

Pursuant to that authority, all appointments were effective October 1, 1997, but were staggered so that five were to end on September 30, 1998, five on September 30, 1999, and five on September 30, 2000. These appointments were announced in an earlier notice. 62 FR 52131, October 6, 1997.

In consultation with the Commission, GAO has concluded members' terms should be changed to match more closely the Commission's business cycle. The present October 1 to September 30 terms are out of phase with that cycle; the Commission begins planning future work during the

<sup>1</sup> 15 U.S.C. 2301 *et seq.*

<sup>2</sup> 16 CFR 701.

<sup>3</sup> 16 CFR 702.

summer and generally produces reports in the spring, while members now begin and end their service in the fall. Terms that begin May 1 and end April 30 would coincide more closely with the Commission's work schedule and thus make Commission operations more efficient and effective.

In order to achieve this, the terms of all current members are hereby extended for 7 months. The following members' terms will expire on April 30, 1999: P. William Curreri, Anne B. Jackson, Spencer Johnson, Donald T. Lewers, and Janet G. Newport. The following members' terms will expire on April 30, 2000: Peter Kemper, Judith R. Lave, Hugh W. Long, William A. MacBain, and Gerald M. Shea. The following members' terms will expire on April 30, 2001: Gail R. Wilensky, Joseph P. Newhouse, Woodrow A. Myers, Alice F. Rosenblatt, and John W. Rowe.

Subsequent appointments will be for 3 years.

**James F. Hinchman,**

*Acting Comptroller General of the United States.*

[FR Doc. 98-20101 Filed 7-27-98; 8:45 am]

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**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Administration on Aging**

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

**SUBJECT:** Public Information Collection Requirement Submitted to the Office of Management and Budget for Clearance.

**AGENCY:** Administration on Aging.

The Administration on Aging, Department of Health and Human Services, is submitting the following proposal for the collection of information in compliance with the Paperwork Reduction Act (Pub. L. 96-511): Certification of Maintenance of Effort Form Title III of the Older Americans Act, Grants for State and Community Programs on Aging.

*Type of Request:* "Reinstatement, without change".

*Use:* To continue an existing information collection, Supplemental Form to the Financial Status Report, from Title III grantees to use in reporting information on programs funded by Title III as required under Section 309(c) of the Older Americans Act, as amended;

*Frequency:* Annually.

**SUPPLEMENTARY INFORMATION:**

*Title:* Certification of Maintenance of Effort.

*Description:* The Certification of Maintenance of Effort form will be used by the Administration on Aging to verify the amount of State expenditures and make comparisons with the three previous years' expenditures to assure that the States are in compliance with 45 CFR 1321.49. This information will be used for federal oversight of the Title III Program.

*Respondents:* State Agencies on Aging.

*Number of Respondents:* 57.

*Average Number of Responses per Respondent:* 1.

*Average Burden Hours:* 1/2 hour per State Agency.

**Additional Information:** Written comments and recommendations for the proposed information collection should be sent to the following address within 30 days of the publication of this notice: Office of Regulatory Affairs, ATTN: Allison Herron Eydt, OMB Desk Officer, Room 10325 Washington, DC.

**Jeanette C. Takamura,**

*Assistant Secretary for Aging.*

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**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Centers for Disease Control and Prevention**

[30DAY-18-98]

**Agency Forms Undergoing Paperwork Reduction Act Review**

The Centers for Disease Control and Prevention (CDC) publishes a list of information collection requests under review by the Office of Management and Budget (OMB) in compliance with the Paperwork Reduction Act (44 U.S.C. Chapter 35). To request a copy of these requests, call the CDC Reports Clearance Officer at (404) 639-7090. Send written comments to CDC, Desk Officer; Human Resources and Housing Branch, New Executive Office Building, Room 10235; Washington, DC 20503. Written comments should be received within 30 days of this notice.

*Proposed Projects*

1. An Epidemiologic Study of the Relation Between Maternal and Paternal Preconception Exposure to Ionizing

Radiation and Childhood Leukemia (0920-0364), Revision.

The National Center for Environmental Health proposes an extension of a case-control study of the relation between maternal and paternal preconception exposure to ionizing radiation and childhood leukemia. The study is designed to determine whether preconception gonadal doses from ionizing radiation are higher in the parents of children with leukemia than in parents of healthy children. This hypothesis is based on previous study findings that, compared with control groups, children with leukemia were more likely to have fathers who worked at the Sellafield nuclear facility in Great Britain and to have received higher doses of ionizing radiation prior to the conception of the child. Funding for the study is being provided to the University of Colorado Health Sciences Center by the National Center for Environmental Health of the Centers for Disease Control and Prevention.

The study is designed as a multi-center case-control study. Cases will be children with leukemia and controls will be children without leukemia selected at random from the same population as the cases. In addition, the next older sibling will be used in a second control group. The main exposure of interest, paternal and maternal gonadal absorbed doses from ionizing radiation during the six-month time period before conception, will be quantified by taking detailed histories from the parents about medical, occupational, and environmental exposures that they had during the time period of interest. Gonadal doses will be estimated from the documentation of each exposure. By calculating the doses of ionizing radiation each parent received, we can compute odds ratios and confidence intervals for paternal and maternal doses separately and combined. These findings will clarify whether the previously determined risks can be detected in other populations with similar exposures. Consistency in the results of this study with those of a similar study in Great Britain would have a major impact on current medical practice and occupational exposure standards. If this study does not detect an elevated risk for leukemia, it will be unlikely that preconception gonadal doses from ionizing radiation that are related to childhood leukemia. Total annual burden hours are 1,125.