recordkeeping requirements, United States investments abroad.

Dated: February 2, 1995.

Carol S. Carson,

Director, Bureau of Economic Analysis.

For the reasons set forth in the preamble, BEA amends 15 CFR Part 806 as follows:

PART 806—DIRECT INVESTMENT SURVEYS

1. The authority citation for 15 CFR Part 806 is revised to read as follows:

Authority: 5 U.S.C. 301; 22 U.S.C. 3101– 3108; and E.O. 11961 (3 CFR, 1977 Comp., p. 86), as amended by E.O. 12013 (3 CFR, 1977 Comp., p. 147), E.O. 12318 (3 CFR, 1981 Comp., p. 173), and E.O. 12518 (3 CFR, 1985 Comp., p. 348).

§806.14 [Amended]

2. Section 806.14(e) is amended by removing "\$15,000,000" and adding "\$20,000,000" in its place.

[FR Doc. 95–4631 Filed 2–24–95; 8:45 am] BILLING CODE 3510–EA–M

CONSUMER PRODUCT SAFETY COMMISSION

16 CFR Part 1117

Interpretative Regulations for Reporting Choking Incidents to the Consumer Product Safety Commission Pursuant to the Child Safety Protection Act

AGENCY: Consumer Product Safety Commission (CPSC). **ACTION:** Final rule.

SUMMARY: The "Child Safety Protection Act" requires manufacturers, distributors, retailers, and importers of marbles, small balls, latex balloons, and toys or games that contain such items or other small parts, to report to the Commission when they learn of choking incidents involving such products. The Commission is issuing a rule to implement this reporting requirement. DATES: This regulation becomes effective March 29, 1995.

FOR FURTHER INFORMATION CONTACT: Eric L. Stone, Office of Compliance and Enforcement, CPSC, 4440 East West Highway, Bethesda, MD 20814 (Mailing address: Washington, D.C. 20207), telephone (301) 504–0626 extension 1350.

SUPPLEMENTARY INFORMATION:

A. Background

Section 102 of the Child Safety Protection Act, (Pub. L. No. 103–267 (June 17, 1994) ("the Act" or the "the CSPA") requires:

Each manufacturer, distributor, retailer and importer of marble, small ball, or latex balloon, or a toy or game that contains a marble, small ball, latex balloon or other small part, shall report to the Commission any information obtained by such manufacturer, distributor, retailer, or importer which reasonably supports the conclusion that—

(A) an incident occurred in which a child (regardless of age) choked on such a marble, small ball, or latex balloon or on a marble, small ball; latex balloon, or other small part contained in such toy or game and

(B) as a result of that incident the child died, suffered serious injury, ceased breathing for any length of time, or was treated by a medical professional.

A failure to report is a prohibited act under section 19(a)(3) of the Consumer Product Safety Act (CPSA), 15 U.S.C. 2068(a)(3), punishable by civil penalties under section 20 of the CPSA, 15 U.S.C. 2069. The Act provides a high degree of confidentiality for choking reports. Reports shall not be interpreted as admissions of liability or of the truth of the information in the reports.

On July 1, 1994, the Commission proposed a rule to define several terms and resolve ambiguities and uncertainties in the statutory reporting scheme. (59 F.R. 33927) The Commission received over 200 comments from consumer groups, medical professionals, and individual consumers. Generally, these comments supported the proposed rule. Manufacturers, trade associations, testing labs, attorneys and others commented on behalf of industry. Generally, these groups sought to limit the reporting requirements and allow firms more time and discretion. In all, over 260 comments were received and analyzed.

B. Consideration of the Comments

1. Substantive Versus Interpretative

Several manufacturers, trade associations and industry consultants objected to this rule being issued as a substantive rule. Generally, these commenters believed interpretative rules were more appropriate. Consumers and consumer groups supported issuance of substantive rules.

The business commenters argued (1) a substantive rule would be binding and would eliminate the opportunity to challenge the Commission's interpretation of the reporting requirement on a case-by-case basis; (2)

the Commission did not issue other reporting rules under section 15(b) or 37 of the CPSA as substantive rules; (3) since, unlike the provisions of section 101(c) of the Child Safety Protection Act, Congress did not grant the Commission specific authority to issue this rule, the Commission should limit itself to an interpretative rule; (4) section 16(b) of the CPSA is a recordkeeping and inspection provision and was not intended to be used for reporting rules except those limited to inspections; and (5) given the tight timeframes for reporting, the rule should be interpretative.

Section 102(a)(2) of the Child Safety Protection Act provides that "[f]or purposes of section 19(a)(3) of the Consumer Product Safety Act [15 U.S.C. 2068(a)(3), describing prohibited acts], the requirement to report information under this subsection is deemed to be a requirement under such Act." While the Act does not explicitly require the Commission to issue rules to implement it, the Commission believes that Congress intended the entire reporting section to be considered part of the CPSA. The Commission believes its general authority under section 16(b) to issue rules concerning reporting applies.

Section 102 left unanswered several questions about reporting procedures and the contents of the report. The Commission has an obligation to further define the reporting obligation outlined in the statute through rulemaking and it has the authority to do so.

Section 16(b) of the CPSA (15 U.S.C. 2065(b)) authorizes the Commission to require manufacturers, private labelers and distributors to "make such reports * * as the Commission may, by rule, reasonably require for the purposes of implementing this Act." A failure to make reports or provide information under section 16(b) of the CPSA (15 U.S.C. 2065(b)) is a prohibited act under section 19(a)(3) of the CPSA (15 U.S.C. 2068(a)(3)). The Commission proposed this rule under section 102 of the Act and section 16(b) of the CPSA (15 U.S.C. 2065(b)).

Although section 16(b) falls within a section titled "Inspection and Recordkeeping," the language of the provision does not by its terms limit reporting solely to an inspectional context. The Commission has consistently taken this "plain language" view of section 16(b). The Commission cited section 16 as part of the authority for the section 15(b) reporting regulations codified in 16 CFR Part 1115. In addition , the Commission has relied on section 16(b) for authority to require reports in the certification