

days. The following Analysis to Aid Public Comment describes the terms of 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 April 3, 2002), on the World Wide Web, at "<http://www.ftc.gov/os/2002/04/index.htm>." A paper copy can be obtained from the FTC Public Reference Room, Room 130-H, 600 Pennsylvania Avenue, NW., Washington, DC 20580, either in person or by calling (202) 326-2222.

Public comments are invited, and may be filed with the Commission in either paper or electronic form. Comments filed in paper form should be directed to: FTC/Office of the Secretary, Room 159-H, 600 Pennsylvania Avenue, NW., Washington, DC 20580. If a comment contains nonpublic information, it must be filed in paper form, and the first page of the document must be clearly labeled "confidential." Comments that do not contain any nonpublic information may instead be filed in electronic form (in ASCII format, WordPerfect, or Microsoft Word) as part of or as an attachment to email messages directed to the following email box: consentagreement@ftc.gov. Such comments 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, subject to final approval, an agreement for entry of a proposed consent order from Kryton Coatings International, Inc. and Procraft, Inc. ("respondents"). The agreement would settle a proposed complaint by the Federal Trade Commission that respondents engaged in unfair or deceptive acts or practices in violation of Section 5(a) of the Federal Trade Commission Act.

The proposed consent order has been placed on the public record for thirty (30) days for reception of comments by interested persons. Comments received during this period will become part of the public record. After thirty (30) days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement or make final the agreement's proposed order.

This matter concerns advertising representations made about "Multi-Gard" (also known as Liquid Siding, Liquid Vinyl, or Multi-Gard R-20), a residential coating product. The

proposed administrative complaint alleges that respondents violated the FTC Act by disseminating ads that made unsubstantiated performance claims about Multi-Gard. The proposed complaint further alleges that respondents represented that Multi-Gard: (1) Provides insulation equivalent to seven inches of fiberglass batting; (2) provides an insulation value of R-20; (3) reduces energy loss, energy costs or utility bills by up to 40%; and (4) performs the same insulation function as the ultra-thin ceramic technology on the space shuttle. The proposed complaint alleges that respondents represented that they had a reasonable basis for these claims. The proposed complaint further alleges that, although the use of Multi-Gard and caulking (which is provided as part of the application service for Multi-Gard) may seal air leaks and cracks in buildings and, as a result, may reduce energy costs in some cases, respondents did not possess and rely upon a reasonable basis that substantiated their claims.

The proposed consent order contains provisions designed to prevent respondents from engaging in similar acts and practices in the future. Part I of the order prohibits respondents from making any representation about the benefits, performance or efficacy of any Liquid Siding, Multi-Gard, Multi-Gard R-20, Liquid Vinyl, or any other liquid siding or coating product, including: that such product reduces energy loss, energy costs, energy consumption, or utility bills; any R-value associated with such product; or such product's insulation qualities as compared to any other materials, including insulation materials, unless, at the time of making such representation, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

Part IV requires respondents to notify Multi-Gard distributors and wholesalers about this action and send them a copy of the consent order. The form of the notice is provided in Attachment A to the order. The remainder of the proposed order contains provisions regarding record-keeping, distribution of the order, notification of changes in corporate status, the filing of a compliance report, and termination of the order.

The purpose of this analysis is to facilitate public comment on the proposed order, and it is not intended to constitute an official interpretation of the agreement and the proposed order or to modify their terms in any way.

By direction of the Commission.

Donald S. Clark,
Secretary.

[FR Doc. 02-8492 Filed 4-8-02; 8:45 am]

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

Notice of Hearing: Reconsideration of Disapproval of Arizona State Plan Amendment 01-013.

AGENCY: Centers for Medicare & Medicaid Services (CMS), HHS.

ACTION: Notice of hearing.

SUMMARY: This notice announces an administrative hearing on May 17, 2002, at 10 a.m., Conference Rooms 615A & 615B; 75 Hawthorne Street; San Francisco, California 94105-3901 to reconsider our decision to disapprove Arizona State Plan Amendment (SPA) 01-013.

CLOSING DATE: Requests to participate in the hearing as a party must be received by the presiding officer by (April 24, 2002).

FOR FURTHER INFORMATION CONTACT: Kathleen Scully-Hayes, Presiding Officer, CMS, C1-09-13, 7500 Security Boulevard, Baltimore, Maryland 21244, Telephone: (410) 786-2055.

SUPPLEMENTARY INFORMATION: This notice announces an administrative hearing to reconsider our decision to disapprove Arizona's State Plan Amendment (SPA) 01-013.

Arizona submitted SPA 01-013, on October 21, 2001. The issue is whether the state can provide retroactive payments to June 4, 1997, for school-based providers for services to children eligible under the Individuals with Disabilities Education Act. For the reasons stated below, the Center for Medicare & Medicaid Services (CMS) was unable to approve this amendment.

Standard appropriations language authorizes the Secretary to make payments only "for any quarter with respect to a state plan amendment in effect during such quarter, if submitted in or prior to such quarter and approved in that or any subsequent quarter." Under this language, the Secretary is not authorized to make payments for a quarter based on a SPA submitted in a later quarter.

This statutory provision is implemented by regulations at 42 CFR 430.20 (b)(1) and (2). The regulation precludes CMS from approving an effective date prior to

the first day of the quarter in which a plan amendment is submitted, if the plan amendment provides for expanded Medicaid coverage or increased Medicaid payment for covered services. This plan amendment would expand coverage because the plan did not otherwise provide payment for services provided by school-based providers prior to July 1, 2000. Since this SPA would expand coverage, it could not be approved with an effective date of June 4, 1997, since that is prior to the first day of the quarter in which the SPA was submitted.

Section 1116 of the Social Security Act (the Act) and 42 CFR part 430 establish Department procedures that provide an administrative hearing for reconsideration of a disapproval of a state plan or plan amendment. The CMS is required to publish a copy of the notice to a state Medicaid agency that informs the agency of the time and place of the hearing and the issues to be considered. If we subsequently notify the agency of additional issues that will be considered at the hearing, we will also publish that notice.

Any individual or group that wants to participate in the hearing as a party must petition the presiding officer within 15 days after publication of this notice, in accordance with the requirements contained at 42 CFR 430.76(b)(2). Any interested person or organization that wants to participate as *amicus curiae* must petition the presiding officer before the hearing begins in accordance with the requirements contained at 42 CFR 430.76(c). If the hearing is later rescheduled, the presiding officer will notify all participants.

The notice to Arizona announcing an administrative hearing to reconsider the disapproval of its SPA reads as follows:

Ms. Phyllis Biedess, Director, Arizona Health Care Cost Containment System, 801 E. Jefferson, Phoenix, Arizona 85034.

Dear Ms. Biedess: I am responding to your request for reconsideration of the decision to disapprove Arizona State Plan Amendment (SPA) 01-013.

Arizona submitted SPA 01-013 on October 21, 2001. The issue is whether the state can provide retroactive payments to June 4, 1997, for school-based providers of services to children eligible under the Individuals with Disabilities Education Act. For the reasons stated below, the Center for Medicare & Medicaid Services (CMS) was unable to approve this amendment.

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effect during such quarter, if submitted in or prior to such quarter and approved in that or any subsequent quarter." Under this language, the Secretary is not authorized to make payments for a quarter based on a SPA submitted in a later quarter.

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Therefore, based on the reasoning set forth above, and after consultation with the Secretary as required under 42 CFR 430.15(c)(2), CMS disapproved Arizona SPA 01-013. I am scheduling a hearing on your request for reconsideration to be held May 17, 2002, at 10:00 a.m., Conference Rooms 615A & 615B; 75 Hawthorne Street; San Francisco, California 94105-3901. If this date is not acceptable, we would be glad to set another date that is mutually agreeable to the parties. The hearing will be governed by the procedures prescribed at 42 CFR, part 430.

I am designating Ms. Kathleen Scully-Hayes as the presiding officer. If these arrangements present any problems, please contact the presiding officer. In order to facilitate any communication which may be necessary between the parties to the hearing, please notify the presiding officer to indicate acceptability of the hearing date that has been scheduled and provide names of the individuals who will represent the State at the hearing. The presiding officer may be reached at (410) 786-2055.

Sincerely,
Thomas A. Scully

Section 1116 of the Social Security Act (42 U.S.C. 1316); 42 CFR 430.18.

(Catalog of Federal Domestic Assistance Program No. 13.714, Medicaid Assistance Program)

Thomas A. Scully,

Administrator, Centers for Medicare & Medicaid Services.

[FR Doc. 02-8471 Filed 4-8-02; 8:45 am]

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

Request for Applications Under the Office of Community Services' Fiscal Year 2002; Job Opportunities for Low-Income Individuals (JOLI) Program; Correction and Clarification; Program Announcement No. OCS-2002-06

AGENCY: Office of Community Services, ACF, DHHS.

ACTION: Clarification and correction.

SUMMARY: This document clarifies and corrects the notice that was published in the **Federal Register** on Thursday, February 21, 2002, Part II (67 FR 8074). It clarifies the notice by explaining that Faith-Based organizations are eligible to apply, and corrects the notice by changing the due date of applications.

FOR FURTHER INFORMATION CONTACT:

Aleatha E. Slade at (202) 401-5317, Thelma M. Woodland at (202) 401-5294, or the OCS Operation Center at 1-800-281-9519 for referral to the appropriate contact person in OCS for programmatic questions or send an e-mail to OCS@lcgnet.com.

Clarification

In the **Federal Register** issue of February 21, 2002 (67 FR 8074), page 8075, third column, Program Objectives and Requirement, Section "A. Eligible Applicants", after the end of the first paragraph, "* * * of such Code.", add the following:

Faith-Based organizations that are exempt from taxation under 501(c)(1) of the Internal Revenue Code of 1986 by reason of paragraph (3) or (4) of section 501(c) of such Code are also eligible to apply for funds under this program announcement.

Correction

In the **Federal Register** issue of February 21, 2002 (67 FR 8074), on page 8074, first column, under "Dates," end of first sentence that reads, "before April 22, 2002.", please correct to read: "before May 22, 2002. In view of the above clarification of Faith-Based organizations, the deadline is being extended an additional thirty (30) days through May 22, 2002."

Dated: April 1, 2002.

Clarence Carter,

Director, Office of Community Services.

[FR Doc. 02-8541 Filed 4-8-02; 8:45 am]

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