

SUPPORTING STATEMENT FOR PAPERWORK REDUCTION ACT SUBMISSION

A. Justification

1. Explain the circumstances that make the collection of information necessary.

Reimbursement of General Aviation Operators and Service Providers in Washington, D.C. Area

On November 30, 2005, President Bush signed into law the Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriation Act, 2006 (P.L. 109-115, 119 Stat. 2396), known hereafter as the Act, Section 185 of this Act authorized the Department of Transportation to provide reimbursement to fixed-based general aviation operators and providers of general aviation ground support services at five metropolitan Washington, D.C. area airports, for the direct and incremental financial losses they incurred while the airports were closed due to Federal Government actions taken after the terrorist attacks on September 11, 2001. The airports are: Ronald Reagan Washington National Airport; College Park Airport in College Park, Maryland; Potomac Airfield in Fort Washington, Maryland; Washington Executive/Hyde Field in Clinton, Maryland; and Washington South Capitol Street Heliport in Washington, D.C. A total of up to \$17,000,000 was appropriated for this purpose.

Collection of information is necessary in order to determine eligibility for reimbursement under the Act, and to determine the amount of reimbursement that each eligible applicant will receive. DOT will collect this information on an application form that it has devised specifically for this purpose. The collection of this data and payment of compensation comports with the DOT goals of promoting *mobility*, by revitalizing general aviation as a travel option in the Washington DC metropolitan area; *economic growth and trade*, by helping fixed base operators and general aviation service providers in the Washington area to return to the financial footing they experienced prior to the terrorist attacks of September 11, 2001; *organizational excellence*; and heightened *national security*, in that it endeavors to support the maintenance of general aviation services for the American public consistent with aviation security requirements in the Washington area. .

2. Indicate how, by whom, and for what purpose the information is to be used.

DOT personnel, including as necessary aviation industry analysts, accountants, attorneys, and auditors, will review the application form to determine, initially, whether the applicant qualifies as among the “fixed-based general aviation operators” or “providers of

general aviation ground support services” at the five metropolitan Washington airports that were intended to receive reimbursements under the Act. If the applicant qualifies for reimbursement, the DOT staff personnel will use the financial information submitted, particularly comparing the difference between the applicant’s actual results and forecast results for the appropriate reimbursement period, along with macroeconomic data, individualized applicant business trend information, and the applicant’s explanations, to determine the amount of reimbursement for which each applicant qualifies.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology (e.g. permitting electronic submissions of responses) and the basis for the decision for adopting this means of collections. Also, describe any consideration of using technology to reduce burden.

Applicants are specifically invited to submit their applications to DOT using electronic means. In docketed items the DOT has traditionally required the submission of hard copy documents. More recently DOT has encouraged the submission of documents and particularly data on electronic media to facilitate the analysis process, and is asking that the relevant information here be submitted in electronic format. The widespread use of computerized spreadsheets for the storage, presentation and analysis of economic, financial and general quantitative data has made it advantageous for DOT to request the submission of data in an electronic format where applicable. In reviewing budgetary and financial data the submission of data on electronic media reduces the burden on applicants who frequently maintain these data bases electronically as a part of their normal business process but also reduces the burden on the government analysts who must manipulate and critically analyze and evaluate these data. Furthermore, the Department has made filing forms and instruction and economic data available on the Office of the Secretary’s web site to avoid the need for applicants to transcribe application forms and to assist the applicants in the preparation of their requests for compensation.

4. Describe efforts to identify duplication.

The DOT has specifically requested that applicants submit existing actual operating and forecast results in lieu of requiring the same data to be submitted using new standardized forms, in order to reduce the reporting burden and avoid duplication of effort.

5. If the collection of information impacts small businesses or other small entities (Item 5 of the OMB for 83-I), describe any methods used to minimize burden.

[When drafting the](#) NPRM the DOT originally developed a series of spreadsheets containing actual and forecast operating results which were to be filled out and submitted with the claim for reimbursement. In order to reduce the reporting burden on the small business applicants who may be eligible for reimbursement under the Act, the DOT redrafted its NPRM to permit applicants to submit their actual and forecast operating results in a format they maintain as a part of the normal course of their business. In so doing DOT consciously endeavored to reduce applicants reporting burden in terms of time and cost.

6. Describe the consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The Act authorizes the DOT to provide reimbursement to fixed-based general aviation operators and providers of general aviation ground support services at five metropolitan Washington, D.C. area airports, for the direct and incremental financial losses they incurred while the airports were closed due to Federal Government actions taken after the terrorist attacks on September 11, 2001. DOT cannot comply with the Act unless it conducts an evaluation of the applicants' eligibility for assistance and assesses the level of claimed losses arising from Federal Government actions. This action contemplates a single submission of eligibility information and financial data that are to be used by the DOT to determine eligibility and amount of reimbursement.

- 7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**
- * **requiring respondents to report information to the agency more often than quarterly;**
 - * **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
 - * **requiring respondents to submit more than an original and two copies of any document;**
 - * **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;**
 - * **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
 - * **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
 - * **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**

- * **requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

None of the above requirements would be triggered under this action.

- 8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

Federal Register Vol. 71, No. 192, Wednesday, October 4, 2006, Proposed Rules, pages 58546 - 58569

DOT's Proposed Rule included a request for comments, with a 60 day response period, providing interested parties the opportunity to comment on, among other items, the need for and reasonableness of the information being sought. In particular, we specifically published a copy of the "[Application Form for Reimbursement under Section 185 of Public Law 109](#)" and [instructions and solicited comments thereon](#). The Department received no comments objecting to the application form or suggestions that the collection of supporting information was unnecessary.

One commenter however noted the possible need applicants would have for accounting or similar professional services in connection with supporting their applications for reimbursement. Upon review, DOT agreed that smaller firms would be among the claimants and the overall application process would benefit if they were able to utilize professional services rather themselves prepare applications and organize the most relevant supporting data. In its final rule, the Department provides for reimbursement of 80 percent (up to a maximum of \$2,000) for such professional fees.

Another commenter also pointed out that many of the applicants eligible for reimbursement are small businesses and do not regularly develop full financial statements and forecasts. The commenter requested that Departmental staff be flexible and provide as much assistance as possible to the applicants that need help

In response, DOT will provide reimbursements, to a limited degree, to enable small businesses to obtain professional assistance in preparing their applications. Furthermore, DOT personnel will, to the extent resources permit, provide information on procedural matters, reimbursement eligibility, and other subjects in the rule. Other potentially useful information has been posted on DOT's website. DOT's ability to be "flexible" is

necessarily limited by its fiduciary responsibility regarding administration of these funds, so staff cannot assist in the actual preparation of the applications, or provide tax or accounting advice or interpretations. In this regard the final rule addresses the issues raised by commenter concerning application burden.

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

The financial data questions, and their format, are in large part based on similar questions utilized in compensating air carriers for losses incurred as a result of the terrorist attacks on September 11, 2001, under Public Law 107-42. Those questions, and their format, were developed through an extended rulemaking process, see, inter alia, 66 FR 54620 et seq., 67 FR 18468 et seq., and 67 FR 54058 et seq. Also, in this case, prior to Congress' authorization of reimbursement payments to affected parties, it required a report on the parties affected and the estimated extent of their losses. That report (entitled "Estimated Financial Losses to Selected General Aviation Entities in the Washington, D.C. Area – October, 2005") was prepared by a DOT consultant, who had personal contact with most of the likely applicants here and worked with them and their financial information to develop the requested loss estimates. Further, prior to issuance of the NPRM, DOT staff had telephone discussions with various interested airport and general aviation entities, and one meeting with the largest fixed-based general aviation operator, to discuss general issues related to P.L. 109-115.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years — even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

Not applicable The application for reimbursement under Section 185 of Public Law 109-115 must be submitted within 60 days of published notice in the Federal Register. No recurrent data is required under this statute.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

Payment to respondents who are deemed eligible for reimbursement is the purpose of this data collection under the Act, P.L. 109-115. The Act provides reimbursement totaling up to \$17 million to fixed-based general aviation operators and providers of general aviation ground support services at five metropolitan Washington, D.C. area airports, for the

direct and incremental financial losses they incurred while the airports were closed due to Federal Government actions taken after the terrorist attacks on September 11, 2001.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

In the rule the DOT provides that if an applicant believes the release by DOT to the public of information provided by the applicant would cause substantial harm to the applicant's competitive position, the applicant should request that DOT hold such submissions confidential. In preference to "blanket" requests, the rule advises that confidentiality requests should be specific to particular data submitted, as it is very unlikely that *all* submitted data could cause competitive harm if released to the public.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

There are no sensitive questions of this nature posed by the application for reimbursement.

12. Provide estimates of the hour burden of the collection of information. The statement should:

We estimate that there will be approximately 24 fixed-based general aviation operators and providers of general aviation ground support service submitting claims for reimbursement under this Act. This estimate is based on the number of fixed-based general aviation operators and providers of general aviation ground support services identified in an earlier study conducted by DOT in October 2005. We further estimate that each applicant will consume approximately eight hours in organizing supporting data, developing a forecast and in preparation of their claim. The cumulative total time for all applicants is estimated at 144 hours.

Number of Respondents	Total Annual Number of Responses	Estimated Burden Hours Per Response	Total Annual Burden Hours
24	24	6 hours	144 hours

13. Provide an estimate of the total annual [non-hour] cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).

The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information [including filing fees paid]. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.

There is no incremental recordkeeping or start up costs involved in submitting a claim for reimbursement. The records used to prepare a claim draw on information that is maintained in the normal course of business. Any additional forecasting development burden that may be required in preparing a claim is included in the eight hours per applicant estimate. As a consequence, this one-time submission does not involve a differentiated start-up and maintenance expense. The total burden represents a man-hour expense, assumed to be \$34.74 per hour for the estimated eight hours preparation time. The \$34.74 hourly rate is based on the \$27.44 rate used in 2001 Air Transportation Safety and System Stabilization Act (enacted as Public Law 107-42) which provided compensation for the victims of the four terrorist-related aircraft crashes of September 11, 2001. This rate was adjusted to a comparable 2006 rate using the change in the Department of Commerce's Bureau of Economic Analyses' Disposable Personal Income (DPI).

The total estimated burden is determined by multiplying the total of burden hours, 144,, times the 2006 hourly rate \$34.74, and the result is \$5,003.

Dollar Value of Total Annual Burden Hours
\$5,003

14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.

No annualized costs to the Federal Government are associated with this one-time data collection. The cost of evaluating and process claims for reimbursement under the Act are covered as a part of existing salary and computer costs borne by the Department. Experienced personnel will be assigned part-time to the task of evaluating and processing claims in a manner similar to that employed for processing disbursements under the Air Transportation Safety and System Stabilization Act (enacted as Public Law 107-42)

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.

This is a new collection and will constitute a new program change.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

Although the submissions associated with this Act will be public, no information from this collection will be published.

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

Approval is neither sought nor required.

18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.

No exceptions will be requested. Note that exception (i) does not apply in this instance because the collection does not use any statistical survey methodologies.

B. Collections of Information Employing Statistical Methods

This collection does not employ statistical methods.