

## Information Collection Clearance

### The Supporting Statement

#### Motor Carrier Identification Report

**Introduction:** This supporting statement revises a current information collection (IC) entitled, “Motor Carrier Identification Report (Application for U.S. DOT Number),” approved by the Office of Management and Budget (OMB) and assigned OMB Control No. 2126-0013. The total annual burden for this IC is 74,896 hours and it will expire on July 31, 2007.

The Federal Motor Carrier Administration (FMCSA) is proposing to revise this information collection due to a program change set forth in a notice of proposed rulemaking (NPRM) entitled, “New Entrant Safety Assurance Process” (see Attachment A), that would raise the standard of compliance for passing the new entrant safety audit. The agency proposes to eliminate the FMCSA Form MCS-150A, “Safety Certification for Application for USDOT Number,” because it does not provide the certification intended. Elimination of the MCS-150A form would be the only portion of this NPRM with Paperwork Reduction Act (PRA) implications for the OMB Control No. 2126-0013 information collection.

#### 1. Circumstances that make collection of information necessary.

Section 210 of the Motor Carrier Safety Improvement Act of 1999 (MCSIA) (Public Law 106-159, 113 Stat. 1748, 1764 (December 9, 1999) (Attachment B) directed the agency to issue regulations ensuring new entrant motor carriers are knowledgeable about the Federal Motor Carrier Safety Regulations (FMCSRs) and standards. On May 13, 2002, the agency published an interim final rule (IFR) entitled, “New Entrant Safety Assurance Process” (See Attachment C).

All U.S. and Canada-domiciled motor carriers applying for the first time to operate in interstate commerce are “new entrants.” Such carriers are required to certify that they are knowledgeable about, and will comply with, the FMCSRs (see 49 CFR part 325 et seq.) (Attachment D). This must be done in order to receive a U.S. DOT number and begin interstate operations within the United States.

In a supplemental notice of proposed rulemaking (SNPRM) entitled, “Federal Motor Carrier Safety Regulations: Hazardous Materials Safety Permits” dated August 19, 2003 (68 FR 49737) (see Attachment E), the FMCSA set forth a proposal that would require **intrastate** motor carriers engaged in the transportation of hazardous materials (estimated initially to be 797, but amended to 992)<sup>1</sup> to apply for U.S. DOT Numbers and complete Form MCS-150B (Combined Motor Carrier Identification Report and HM Permit Application) (but **not** Form MCS-150A (safety certification) because it does not apply to them (see discussion below)).

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<sup>1</sup> The number of intrastate carriers engaged in the transportation of hazardous materials increased from 797 to 992 because the final rule adopted a slightly revised statutory list (referred to as the Modified Statutory Option or expanded list) of additional explosive and toxic by inhalation (TIH) materials that reached certain quantities. Thus, the amount and types of HM and HM-permitted carriers regulated under the final rule’s permitting system is different from what we proposed in the SNPRM.

The “Modified Statutory Option” proposed in the SNPRM and adopted in the final rule dated June 30, 2004 (69 FR 39350) (Attachment F) increased the annual burden for the OMB Control No. 2126-0013 information collection by extending the data collection to 992 intrastate motor carriers as well (both small and large) that transport the permitted hazardous materials.

This information collection supports the Department’s strategic goal of safety.

## **2. How, by whom, and for what purpose the information is to be used.**

The information on the Motor Carrier Identification Report (Form MCS-150) is used by the FMCSA to identify its regulated entities, to help prioritize the agency’s activities, to aid in assessing the safety outcomes of those activities and for statistical purposes.

The purpose of the information collected on the MCS-150A form entitled, “Safety Certification for Applications for U.S. DOT Number,” is to help ensure that new entrant motor carriers are knowledgeable about the FMCSRs and standards before being granted registration authority to operate in interstate commerce. The Form MCS-150A required the new entrant to certify that it had a system(s) in place to ensure compliance with applicable requirements covering driver qualifications, hours-of-service, controlled substance and alcohol testing, vehicle condition, accident monitoring and hazardous materials transportation. The certification reminds the new entrant of its statutory and regulatory responsibilities, which if neglected or violated, may subject the applicant to civil penalties and lead to the revocation of the new entrant registration. However, based on the Safety Audits (SAs) conducted to date, FMCSA has found many new entrants have certified on the MCS-150A they have knowledge about the FMCSRs and applicable hazardous materials regulations (HMRs) and have in place the safety management controls necessary to conduct interstate operations, but are not, in fact, in compliance with the FMCSRs and applicable HMRs. As noted above, “intrastate” motor carriers do not need to complete Form MCS-150A since they are not new entrants and only operate within the boundaries of the individual 50 States of the U.S. This NPRM proposes to eliminate the requirement for new entrants to complete the Form MCS-150A because it does not provide the certification intended. Elimination of the Form MCS-150A burden hours will be only a portion of the OMB Control No. 2126-0013 information collection affected by this NPRM. Some parts of the form (e.g., corporate information) will be incorporated in Form MCS-150. Conforming amendments are proposed to eliminate mention of the MCS-150A throughout the regulations.

FMCSA implemented the Hazardous Materials Safety Permit final rule to require all HM-permitted carriers to complete a new Form MCS-150B entitled, “Combined Motor Carrier Identification Report and HM Permit Application,” to provide the limited additional information required for issuance of a safety permit to transport specific hazardous materials. The safety program will require all HM permitted carriers to complete Form MCS-150(B) in place of the current Form MCS-150 (Motor Carrier Identification Report). In addition, HM permitted carriers must complete the MCS-150B in place of the MCS-150 to “renew” their HM permit and to file a biennial update of their carrier operation.

### **3. Extent of automated information collection.**

In response to the Government Paperwork Elimination Act (enacted on October 21, 1998, as title XVII of Public Law 105-277, 112 Stat. 2681) (Attachment G), the FMCSA will allow all respondents to complete Forms MCS-150 (Application for U.S. DOT Number and MCS-150B (HM Permit application) on-line at the FMCSA web site, <http://www.fmcsa.dot.gov/factsfigs/formspubs.htm>. One hundred percent (**100%**) of the Forms MCS-150 and MCS-150B can now be completed and submitted to the FMCSA on-line.

### **4. Efforts to identify duplication.**

The FMCSA is the only Federal agency with the authority to promulgate and enforce safety regulations applicable to for-hire and private motor carriers (and their commercial motor vehicles (CMVs) and drivers) operating in interstate commerce. We estimate that there are 535,000 motor carriers operating CMVs in interstate commerce throughout the United States.

The ICC Termination Act of 1995 (the ICCTA) (Public Law 104-88, 109 Stat. 803 (December 29, 1995)) (Attachment H), eliminated the Interstate Commerce Commission (ICC), transferred certain ICC functions to the DOT, and established a registration system to replace the licensing system previously administered by the former ICC. The ICCTA requires interstate, for-hire motor carriers of property and passenger carriers, property brokers and freight forwarders to register with the Secretary of Transportation (Secretary) to provide such transportation or related services, and directs the Secretary to register such entities when minimum prescribed criteria are met. Pursuant to the ICCTA, the Secretary, in cooperation with the States, and after notice and opportunity for public comment, is directed to issue regulations to replace this registration system, as well as DOT's current identification number system, the single State registration system, and the financial responsibility information system, with a unified on-line, Federal system.

On August 26, 1996, the agency published an advance notice of proposed rulemaking (ANPRM) (61 FR 43816) (Attachment I) concerning the development of a comprehensive Motor Carrier Replacement Information/ Registration System, also known as the "Unified Carrier Registration" (UCR) system. The UCR is intended to serve as a clearinghouse and depository of information on, and identification of, all foreign and domestic motor carriers, brokers, and freight forwarders, and others required to register with the DOT, as well as a mechanism to provide information on safety fitness and compliance with required levels of financial responsibility.

On May 19, 2005, the FMCSA published a notice of proposed rulemaking (70 FR 28990) (Attachment J) concerning a revised registration system. The Unified Registration System (URS, a new name for the UCR) would apply to every motor carrier, freight forwarder and broker required to register with DOT under 49 CFR § 390.19 (Attachment K) or 49 U.S.C. § 13901 (Attachment L), except Mexico-domiciled motor carriers registering to operate between Mexico and points in the United States beyond border commercial zones along the U.S.-Mexico international border. The entities covered by this system would be required to register with FMCSA and periodically update registration information provided on a proposed registration form.

The FMCSA will coordinate the content and timing of information required in its various

information systems as it develops the URS to ensure that it obtains timely and accurate information, while avoiding potential duplication of information.

#### **5. Efforts to minimize the burden on small businesses.**

Section 210 of the MCSIA directed the agency to issue an interim final rule to ensure that new entrant motor carriers are knowledgeable about Federal safety standards and regulations. This certification by the motor carrier is one tool employed by the agency to ensure that the new entrant motor carriers are aware of our regulations. The requirement to submit the report applies to all motor carriers conducting operations in interstate commerce regardless of size.

#### **6. Impact of less frequent collection of information.**

The information on Forms MCS-150 and MCS-150B are collected bi-annually. The FMCSA believes that a longer update cycle simply will not provide the agency with the basic data it needs to perform its safety mission efficiently or effectively. The MCS-150A form will be eliminated and no longer applies to this IC.

#### **7. Special circumstances.**

There are no special circumstances related to this information collection.

#### **8. Compliance with 5 CFR 1320.8.**

On December 21, 2006, FMCSA issued a notice of proposed rulemaking (NPRM) entitled, "New Entrant Safety Assurance Process (see Attachment A). The agency received five comments regarding this IC in response to the NPRM. These comments will be addressed in the final rule.

#### **9. Payment or gifts to respondents.**

Respondents are not provided with any payment or gift for this information collection.

#### **10. Assurance of confidentiality.**

Respondents are assured by the FMCSA that the sensitive information collected on the Forms MCS-150 and MCS-150B will be kept confidential to the extent allowed by law. The information collected on the MCS-150 form includes the motor carrier's name, location, type of operation, hazardous materials transported, number of vehicles and drivers, social security number, employee identification number, and the certification statement. The information collected on the MCS-150B form includes the motor carrier's name, location, type of operation, hazardous material(s) transported, number of vehicles and drivers, social security number, employee identification number, and the company's certification that they have a system to adequately communicate and track shipments of specific hazardous materials. The MCS-150A form will be eliminated and no longer applies to this IC.

#### **11. Justification for collection of sensitive information.**

There are no questions of a sensitive nature.

## 12. Estimates of burden hours for information requested.

**HM Permitting.** The HM Permitting final rule increased the burden of the currently approved OMB Control No. 2126-0013, “Motor Carrier Identification Report,” information collection by extending the data collection from 797 to 992 intrastate motor carriers (both small and large) that transport the permitted hazardous materials. The entire motor carrier population was considered during the analysis of the New Entrant program. Thus, all HM carriers, including any carrier that would become subject to the permitting program, are included under the existing OMB Control No. 2126-0013 burden estimates, but only for completion of the MCS-150 and MCS-150A forms.

The agency estimates that it will take “interstate” carriers that have already completed the Forms MCS-150 and MCS-150A about 6 minutes to complete and file an HM Permit application for registration on the Form MCS-150B, “Combined Motor Carrier Identification Report and HM Permit Application,” and about 26 minutes (0.43 hour) for “intrastate” carriers that have not completed any of the MCS-150 forms to do so. The additional 6 minutes for interstate HM-permitted motor carriers to answer the additional HM questions will be accounted for under the new MCS-150B information collection. While we recognize there will be a phase-in period of 2 years for all interstate HM permitted carriers to complete the MCS-150B, we have included all of the collection burden in our first year calculation since it is difficult to determine when and how these carriers will comply with the requirement over this phase-in period. Using the Research and Special Program Administration’s (RSPA, now the Pipeline and Hazardous Materials Safety Administration (PHMSA)) registration database to obtain the number of affected interstate and intrastate carriers that must complete Form MCS-150B, the burden hour increase for this collection of information is **644 hours** (992 intrastate carriers x 26 minutes/60 minutes per hour (430 hours) + 2,139 interstate carriers x 6 minutes/60 minutes per hour (214 hours) = 644 hours).

**New Entrants.** The entire interstate motor carrier population was considered during the analysis for the New Entrant program, but only as it related to their paperwork burden to complete Forms MCS-150 and MCS-150A. All new entrant HM permitted carriers will now need to complete Form MCS-150B. FMCSA anticipates that 0.0039 percent of the estimated 40,000 new entrants,<sup>2</sup> or 156 are HM-permitted motor carriers that would fall under the HM Permitting rule each year. Of that 156 total of new entrant HM-permitted motor carriers, we anticipate that only 10 percent of them, or 15 new entrant HM-permitted carriers would be the NET growth of permitted carriers during the first year this rule is implemented and for subsequent years. Since these HM new entrant carriers will now need to answer a few additional questions to complete the MCS-150B form, we anticipate that it will take only 6 minutes to do so. Accordingly, to collect information on Form MCS-150B for new entrant HM-permitted carriers, we estimate the burden at **2 hours** (15 new HM permitted motor carriers x 6 minutes/60 = 2 hours).

Thus, for existing OMB No. 2126-0013, the burden hours would increase in the first year to

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<sup>2</sup> From 1990 to 2000, this country experienced an overall transportation increase of about 100 percent in all interstate motor carrier modes). Since that time, however, our number estimates for the HM permitting carriers have remained relatively constant, with just as many HM permitted carriers entering the industry as those that exit.

**74,896 hours** (74,250 current burden hours + 430 hours for intrastate carriers + 214 hours for interstate HM-permitted motor carrier renewal + 2 hours for new entrant HM carriers = 74,896), and decrease in subsequent years to **74,252 hours** (74,250 OMB-approved burden hours + 2 hours for new entrant HM-permitted carriers to complete Form MCS-150B); and the number of respondents would increase to **552,146 respondents** (549,000 current + 992 intrastate carriers + 2,139 HM-permitted carriers to renew their registration by completing the MCS-150B + 15 new entrants); and decrease in subsequent years to **549,015 respondents** (see current approved OMB Control Number 2126-0013 information collection burden calculations table below).

### Currently-Approved Burden Calculations

Item	Burden Hours First Year	Burden Hours Subsequent Years	Respondents First Year	Respondents Subsequent Years
Existing OMB Control No. 2126-0013 Burden Hours	74,250	74,250	549,000	549,000
Intrastate HM-Permitted Carriers Completion of MCS-150B	430	0	992	0
Interstate HM-Permitted Carriers Completion of additional information on MCS-150B	214*	0	2,139*	0
New Entrant HM-Permitted Carriers to complete Form MCS-150B	2	2	15	15
<b>TOTAL</b>	<b>74,896</b>	<b>74,252</b>	<b>552,146</b>	<b>549,015</b>

**Total annual burden = 74,896 burden hours (74,250 OMB-approved burden hours + 430 new burden hours + 214 burden hours + 2 burden hours) for first year; and 74,252 burden hours for subsequent years due to the Form MCS-150B being filed on a biennial basis.**

**\*Note:** As indicated above, our estimates for the information collection burden on the two-year phased-in HM-permitted carriers to complete the additional information on the MCS-150B form are captured in the first year of the final rule’s implementation. FMCSA anticipate that the number of HM-permitted carriers entering the industry will remain static during the next several years.

**NPRM Burden Hours After Elimination of the Form MCS-150A.** This NPRM would eliminate the requirement for new entrants to complete the Form MCS-150A. Elimination of the Form MCS-150A will be the only portion of the OMB approved burden hours affected by this NPRM. The estimated annual paperwork for eliminating the Form MCS-150A would be **66,973 burden hours** [74,896 currently approved annual burden hours – 7,923 (47,535 new entrants x 10 minutes/60 minutes savings per completion of the Form MCS-150A = 7,922.5 or 7,923 rounded) = 66,973 burden hours]. The estimated annual burden hours for non-North America-domiciled motor carriers is **4 hours** [12 non-North America-domiciled motor carriers filing

Form MCS-150 x 20 minutes/60 minutes = 4]. The estimated burden hours for filing biennial updates is **1 hour** [12 non-North America-domiciled motor carriers x 50 percent (.50) x 10 minutes/60 minutes = 1].

### New Entrant NPRM Burden Calculations

Item	Burden Hours First Year	Burden Hours Subsequent Years	Respondents First Year	Respondents Subsequent Years
Existing OMB Control No. 2126-0013 Burden Hours	74,896	74,252	552,146	549,015
Elimination of Form MCS-150A Burden Hours	- 7,923	-7,923		
Non-America-domiciled motor carriers filing Form MCS-150 and biennial updates	4	1	12	6
<b>TOTAL</b>	<b>66,977</b>	<b>66,330</b>	<b>552,158</b>	<b>549,021</b>

**Total Annual Burden: 66,977** [74,896 OMB-approved burden hours – 7,923 Form MCS-150A burden hours + 4 Form MCS-150 filing burden hours for non-North America-domiciled motor carriers = 66,977]; and 66,330 burden hours for subsequent years.

**Total Annual Respondent: 552,158** [552,146 existing respondents + 12 Non-America-domiciled motor carriers filing Form MCS-150]. **NOTE: The last OMB-approved 5,552,146 annual respondents/responses for this information collection should be corrected to read 552,146 as indicated in the above chart. This was due to an extra “5” being inadvertently included on the Form OMB 83-I during the last submission for renewal.**

### 13. Estimate of total annual cost to respondents.

FMCSA anticipates that this NPRM would not impose any new requirements on new entrants. The only truly new cost involved would be the cost to motor carriers of becoming aware of this regulation. FMCSA estimates that it will take an extra one hour for the Chief Safety Officer of each of the 47,535 new entrants to study the new materials and discern how to best comply with them at an hourly wage of \$44.05. This translates into a cost of **\$2,093,917 annually** [47,535 new entrants x 1 hour x \$44.05 per hour = \$2,093,917].

FMCSA also anticipates the elimination of the Form MCS-150A would save new entrants **\$110,915 annually** in administrative cost [47,535 new entrants x 10 minutes/60 minutes x \$14.00 per hour = \$110,915].

**Total annual cost to respondents = \$1,983,002** [\$2,093,917 motor carrier cost to become aware of regulation - \$110,915 savings in administrative cost = \$1,983,002 annual costs].

#### 14. Estimate of cost to the Federal Government.

The Form MCS-150A will be eliminated by the New Entrant NPRM. The FMCSA previously estimated that an average of 40,000 new motor carriers would file both Forms MCS-150/MCS-150A each year. In addition, the FMCSA estimated that 50 percent of the existing 549,000 motor carriers would file the biennial update annually of the MCS-150B Form (50 percent x 549,000 carriers = 274,500 motor carriers) and 5 percent of the 549,000 carriers (or 27,450 motor carriers) would voluntarily file annually to report a change of address or other identifying information. Therefore, the number of reports requiring data entry was estimated at **341,950** [40,000 forms (both MCS-150 and 150A) filed by motor carriers + 274,500 motor carriers filing biennial updates of MCS-150B Form + 27,450 motor carriers to voluntarily file for change of address or other identifying information = 341,950]. The FMCSA estimated the cost of entering the information into the database is \$5.00 per form; the cost to print each form at \$0.06 each; and the return postage for each form at \$0.39. Therefore, the cost to the Government for data entry was **\$1,709,750** [341,950 x \$5.00 = \$1,709,750].

The final rule entitled “Federal Motor Carrier Safety Regulations: Hazardous Materials Safety Permits,” proposed a program change to include the additional 797 intrastate motor carriers at a cost of \$3,985 as stated in the HM final rule. In the HM final rule, the 797 intrastate carrier estimate in the SNPRM was increased to 992, at a cost of \$4,960 [\$3,985 cost/797 carriers x 992 carriers = \$4,960]. FMCSA also estimated that 2,139 interstate HM permitted carriers will complete the additional information on the form MCS-150B and 15 New Entrant HM-permitted carriers will complete the entire Form MCS-150B each year at a cost of \$10,770 [2,139 interstate carriers + 15 New Entrant carriers x \$5.00 per form = \$10,770].

The Federal Government pays postage on pre-paid return forms.

Printing: 20,000 forms @ \$0.06 each	\$	1,200
Postage: 20,000 forms @ \$0.39 each	\$	7,800
Return postage: 20,000 forms @ \$0.39 each	\$	7,800
Data Entry for Forms MCS-150 & MCS-150A	\$	1,709,750
Proposed Data Entry for additional 992 intrastate hazmat carriers	\$	4,960*
Data Entry for Additional MCS-150B data	\$	10,770
<b>Total estimated annual cost to the Federal Government</b>	<b>\$</b>	<b>1,742,280</b>

The estimated annual cost to the Federal Government after the elimination of the Form MCS-150A is **\$1,542,280** [\$1,742,280 previously approved annual cost – 200,000 (40,000 submitted Form MCS-150A x \$5.00 each processing fee) = \$1,542,280].

**Total estimated annual cost to the Federal Government after elimination of Form MCS-150A: \$1,542,280.**

#### 15. Explanation of program changes or adjustments.

This program change resulted from the elimination of the Form MCS-150A and the addition of



the NPRM's requirement for non-North America-domiciled motor carriers to complete the Form MCS-150.

Program change decrease in estimated annual burden hours: **-7,919 annual burden hours** [74,896 approved hours – 66,977 proposed hours = -7,919 annual burden hours].

Program change decrease in estimated annual costs: **-\$199,200** [\$1,741,480 previously approved cost to Federal Government – 1,542,280 proposed costs = -\$199,200].

**16. Publication of results of data collection.**

Data provided by this information collection will not be published.

**17. Approval for not displaying the expiration date for OMB approval.**

The FMCSA is not seeking an exemption from displaying the expiration date for the Form MCS-150 and MCS-150B.

**18. Exception to certification statement.**

There are no exceptions to the certification statement.

**Part B. Collections of Information Employing Statistical Methods.**

This information collection does not employ statistical methods.

**Attachments.**

Attachment A: 2006 NPRM entitled, “New Entrant Safety Assurance Process.

Attachment B: Motor Carrier Safety Improvement Act of 1999 (MCSIA) (Public Law 106-159, 113 Stat.1748, 1764 (December 9, 1999)).

Attachment C: IFR entitled, “New Entrant Safety Assurance Process,” dated May 13, 2002 (67 FR 31978).

Attachment D: 49 CFR part 325.

Attachment E: SNPRM entitled, Federal Motor Carrier Safety Regulations: Hazardous Materials Safety Permits,” dated August 19, 2003 (68 FR 49737).

Attachment F: “A Final Rule entitled, “Federal Motor Carrier Safety Regulations: Hazardous Materials Safety Permits,” dated June 30, 2004 (69 FR 39350).

Attachment G: Government Paperwork Elimination Act (GPEA) (Public Law 105-277, 112 Stat. 2681 (October 21, 1998)).

Attachment H: ICC Termination Act of 1995 (the ICCTA) (Public Law 104-88, 109 Stat. 803 (December 29, 1995)).

Attachment I: ANPRM entitled “Motor Carrier Replacement Information/Registration System,” dated August 26, 1996 (61 FR 43816)

Attachment J: NPRM entitled “Unified Registration System, dated May 19, 2005 (70 FR 28990)

Attachment K: 49 CFR 390

Attachment L: U.S.C. 13901

Attachment M: Comments received in response to NPRM entitled, “New Entrant Safety Assurance Process,” (71 FR 76730) dated December 21, 2006

Forms: MCS-150, MCS-150A, MCS-150B