

**SUPPORTING STATEMENT FOR PAPERWORK REDUCTION ACT SUBMISSION
UNDER 5 CFR PART 1320 INFORMATION COLLECTION**

MARAD's Marine Transportation Economic Impact Model Data Needs

- B. Collection of Information Employing Statistical Methods - The agency should be prepared to justify its decision not to use statistical methods in any case where such methods might reduce burden or improve accuracy of results. When Item 17 on the Form OMB 83-I is checked, "Yes," the following documentation should be included in the Supporting Statement to the extent that it applies to the methods proposed:**

a. Describe (including a numerical estimate) the potential respondent universe and any sampling or other respondent selection methods to be used. Data on the number of entities (e.g., establishments, State and local government units, households, or persons) in the universe covered by the collection and in the corresponding sample are to be provided in tabular form for the universe as a whole and for each of the strata in the proposed sample. Indicate expected response rates for the collection as a whole. If the collection had been conducted previously, include the actual response rate achieved during the last collection.

MARAD intends to collect data from a sample of port authorities, terminal operators, and vessel operators. The survey will include U.S. marine terminals at ports with harbors that receive ocean-going vessels engaged in the movement of international freight. For the purposes of this survey, this freight includes all categories of cargo, i.e., dry bulk, general cargo, container, roll-on/roll-off, and liquid bulk.

MARAD's survey sample is composed of 25 port authorities, 75 terminal operators, and 43 U.S.-based major ocean-going vessel operators (31 in domestic trade and 12 in international trade). The methodology for the sample selection is described below.

There are 212 port authorities in the United States that are engaged in international trade. An evaluation of available data shows that the top 25 ports meeting the selection criteria handle 75 percent of the Nation's foreign and domestic cargo tonnage throughput.

The estimated number of marine terminals at the 25 ports to be surveyed is 171. MARAD intends to survey the three largest terminal operators at each of the 25 ports for a total of 75, or 45 percent of the total number of terminal operators. This terminal operator sample was selected based on the tonnage passing through the terminals and the diversity of cargo handled. Because

each of the terminals selected for the sample are the largest in their port, they are assumed to be the most efficient and therefore will represent the most efficient cost structure for the MARAD model.

MARAD also plans to survey a group of US-based ocean-going and domestic vessel operators serving the U.S. to obtain information on their business activities (i.e., operational and handling costs, manpower utilizations).

Of the 144 US-based vessel operators serving the domestic trade, MARAD identified 31 operators involved in domestic trade which account for 80 percent of the total domestic trade. These 31 major US-based vessel operators also represent each of the various market segments involved in the domestic trade: dry bulk, general cargo, container, ro-ro and liquid bulk. The table below summarizes our major vessel operator sample:

<u>Market Segment</u>	<u>Number of Vessel Operators</u>	<u>Market Share (%)</u>
Dry Bulk	7	87
General Cargo	6	80
Container and Ro-Ro	4	83
Liquid Bulk	14	81

Furthermore, MARAD plans to survey 12 of the 14 US-flag ocean-going vessel operators serving international trade. The large sample of these operators is necessary to adequately capture each market segment.

In each case, the survey questionnaire will be sent to the head of the organization as designated. In each case, a primary contact will be asked to be named for follow-up communication and contact. We anticipate that the operations offices will ultimately be responsible for completing the surveys. With the survey instrument and follow-up efforts (e.g., telephone contacts and emails) we anticipate a 80% response rate.

A cover letter will accompany each survey. The primary purpose of this letter is to explain: (1) the purpose of the survey questionnaire and its importance to the U.S. government, (2) the scope of the data being collected and (3) MARAD's and the contractor's policy and promise of confidentiality to protect their interests.

We will explain the importance of the survey, the confidentiality of the data, and what objectives concerning port and terminal intermodal access issues will be pursued. MARAD plans to send out the first survey as soon as OMB

approval is received. The surveys will be sent out every other year from then.

b. Describe the procedures for the collection of information including: * Statistical methodology for stratification and sample selection, * Estimation procedure, * Degree of accuracy needed for the purpose described in the justification, * Unusual problems requiring specialized sampling procedures, and * Any use of periodic (less frequent than annual) data collection cycles to reduce burden.

Statistical methodology for stratification and sample selection, and estimation procedures will be used to ensure that each market segment is adequately represented. For our purposes, total and comprehensive coverage provides the best estimate of system performance.

c. Describe methods to maximize response rates and to deal with issues of non-response. The accuracy and reliability of information collected must be shown to be adequate for intended uses. For collections based on sampling, a special justification must be provided for any collection that will not yield "reliable" data that can be generalized to the universe studied.

A maximum of 7 days will be allotted for responses. This will be followed by follow-up communication to identified responders for an additional 7 days. Considering the number of surveys, we will allow another 7 days for additional responses and to make sure that we reach the eighty percent response rate.

d. Describe any tests of procedures or methods to be undertaken. Testing is encouraged as an effective means of refining collections of information to minimize burden and improve utility. Tests must be approved if they call for answers to identical questions from 10 or more respondents. A proposed test or set of test may be submitted for approval separately or in combination with the main collection of information.

As outlined in A.8, MARAD performed a Beta test on the survey instruments with representatives from the American Association of Port Authorities and the New York/New Jersey port's terminal operators.

e. Provide the name and telephone number of individuals consulted on statistical aspects of the design and the name of the agency unit, contractor(s), grantee(s), or other person(s) who will actually collect and/or analyze the information for the agency.

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