

**SUPPORTING STATEMENT
FOR PAPERWORK REDUCTION ACT SUBMISSIONS**

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

In the aftermath of the Pan American World Airways Flight 103 aviation disaster that occurred on December 21, 1988 and at the urging of the victims' families, President Bush created the Commission on Aviation Security and Terrorism. The Commission submitted its *Report of the President's Commission on Aviation Safety and Terrorism* to the President and the public on May 15, 1990. On November 16, 1990, President Bush signed the Aviation Security Improvement Act of 1990, P.L. 101-604 ("ASIA 90" or "Act"), which implemented many of the recommendations made in the Commission's report. The part of the Act pertaining to passenger manifest information is codified as 49 U.S.C. Section 44909.

Among other things, the Commission recommended that the Department of State must quickly obtain, from the airline in an aviation disaster, a manifest with sufficient detail to permit the prompt identification of passengers. The airline should be required to provide to the Department of State an initial manifest as soon as possible, but no later than one hour after learning of the incident. Such manifest should include the full name of each passenger, a passport number (if required for travel), and the name and telephone number of a person to contact in the event of an emergency. The Commission further stated that the Department of State should always contact the families of victims – even when the airline has made a prior notification of the deaths. In addition, it is essential for the Department of State to promptly provide a personal written notification.

In order to implement the statutory requirements of the Act, the Department of Transportation published an advance notice of proposed rulemaking (ANPRM) on January 31, 1991 (56 FR 3810), a notice of proposed rule making (NPRM) on September 10, 1996 (61 FR 47692), and a final rule on February 18, 1998 (63 FR 9413). The result of the rulemakings was to add a new Part 243 (Passenger Manifest Information) in Chapter II of Title 14 of the Code of Federal Regulations.

The basic requirements of Part 243 are as follows, beginning with the definitions of a covered airline and a covered flight segment. A covered airline means (1) certificated air carriers and (2) foreign air carriers, except those that hold Department of Transportation authority to conduct operations in foreign air transportation using only small aircraft (i.e., aircraft designed to have a maximum passenger capacity of not more than 60 seats or a maximum payload capacity of not more than 18,000 pounds). A covered flight segment

means a passenger-carrying flight segment operating to or from the United States (i.e., the flight segment where the last point of departure or the first point of arrival is in the United States). A covered flight segment does not include a flight segment in which both the point of departure and point of arrival are in the United States.

For covered flight segments, each covered airline shall:

- (1) Collect, or cause to be collected, the full name for each passenger who is a U.S. citizen. U.S.-citizen passengers for whom this information is not obtained shall not be boarded;
- (2) Solicit, or cause to be solicited, a name and telephone number of a contact from each passenger who is a U.S. citizen; and
- (3) Maintain a record of the information collected pursuant to this section.

Covered airlines may use any method or procedure to collect, store, and transmit the required information, subject to the following conditions:

- (1) Information on individual passengers shall be collected before each passenger boards the aircraft on a covered flight segment;
- (2) The information shall be kept until all passengers have disembarked from the covered flight segment;
- (3) The contact information shall be kept confidential and released only to the U.S. Department of State, the National Transportation Safety Board (upon NTSB's request), and the U.S. Department of Transportation pursuant to oversight of this part. This paragraph does not preempt other governments or government agencies that have an independent, legal right to obtain this information; and
- (4) The contact information collected shall only be used by covered airlines for notification of family members or listed contacts following an aviation disaster. The information shall not be used for commercial or marketing purposes.

Covered airlines:

- (1) Shall inform the Managing Director of Overseas Citizen Services, Bureau of Consular Affairs, U.S. Department of State immediately upon learning of an aviation disaster involving a covered flight segment operated by that carrier. The Managing Director may be reached 24 hours a day through the Department of State Operations Center at (202) 647-1512;
- (2) Shall transmit a complete and accurate compilation of the information collected to the U.S. Department of State as quickly as possible, but not later than three (3) hours, after the carrier learns of an aviation disaster involving a covered flight segment operated by the carrier; and
- (3) Upon request, shall transmit a complete and accurate compilation of the information collected to the Director, Family Support Services, National Transportation Safety Board.

Each covered airline that operates one or more covered flight segments:

- (1) Shall file with the U.S. Department of Transportation a brief statement summarizing how it will collect the passenger manifest information required by this part and transmit the information to the Department of State following an aviation disaster. This description shall include a contact at the covered airline, available any time the covered airline is operating a covered flight segment, who can be consulted concerning information gathered pursuant to this part;
- (2) Shall file any contact change as well as a description of any significant change in its means of collecting or transmitting manifest information on or before the date the change is made;
- (3) Shall submit all filings under this section to OST Docket 98-3305, [Docket Management Facility; U.S. Department of Transportation, 1200 New Jersey Avenue, SE., West Building, Room W12-140, Washington, DC 20590-001](#). Initially, the statement was required to be filed by airlines meeting the definition of a covered airline by July 1, 1998. Covered airlines beginning operations after July 1, 1998 are required to file the statement prior to the date the covered airline operates a covered flight segment.

Copies of 14 CFR Part 243 and 63 FR 8258 are provided.

The Department recognizes that under the Paperwork Reduction Act of 1995, the implementation by an agency of a requirement to disclose information to a third party is considered to be a collection of information and subject to certain provisions of the Paperwork Reduction Act of 1995. The Department specifically notes that, while these rules result in a collection of information according to the Paperwork Reduction Act of 1995, it does not impose requirements on any segment of the aviation industry to collect, process or submit data or data files to the Department in the traditional sense of data collection.

As part of its performance and accountability measurements, the Department has six performance goals: *safety, mobility, economic growth, human and natural environment, national security, and organizational excellence*. The requirement to solicit, collect, and temporarily store the passenger manifest information provides a means for the Department of State to quickly obtain, from the airline in an aviation disaster, a manifest with sufficient detail to permit the prompt identification of passengers and the ability to notify designated contacts. In reference to the Department of Transportation's performance goals, this information collection requirement does not directly support one performance goal more than another. Instead, this information collection requirement facilitates prompt, necessary, and meaningful interaction between the federal government and a segment of the traveling public at the critical time of an international aviation disaster. As such, it supports a small part of each performance goal and promotes the Department's overall strategic objectives of excellent leadership, effective management, and a commitment to the highest possible standards of public service.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

The passenger manifest information for all U.S. citizens is collected by all U.S. and foreign airlines for all trips between the U.S. and foreign countries, through airline reservation agents, gate agents, or travel agents at the time that travelers purchase air transportation or at the time of check-in at the airport. It can also be collected through travel or airline websites when travelers purchase transportation online via the Internet. The information must be kept by the covered airline until all passengers have disembarked from the covered flight segment. In the event of an international aviation disaster involving a covered flight, the covered airline must transmit a complete and accurate compilation of the passenger manifest information to the U.S. Department of State as quickly as possible, but not later than three hours after the covered airline learns of the aviation disaster. Upon request, the covered airline must also transmit a complete and accurate compilation of the passenger manifest information to the National Transportation Safety Board.

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 submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

The Department of Transportation estimated that 95% of this information collection is accomplished through highly automated or electronic media. For the larger U.S. and foreign airlines, the collection, storage, and retrieval of the passenger manifest information required by this rule are accomplished almost entirely through the use of highly automated electronic media, specifically through the use of airline computer reservations systems (CRSs) and departure control systems (DCSs). The data is collected by travel agents, airline reservation agents, airline gate agents, or airline personnel carrying out airport check-in procedures. Almost all of these agents use computer access through a CRS or DCS to meet the requirements of the rule.

Even for a large number of smaller U.S. and foreign airlines, DOT believes that the requirement to collect full name is accomplished through highly automated and electronic media. While smaller airlines, however, are more likely to meet the requirements to solicit and collect names and contact phone numbers by using a manual system – such as by manually writing the contact information on the reverse side of the boarding pass which then collected at the time of boarding – such systems have become much less common due to electronic booking and check-in procedures, including self-service kiosk

check-ins. In the Department's judgment, the limited use of manual systems does not place an undue burden on either the airlines or the traveling public.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purpose described in Item 2 above.

The Bureau of Customs and Border Protection, with the Department of Homeland Security, administers the Advance Passenger Information System (APIS), a system in which U.S. and foreign airlines collect and transmit advance passenger information including a passenger's first name, last name, and date of birth, as well as other information. It does not include the contact information and, currently, there is no alternative source of information that could adequately provide it. Therefore, there is no duplication of effort.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-1), describe any methods used to minimize burden.

As stated above, the requirements of this rule apply to covered airlines which are defined as (1) certificated air carriers and (2) foreign air carriers, except those that hold Department of Transportation authority to conduct operations in foreign air transportation using only small aircraft (i.e., aircraft designed to have a maximum passenger capacity of not more than 60 seats or a maximum payload capacity of not more than 18,000 pounds). Therefore, foreign airlines operating only small aircraft would be exempt from the requirements. In reference to U.S. airlines, the rule applies to certificated air carriers only; therefore, small U.S. airlines (commuters and air taxis) that are not certificated are exempt from the requirements.

Additionally, in an effort to minimize the impact of the requirements of the statute on covered airlines, the Department allows air carriers the flexibility to develop their own passenger manifest collection systems.

6. Describe the consequence 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.

If the passenger manifest information is not solicited, collected, and stored in the manner described in the final rule, it would be very difficult (if not impossible) to met the goals of the Aviation Security Improvement Act of 1990 (P.L. 101-604).

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 include 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.**

The purpose and nature of soliciting, collecting, and storing passenger manifest information require that the information be available for every flight between the U.S. and a foreign country. For this reason, the Department cannot consider less frequent collections at this time. We are not routinely requiring respondents to prepare a written response to this collection of information and we are not routinely requiring respondents to submit any documents to us. The only time when a written report will be necessary is at the time of an aviation disaster or to comply with an infrequent request for information by the Department of State or by the Department of Transportation in order to test the manifest procedure. We are not requiring the respondents to retain any records longer than the time at which all passengers have disembarked from the covered flight. We do not require a statistical survey since the nature of this data collection is not suitable to such as survey and we do not require the use of a statistical classification that has been reviewed and approved by OMB.

The regulations state that the contact information collected under this regulation will be kept confidential and released only to the Department of State, the National Transportation Safety Board (upon NTSB's request), and the Department of Transportation pursuant to the oversight requirements of this regulation. Additionally, the contact information collected shall only be used by covered airlines for notification of family members or listed contacts following an aviation disaster. The information shall not be used for commercial or marketing purposes.

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 those comments. Specifically address comments received on cost and hour 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.

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.

In accordance with the Paperwork Reduction Act of 1995, the Department issued a notice announcing and requesting comments on its intention to request an extension of the previously approved collection of information regarding passenger manifest information. A copy of Federal Register Notice, 73 FR 65001, is attached in the Appendix. No comments were received in response to the notice.

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

No payment or gift of any kind is being made to any respondents.

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

The regulations state that the contact information collected under this regulation will be kept confidential and released only to the Department of State, the National Transportation Safety Board (upon NTSB's request), and the Department of Transportation pursuant to the oversight requirements of this regulation. Additionally, the contact information collected shall only be used by covered airlines for notification of family members or listed contacts following an aviation disaster. The information shall not be used for commercial or marketing purposes.

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.

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

- **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
- **If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.**
- **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 13.**

Number of respondents

The General Accounting Office (GAO) has estimated a decrease in the total number of non-airline operated travel agencies, from 23,343 in 1995 to 18,425 in 2001 – a 21 percent decrease in 7 years - with the largest decrease in very small travel agencies (those generating less than \$2 million in annual revenue). During the same period, the use of online reservations systems by passengers increased from seven percent in 1999 to 30 percent in 2002. We expect these trends have continued since the GAO report was issued in 2003. For example, PhoCusWright estimates there are about 11,000 travel agents in the United States in 2008.¹ As of November 2007, 303 worldwide airlines reported some form of passenger traffic data to the Bureau of Transportation Statistics (BTS).

Therefore, we estimate the total number of respondents at 16,000. This estimate is based on a similar 21 percent decrease in travel agencies from 2001 to 2008, to a total of 14,555. This estimate is higher than the estimate of 11,000 travel agents made by PhoCusWright,² but it is consistent with prior decreases. It also includes airlines and their own websites and internet-only travel agencies not previously counted.

Frequency of response

¹ [The US travel agency distribution landscape](#), hotelmarketing.com, May 21, 2008.

² [The US travel agency distribution landscape](#), hotelmarketing.com, May 21, 2008.

With regard to frequency, the disclosure will take place only when aviation disaster occurs on a covered flight segment operated by a covered airline, involving travel between the United States and a foreign country. It is virtually impossible to directly calculate the annual responses because the number of disasters cannot be estimated.

Burden Estimates

To estimate the number of tickets which include one or more segments of travel to or from a U.S. point or points, we began with the total of 157,019,209 passenger segments for the year ended December 31, 2007.³ Approximately 80 percent of international passengers flew on a round-trip basis and 20 percent traveled on a one-way basis, and some tickets represented multiple segments. We therefore estimated that the total number of international tickets in 2007 amounted to 94.2 million. These tickets represent those reported by U.S. and foreign air carriers operating to and from the United States and represent a 100 percent census of the data.

To evaluate the related cost – in both hours and dollars - we examined operating costs from the perspective of the airline ticket agents, travel agents and the traveling public. In their comments to the Notice of Proposed Rulemaking regarding Disclosure of Code-Sharing Arrangements and Long-term Wet Leases,⁴ Midwest Express and Astral Aviation d/b/a Skyway Airlines (joint commenters) provided an estimate of the annual increase in operating costs (\$88,000) for Astral Aviation only for the disclosure requirement of that rule, based on increased labor costs (\$30,000) resulting from additional talk time of 15 seconds per call for reservation agents and increased telephone line usage charges (\$58,000).⁵ Since the requirements of this disclosure rule are very similar to the code-sharing disclosure rules, we used their estimates as a starting point for our cost analysis.⁶

We estimate a total annual hourly burden of 518,000 hours (259,000 hours each for respondents and travelers) and a total annual cost of \$15.73 million (\$6.41 million for respondents and \$9.32 million for travelers). On a per ticket basis, the average cost amounted to \$0.51 per ticket for the 31 million tickets involving travel between the United States and a foreign country that were estimated to involve personal contact. These estimates are detailed below.

While the Department would prefer not to take actions which have the potential to increase the cost of travel or result in a loss of productive time, we believe these amounts are minimal and not prohibitive considering that the average ticket price for international

³ This represented the total number of passengers transported on nonstop flights to and from the United States on U.S. and foreign air carriers as reported on BTS, Forms T-100 and T-100(f) – the most recent full calendar year available.

⁴ Docket No. OST-95-623.

⁵ Joint Comments of Midwest Express Airlines, Inc. and Astral Aviation, Inc. d/b/a Skyway Airlines, February 16, 1995, page 5.

⁶ In our draft regulatory analysis, we assumed that the additional time required for oral notice might range between one or two minutes in order to provide a preliminary estimate of the cost.

travel exceeded \$400.⁷ In fact, the Department believes that the estimated burden hours and costs described above overstate the current impact of these regulations. We base this possibility on the fact that travel agents are booking a smaller percentage of airline tickets than in the past⁸ and that a significant number of air travelers are using airline websites and other on-line travel websites to research, book, select a seat, purchase and confirm air transportation. An increasing number of travelers create and store profiles within internet and airline website booking systems, decreasing the time spent adding or updating contact information. One of the largest U.S. airlines, Southwest Airlines, estimates that 59% of its sales (worth \$3.7 billion), are being made through the Southwest website and Delta Air Lines has seen its website bookings increase from 18% to 28% of total bookings.⁹ Other worldwide airlines are experiencing similar trends.

Annual hour burden estimate

Approximately 33 percent of travelers use travel agencies¹⁰, many of which may use internet-based portals rather than personal communication. The remaining passengers purchase tickets directly from the airline (through its phone or web sales) or through an online ticketing agency. Airlines continue to improve their own internet-based sales and revenue management systems, as do non-carrier affiliated ticket sales sites. There are more than 500 active airlines in the world,¹¹ although many do not offer scheduled passenger service, directly or through codeshares, to US customers.

First, we note that many carriers impose additional fees for using a carrier's reservations agent. As such, much of the cost incurred with verbal notification can be recovered by the carriers. Second, the growth of internet-based reservations systems has reduced the use, by passengers, of telephone-based communications. We estimate that travelers provide the required manifest information (full name of each passenger; a passport number, if required for travel, and the name and telephone number of a person to contact in the event of an emergency) during the first booking call, as all agents are aware of the requirements for compliance with the Aviation Security Improvement Act of 1990 (P.L. 101-604). We estimate that an agent will spend 45 seconds to obtain the necessary information from a first-time traveler, meaning one who has not previously provided such information to this agent for international travel, and 15 seconds to confirm the information for travelers who have previously provided such information during prior international travel bookings. We further estimate that approximately 50% of international travelers have previously booked international travel through the reservations agent used for the next booking.

⁷ Average airfare in fourth quarter 2007 (<http://ostpxweb.dot.gov/aviation/domfares/web074.pdf>)

⁸ According to the *2003 Travel Industry Survey/Travel Weekly*, travel agents booked 51% of all airline tickets, which represents a decline from the 80% previously referenced.

⁹ "Points of Sale", *Airline Business*, June 2005, page 43.

¹⁰ Travel agents sell about 33 percent of all airline tickets. [The US travel agency distribution landscape](http://www.hotelmarketing.com), hotelmarketing.com, May 21, 2008.

¹¹ <http://jwa.janes.com/public/jwa/index.shtml>

We apply this estimate of 0.75 minutes per non-frequent traveler and 0.25 minutes per frequent traveler to the 94.2 million annual tickets involving one or more segments of travel between the United States and a foreign country. We further reduce the total by increased use of internet bookings, estimating that approximately 33% of passengers do, in fact, speak with an agent.¹² Thus, we estimate the annual burden for 15.54 million frequent flier travelers (33% of 47.1 million annual tickets) at 64,750 hours and the annual burden for 15.54 million non-frequent travelers (33% of 47.1 million annual tickets) at 194,250 hours. Our estimate is for an annual hourly burden of 259,000 hours for the 16,000 respondents. However, it is not possible to determine the burden for an individual respondent.

We also used similar assumptions (duration of call, number of tickets, and number of calls) to estimate the cost to travelers that would result from the loss of productive time due to the additional talk time. We used the same estimates of 0.75 minutes per non-frequent traveler and 0.25 minutes per frequent traveler to the 94.2 million annual tickets involving one or more segments of travel between the United States and a foreign country. Our estimate is for an annual hourly burden of 259,000 hours for the approximately 31 million tickets involving international travel. However, it is not possible to determine the burden for an individual passenger.

Thus, our total estimated annual hourly burden is 518,000 hours per year for the affected population.

Estimated annualized cost to respondents

We recognize that the rule results in agents spending more “talk time” to provide the passenger manifest information. To evaluate the related cost, we examined operating costs from the perspective of the airline ticket agents, travel agents and the traveling public.

To estimate the annual operating costs, we used an average hourly rate of \$21.72 (salary and fringe benefits) for an agent¹³ and 259,000 hours, resulting in total additional costs of \$5.63 million per year. To these amounts, we added the cost of additional telephone line usage based on an average of \$0.05 per minute¹⁴ (\$3/hour), for a total of approximately

¹² Since it is impossible to determine which percentage of travelers using travel agents rely on agents, versus web-based booking, and what percentage of travelers who use web-based booking then follow up with agents, we use the percentage of tickets sold through travel agents (33%) as a proxy for the total number of passengers speaking to an agent.

¹³ The American Society for Travel Agents estimates annual agent salary between \$28,785 and \$38,648, as of May 29, 2008 (see <http://www.asta.org/News/PRDetail.cfm?ItemNumber=3879>). We use an average of \$33,714 and add fringe benefits equal to 34 percent of compensation. We then divide \$45,180 (average salary + benefits) by 2080 hours to reach an average hourly agent compensation of \$21.72..

¹⁴ Data on telephone line charges were not readily available. Midwest Express/Astral Aviation did not provide background information on unit rates. Our analysis of their data indicated a rate of \$0.64 per minute. Our independent research regarding toll-free numbers indicated a rate of \$0.03 to \$0.07 per minute including some volume discounts. We also recognized that some very high volume users (for example, the federal government’s use of FTS) obtained rates that were considerably lower than these rates. Although

\$0.78 million. Therefore, total annual operating costs for the 16,000 respondents were estimated at \$6.41 million. On a per ticket basis, the average estimated cost is \$0.21 for the 31 million tickets estimated to involve personal contact. Based on the value of time at \$35.98 per hour¹⁵ and 259,000 hours, we estimated that the annual additional cost to travelers using personal contact would amount to \$9.32 million, or about \$0.30 worth of additional time per ticket requiring personal contact.

Thus, our total estimated annual cost burden is \$15.73 million. The cost to process an airline ticket has decreased. In 1999, these costs to an airline were estimated at approximately \$46, \$23, and \$25 for travel agents, airline websites, and on-line travel agency sites, respectively. By 2002, the same costs were estimated to be \$31, \$12, and \$20.¹⁶ If ticket processing costs decreased at the same rate between 2002 and 2008 as they did between 1999 and 2002, we would expect processing costs to be approximately \$24 (travel agents), \$6.25 (airline websites), and \$16 (on-line travel agency sites). It is also very likely that more than 50% of international fliers have stored manifest information and that the time required to comply with manifest reporting requirements is not substantially greater than that required by airlines to meet their own internal data requirements.

Because each of these groups has been reporting passenger manifest information since 1998 and the cost to process an airline ticket has decreased over time, there is little evidence that the reporting requirement increases the base processing costs for the affected respondents. Given the rapid and substantial decrease in the cost to process an airline ticket, we believe our burden estimates to be realistic.

13. Provide an estimate of the total annual 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 information. 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**

computer reservations systems and internal airline systems were very high users of telephone lines and presumably entitled to significant discounts, we have determined that \$0.05 per minute was a reasonable rate for purposes of this analysis.

¹⁵ Based on DOT Memorandum of February 11, 2003: Department Guidance for the Valuation of Travel Time in Economic Analysis (see http://ostpxweb.dot.gov/policy/Data/VOTrevision1_2-11-03.pdf). We used the value for intercity air travel for all purposes, \$28.60 in 2000 dollars. We adjusted this value to 2008 dollars using the CPI index (see <http://www.bls.gov/bls/inflation.htm>), resulting in \$35.98.

¹⁶ Airline Ticketing: Impact of Changes in the Airline Distribution Industry, GAO Report to Congressional Requesters, GAO-03-749, July 2003.

include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.

- **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**
- **Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.**

The Department originally considered the possibility that these rules could result in increased implementation costs for the worldwide airline and travel agent industries. Such costs were initially determined to be minimal and one-time charges. For the current renewal, implementation costs should be negligible.

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.

The regulation will not result in any costs to the federal government since data will not be collected.

15. Explanation of Program Changes or Adjustments

The program reporting requirements have not changed since the previous request for Extension of a Previously Approved Collection submitted in 2005. Although an adjustment has been made to the Information Collection Request, while the number of affected tickets has increased, the estimated number of respondents has decreased. Both changes reflect the changing nature of the passenger airline industry; increased use of Internet booking sites, decreased numbers of and commissions paid to travel agents, and increased numbers of air travel journeys. As such, the estimated total hour burden has decreased and this decrease reflects efficiencies inherent in industry practice changes.

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.

This regulation involves data collection which is reported only in the event of an aviation disaster.

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.

In the opinion of the Department, the nature and frequency of the notification requirements of this regulation make it impossible to display the expiration date for OMB approval.

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

There are no exceptions.

Appendices

Appendix A 14 CFR Part 243 – Passenger Manifest Information

Appendix B U.S.C. Title 49, section 44909, Passenger Manifests

Appendix C 60 day notice of DOT’s intention to request an extension of data collection, Federal Register, October 31, 2008, pages 65001-65002.

Appendix D Final Rule – Passenger Manifest Information. Federal Register, February 18, 1998, pages 8258 – 8282.

Appendix E Final Rule; correction – Passenger Manifest Information. Federal Register, February 25, 1998, page 9413.