

Supporting Statement
Repurposed Auto Manufacturing Facilities Study
1290-ONEW

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.

On February 15, 2009, President Obama appointed an Auto Task Force to oversee the requests by GM and Chrysler for government aid. On March 30, 2009, the President announced short-term support for these companies, and his intent to take additional steps to stabilize the industry. At the same time the President also recognized that those who work in the industry or live in communities that depend on it have gone through increasingly difficult times, and that the impact of restructuring occurring across all of the auto manufacturers would go far beyond just the individuals directly employed at these companies. With auto sales at a near 40-year low, layoffs and unemployment were mounting in auto states from Michigan and Indiana to Tennessee and Louisiana. The President committed the federal government to respond to the economic crisis in the industry and designated a Director of Recovery for Auto Communities and Workers to work with Labor Secretary Hilda Solis and the Auto Task Force to assist the workers and communities that have relied on the auto industry for their economic base.

On June 23, 2009, President Obama signed Executive Order 13509 creating the White House Council on Automotive Communities and Workers to help coordinate this federal response, building upon the work already underway by the Office of Recovery for Auto Communities and Workers. The White House Council includes the heads of all domestic Cabinet agencies, and is co-chaired by Labor Secretary Hilda Solis and the National Economic Council (NEC) Director. Secretary Solis' Director of Recovery for Auto Communities and Workers is the Executive Director.

While the Administration took pivotal steps to stabilize GM, Chrysler, the auto supplier base and auto markets, and invest in the future of the American auto industry, the Council worked to further the recovery efforts of the affected communities. Using a bottom-up approach that supports the local communities as they pursue their own individual strategies for recovery, the Council identified three priority areas for federal assistance:

- 1) Supporting workers and their communities as they deal with the impact of layoffs and plant closures;*
- 2) Helping to create new economic opportunities and jobs; and*
- 3) Supporting the redevelopment of closed plants and other land use or infrastructure issues.*

As part of the federal response to the third priority area, the Office of Recovery for Auto Communities and Workers contracted with the Center for Automotive Research (CAR) to catalogue the major auto plant closures over the last 30 years. The Center for Automotive Research, a non-profit organization, is focused on a wide variety of important trends and changes related to the automobile industry and society at the international, federal, state and local levels. The CAR conducts industry research, develops new methodologies, forecasts industry trends, advises on public policy, and sponsors multi-stakeholder communication forums. One of these forums, the Automotive Communities Partnership, is a unique, non-profit, community-industry partnership administered by the CAR and a partner in this cataloguing project.

The DOL proposes to conduct a survey of economic developers regarding the transition of former auto manufacturing facilities to other uses. This survey will provide information about land and plant re-purposing from professionals in the communities where the plants are located. A survey is the most efficient way to obtain this information, as it cannot easily be collected from other sources on a timely basis (e.g., sending staff to examine local tax records). Much of the information this survey will collect is not available from any other source.

More specifically, this survey will seek to document characteristics of automotive manufacturing facilities that have been closed and repurposed to other uses. The results of the study are important to help communities and policy-makers learn from others' experiences and replicate useful strategies and ideas. The survey is crucial to understanding the complexity involved with transitioning these facilities from idle to productive.

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.

Information from this survey will be used to inform a study on Repurposing Automotive Manufacturing Facilities. The purpose of the study is to provide communities with feasible strategies for repurposing facilities, restoring the job base and maintaining industrial property values. The study will also examine whether federal, state, or other aid was used to encourage the property reuse.

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.

This information will be collected through a web-based survey questionnaire, as this method will impose the least burden on respondents.

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

The DOL is unaware of any other source for this information. To our knowledge, this study is the first of its kind, and this information has not been collected previously.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

This information collection is not expected to have a significant impact on a substantial number of small entities.

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.

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This will be a one-time survey, and the survey only asks for the minimum information necessary for local officials in auto-impacted communities to develop policies designed to take advantage of available local, state, and federal resources to repurpose closed auto facilities so they can put those critical assets back into productive use as part of their economic recovery effort.

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.

While responses are purely voluntary, The DOL will request responses to the questionnaire within two weeks, in order to ensure information can be timely analyzed for the purposes discussed elsewhere in this submission. Through the CAR's on-going relationships with auto communities, and especially its role in administering the Automotive Communities Partnership, the need and interest in participating in this information collection has been apparent. Because robust communications regarding the desire of auto communities to share and learn about repurposing closed auto facilities began before the federal contract was executed in August of 2010, and have only grown more intense since then with the announcement of a special \$700 million trust established for closed GM facilities, and efforts by the Department of Commerce and the Environmental Protection Agency to focus attention on strategic efforts to recover and repurpose these properties , consultation and public comment regarding the relatively negligible burden of such a survey has been incorporated in the survey design from the outset. Also, the CAR, through its Automotive Communities Partnership, hosted a separately planned conference, "Partnering for Prosperity: Communities & Companies in the Resurging Automotive Economy" on March 29 & 30, 2011, in Dearborn, Mich. The event explored the economic implications facing automotive industry stakeholders, policy issues, Midwestern states' initiatives, site selection and the repurposing of former manufacturing sites, growing and sustaining local businesses, and the importance of the educational infrastructure. The conference was sponsored by the U.S. Department of Commerce Economic Development Administration (EDA) and offered in collaboration with the Original Equipment Suppliers Association (OESA), the Detroit Regional Chamber, and the Institute for Labor, Employment and the Economy at the University of Michigan. The issues of recovery and repurposing closed auto facilities were a topic of discussion at the conference, and the questions in the survey were an organic part of their discussions.

The DOL associates no other special circumstances with this information collection.

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.

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.

The DOL is submitting this information collection request for emergency processing, in accordance with 5 CFR 1320.13, because of robust communications regarding the desire of auto communities to share and learn about repurposing closed auto facilities began before the Federal contract was executed in August of 2010, and have only grown more intense since then with the recent announcement of court approval for a special \$700 million trust established for closed GM facilities, and efforts by the Department of Commerce and the Environmental Protection Agency to focus attention on strategic planning to recover and repurpose these properties, consultation, and public comment regarding the relatively negligible burden of such a survey has been incorporated in the survey design from the outset.

In order to maximize useful information with a minimum of burden, the DOL has contracted with the CAR to develop and administer the survey. As already indicated, the CAR conducts industry research, develops new methodologies, forecasts industry trends, advises on public policy, and sponsors multi-stakeholder communication forums. Through the CAR's on-going relationships with auto communities, and especially its role in administering the Automotive Communities Partnership, the need and interest in participating in this information collection has been apparent.

The CAR received specific input on the survey questions and design from a commercial real estate broker, and economic development professionals in both Indiana and Michigan with automotive manufacturing facilities in their communities.

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

There will be no payment or remuneration of any kind to participants in the study.

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

Potential respondent names will not be included in any final documents, though there will be no assurance of confidentiality for the information provided in the survey. As a practical matter, the DOL would only release individual responses in accordance with the Freedom of Information Act.

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.

The survey will not contain questions of a sensitive nature.

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.

* 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 under "Annual Cost to Federal Government."

The survey will take, on average, one hour to complete. The DOL expects approximately 130 responses.

130 responses x 1.0 hours = 130 burden hours.

The CAR anticipates nonsupervisory employees in the professional and business services industry will respond to the information collection; consequently, the DOL has increased their October 2010 seasonally adjusted average hourly rate (\$27.43) by 40 percent (\$38.40 total), in calculating the value of a respondents time. See The Employment Situation, December 2010, p.36, Table B-3, http://www.bls.gov/news.release/archives/empst_01072011.pdf.

130 burden hours x \$38.40 = \$4,992.00.

13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden already reflected on the burden worksheet).

* 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. 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.

* 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 collections 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 DOL does not estimate any additional costs to respondents.

14. Provide estimates of annualized costs 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.

The total contract cost for the catalogue of repurposed auto facilities is \$175,000. Contractor costs to conduct the survey are estimated to be \$30,000. The DOL associates no additional Federal costs with this information collection.

15. Explain the reasons for any program changes or adjustments reported on the burden worksheet.

This is a new information collection that results in a burden increase of approximately 130 responses and 130 burden hours.

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.

Monday, May 2, is the target date to send the survey to the targeted population, with a request to all participants to complete the survey by Friday, May 13.

Upon completion of the survey period, the data will be analyzed and input into the database of closed and repurposed automotive manufacturing facilities. This database

is part of the full report to the White House Council on Automotive Communities and Workers. The DOL anticipates the study to be completed by August, and a report of the findings published in early fall, 2011.

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.

The DOL will display the expiration date for this collection.

18. Explain each exception to the topics of the certification statement identified in “Certification for Paperwork Reduction Act Submissions,”

The DOL requests no exceptions to the certification requirement.

B. Collections of Information Employing Statistical Methods

No statistical methods will be used. All data collection will be based on a 100 percent sample of the inference population. In all reports and other publications and statements resulting from this work, no attempt will be made to draw inferences to any population other than the set of units that responded to the data collection effort.