

**Responses to OMB Comments Regarding
3072-0065 – Service Contracts – 46 CFR Part 530**

- **IC Details.** What must respondents submit to comply with the less time consuming components of this ICR—audit requirements, third party disclosures, etc.? After reading the SS and 46 CFR 530, it is unclear what goes to FMC and precisely why burden was substantially reduced (see the next question). We recommend FMC include a brief description of the IC's.

In order for Vessel Operating Common Carriers (VOCC) or conferences to file Service Contracts, they must complete Form FMC-83. The form is reviewed, approved, and they are assigned a login and password. This allows them access into SERVCON, where they file their non-exempt service contracts as required by law. While there are approximately 300 VOCCs, only 141 VOCCs filed service contracts into SERVCON during the last fiscal year. Once Form FMC-83 is in place, VOCCs continue to upload and file their contracts as needed. There is no annual requirement for this form.

FMC has amended No. 12 of its Supporting Statement to include a brief description of the ICs. We have also amended 3 of the Annual Instances in the table to reflect “the average of actual filings over the past 3 years.” This necessitated an amendment to the annualized cost to respondents (see revised Attachment 1).

- **Changes in Burden.** Why did the previous ICR submission indicate nearly all IC's took over 10 times as long? Although FMC states the average hours per response decreased as a result of advancement in technology, we recommend FMC provide details on how new technology reduced time by the estimated amount.

The previous ICR submission vastly overstated the time required to complete the Form FMC-83. The Form is very basic and the information to complete it should be readily available to the VOCC. FMC is also amending the average hours per response for “Recordkeeping/Audit Requirements” as explained in No. 12 of the Supporting Statement.

FMC also is amending response No. 15 of the Supporting Statement to reflect a higher number of annual hours requested than in its previous supporting statement.

- **Form Formatting.** Please note Form FMC-83 has several font size and type issues. For example, the font for “3. Registrant” is too small, the text of “Dial-Up” and “Internet-based” are not bolded (in line 4), and “date” is not capitalized (after line 7). Recommend FMC address formatting issues. We also recommend FM amend the

check box in line 7 from “File Service Contracts” to “Authorized to File Service Contracts”.

Form FMC-83 was approved by the Commission in 1999. As part of its regulatory review, the agency is in the process of reviewing all of its regulations. The FMC does not intend to revise this form until the review process is complete. However, your comments will be taken into consideration if it is determined that the Form FMC-83 should be revised.

- **Government Cost Allocation.** Why did FMC allocate 30% of database system maintenance in 2011 and 75% of maintenance in 2008? Many of FMC’s government cost decisions regarding staff time, grade, and steps are inconsistent with the previous submission.

The database system maintenance costs are based upon contractor costs for the fiscal year. The contractor handles several databases. We are unable to calculate exactly how much of the contractor’s costs are attributed to each system. We can only estimate the approximate amount of time the contractor spends on each database. As databases are added or changed, the amount of time spent on each by the contractor changes. We have estimated that the contractor costs for this past fiscal year allocated to the Service Contract information collection would be approximately 30% of the total contractor costs.

We disagree that the FMC’s government costs regarding staff time, grade and steps are inconsistent with the previous submission. In 2008, we reported total hours as 10,529; in 2011, we reported total hours as 7,072. In 2008, we had 6 employees involved in processing this information collection – an Office Chief (Director), three Transportation Specialists, one Industry Analyst, and one Information Processing Assistant. In 2011, we reported a similar, although smaller, staff of five employees – an Office Director (Chief), a Senior Transportation Specialist, two Transportation Specialists, and an Information Processing Assistant. In 3 years the grades/steps of these employees are certainly expected to change. We tie our staff costs directly to an individual employee, not a “pay band.” We fail to see where we are inconsistent

- **Industry Cost Allocation.** Has the percentage of burden allocated to pricing managers versus tariff publishers changed with advancements in technology or adjustments in industry?

No, we do not believe it has changed.