

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

**U.S. PORT & TERMINAL INVENTORY SURVEY
(2133-0539)**

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.**

Section 8, Merchant Marine Act of 1920 mandates the Secretary of Transportation (who has delegated the authority to the Maritime Administrator):

“ . . .with the object of promoting, encouraging, and developing ports and transportation facilities in connection with waterborne commerce over which he has jurisdiction, to investigate territorial regions and zones tributary to such ports, taking into consideration the economies of transportation by rail, water, and highway and the natural direction of the flow of commerce; to investigate the causes of the congestion of commerce at ports and the remedies applicable thereto; to investigate the subject of water terminals, the necessary docks, warehouses, apparatus, equipment, appliances, in connection therewith. . .”

The United States intermodal transportation system underpins the nation's continued economic growth. Port and terminal infrastructure provides a primary nexus for this system, which is one of the basic elements of the Marine Transportation System (MTS). The MTS consists of waterways, ports, and intermodal landside connections, which allow the various modes of transportation to move people and goods to, from, and on the water. Today we face new challenges in which there are unique and varied hurdles to overcome within the system. Dramatic increases in freight flows have created capacity constraints and congestion at key gateways thus imposing added costs to shippers, consumers, and the environment. The Maritime Administration (MARAD) is an integral part of the Department of Transportation's initiative entitled "The National Strategy to Reduce Congestion on America's Transportation Network." This initiative includes a six point plan whose goal is to reduce congestion and increase throughput through the Nation's global transportation system. An objective is to work with the private sector to increase freight throughput through the synchronization of the U.S. global transportation system operations and processes, using existing infrastructure. There is a parallel effort going on in the private sector to identify ways to increase throughput capacity to reduce their costs and improve the efficient flow of cargo through the system.

At issue, which we have not been able to discern, is the performance of the system which

ultimately identifies ways to improve the efficiency and throughput capacity in anticipation of a doubling of cargo as international trade continues to grow. Determining the system performance allows the Department, through MARAD, to consider appropriate policy direction, public/private partnerships, rulemaking considerations and potential legislation for the Administration to consider. Further, determining the performance of the system identifies the level of effort required for the United States to continue to be a leader in world trade that sustains and grows the Nation's economy.

Data/information from the requested survey provide the foundation by which to determine the present level of system performance and future requirements. Such an approach not only provides how best to use existing infrastructure but also provides guidance on how best to use scarce investment dollars for smart growth of the U.S. transportation system.

From an economic and investment look at the U.S. global transportation system performance, the data/information collected in the requested survey would also support the analysis and evaluation of a number of issues that could interrupt the flow of freight. MARAD, as a result of the data base created by the requested survey information, could also provide direct support to other Departments and independent agencies to respond to National emergencies from the event to recovery to steps needed for restoration. This includes port/terminal system interruptions related to: (1) commercial disruptions, e.g., strikes/slowdowns, (2) natural disasters, e.g., hurricanes, and (3) terrorist incident, e.g., dirty bomb.

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.

This request is for a previous established collection. The reauthorization of this survey allows MARAD to continue surveying deep draft and shallow draft ports/terminals as authorized by OMB Number 2133-0539.

The deep draft and shallow draft surveys have been used to evaluate the adequacy of access/egress systems at U.S. ports and terminals. The objective was to identify areas of improvements required to increase the flow of freight. The surveys covered a variety of issues related to road and rail access and water access, including federal and private channel depths and berths. These access elements are included in the requested survey in a more streamlined fashion. Information from these surveys have been used for consideration of various provisions of the Department of Transportation Surface Transportation Authorization, ISTEA, TEA-21 and SAFETEA-LU. The information has also been used in the requirements under the MTS Initiative as defined to include the Nation's waterways, ports and land connections. The survey information has also been used as primary input for the Committee for the Marine Transportation System National Assessment. This Cabinet Level Committee provides guidance and recommendations to the President of the United States as outlined in his Ocean Policy Statement of December 2004.

- 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. Also describe any consideration of using information technology to reduce burden.**

Initially, the use of a mail-out, mail-back questionnaire, and phone follow-up will be necessary. However, MARAD will make it as easy as possible for respondents to reply to this request to reduce the potential burden in terms of cost and time. All electronic means and processes will be accepted as a viable way to respond, including through a MARAD established website and/or email. Our objective is to move toward a totally electronic (request and response) system; however, other options will be acceptable.

- 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.**

Adequate information related to system performance analysis that we are requesting in this survey does not exist. Some data elements are partially captured by the Department of Commerce, the U.S. Coast Guard (USCG) and the U.S. Army Corps of Engineers (USACE) through primary and secondary sources. There is also the potential to collect data/information through indirect means. This includes information from the voluntary filing of terminal lease arrangements as compiled by the Federal Maritime Commission. In many cases, this information is of limited use in that it is not collected periodically to be used for ongoing system performance assessments.

It is anticipated that the data/information being requested will supplement, rather than duplicate, information from other sources. For example, the Department of Commerce (DOC) captures data about commodities that are imported or exported but not information about commerce flow by conveyance. The mission of the DOC is to foster, promote, and develop the foreign and domestic commerce of the United States through promoting and assisting international trade and acquiring, analyzing, and disseminating information regarding the Nation and the economy to help achieve increased social and economic benefit.

The USACE gathers data/information about waterways facilities but not their capabilities to move cargo or cargo capacity. The data that the USACE gathers is broken down per berth whose definition and intent varies by Agency or Organization. For the proposed collection, we are focusing on freight flows at the terminal level. A terminal is defined as a facility within a port used for the loading or discharge of freight or people from vessels. The USACE data is not aggregated in a fashion usable by MARAD. Each terminal MARAD is seeking to survey may have anywhere from one to ten berths. Additionally, the USACE mission is to provide engineering services to the Nation for the planning, designing, building and operating of water resources and other civil works projects (Navigation, Flood Control, Environmental Protection, Disaster Response, etc.) which is complementary to the information MARAD plans to collect.

The USCG does not capture any information about commercial cargo flow, except where security and transportation intersects. The USCG mission is to protect the public, the environment, and U.S. economic interests in the nation's ports and waterways, along the coast, on international waters, or in any maritime region as required to support national security.

The mission of the Department of Transportation (DOT) is to develop and administer policies and programs that contribute to providing fast, safe, efficient, and convenient transportation at the lowest cost consistent with the national objectives of general welfare, economic growth and stability, the security and the efficient use and conservation of the resources of the United States. MARAD's mission within DOT is to improve and strengthen the U.S. MTS - including infrastructure, industry and labor - to meet the economic and security needs of the Nation. MARAD programs promote the development and maintenance of an adequate MTS to ensure that the Nation maintains adequate ports, intermodal water and land transportation systems. The proposed MARAD survey would be the only comprehensive source of data/information to discern the adequacy of the marine ports and terminals system performance and capabilities.

The need for this data/information has become evident in several events over the course of the past few years. The most recent example was the analytical requirement for the Dubai Ports World issue. In this situation, MARAD was tasked with compiling information from various Federal sources, e.g., DOC, USACE and USCG, to provide an estimate of U.S. ownership versus foreign ownership of port and terminal performance. It was quickly determined that the Federal Government did not have adequate information to perform the necessary analysis. Gross estimates were determined mainly from secondary sources of data/information, e.g., Dunn and Bradstreet. Information from USACE was helpful; however, the basis of their data collection is for navigation requirements versus transportation data needed to discern system performance with and without the purchase by Dubai Ports World of P&O Ports.

As another example, MARAD was integrally involved with recovery and restoration of the port system in the Gulf Region. Working through DOT and other federal agencies, MARAD was instrumental in assisting industry to determine system performance pre- and post-Katrina. The agency's primary focus was on six Gulf Coast ports hit the hardest by the hurricane. Primary data/information was required to complete the assessment. Information proposed in our request would have expedited the process and increased the accuracy of the system performance requirement.

In 2002, MARAD was also asked to determine the effects of a transportation system disruption on the West Coast because of the lock-out of longshore workers. The lock-out, which lasted ten days, caused wide spread disruption of cargo movement throughout the Nation. MARAD tracked the event but had no mechanism to gather before and after data of the lock-out effects. This hindered MARAD in its role to deal with industry and labor to meet the economic and security needs of the Nation. The proposed MARAD survey would provide the data in a timely manner to assist policy makers to determine ways to work within the existing infrastructure to keep cargo flowing and how to invest future infrastructure funds to prevent future cargo disruptions while best meeting National economic requirements.

The U.S. Congress has recognized MARAD . . .

“As the lead agency for maritime matters within the Department of Transportation and as a result of the February 2005 Congressional report on the interoperability of information resources among strategic ports, the Committee directs that MARAD be designated as the Marine Transportation System (MTS) Information Advocate to serve as the focal point for MTS information management.”

This advocacy role acknowledges MARAD’s unique position in the U.S. Government as the key liaison with MTS stakeholders, and will require continuous communication among these stakeholders in both government and industry. By serving as the MTS Information Advocate, MARAD can view the strategic information needs of the MTS as an entire system to identify resources currently available or planned, identify future needs to support the long term objectives of the system, and where information deficiencies occur, MARAD can communicate and coordinate with MTS stakeholders to meet the identified requirements.

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

MARAD’s surveys do not involve small business or other small entities. The survey instruments target the Nation’s ports and marine terminals.

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 the burden.

As discussed throughout the justification, MARAD’s role in discerning the performance of the MTS has increased based on projected increases throughout the Nation’s marine transportation system. Our ability to respond to inquiries and requests for analyses have been severely hampered by the lack of data/information. In each instance, we have had to compile data from other departments and agencies that was incomplete for our response to requests from the Department of Transportation, the White House and the U.S. Congress. The proposed information we are requesting to collect would expedite our ability to provide more accurate information and to respond in a more timely manner. The examples cited above demonstrate the need for the Federal Government to have adequate information to make decisions on critical issues and events related to the economy, international trade and critical infrastructure investments. Our objective is to provide information that allows the Federal Government to work cooperatively with the private sector in ways to address the needs of the marine transportation system. In this role we plan to:

1. Optimize the essential role of the MTS in maintaining domestic economic growth and positively contributing to the Nation’s international balance of trade
2. Improve MTS effectiveness to ensure that efficient delivery of goods from the producer to the consumer is maintained
3. Support response to changing demands of the MTS, especially to prevent the predicted overload of the system in the next 10 years

4. React to natural and manmade disasters effectively and efficiently
5. Strengthen MTS support to national security
6. Determine the economic impact of interruptions to waterborne transport including the industries affected and related policy implications on productivity, employment and military readiness

MARAD is requesting clearance to conduct this survey once every two years. By not collecting data annually, MARAD is able to reduce burden, but continue to collect data on new terminals, closed terminals and transfer in terminal ownership or operators.

7. Explain any special circumstances that would affect the manner of information collection.

There are no special circumstances.

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.

MARAD published a 60-day notice and request for comments on this information collection in the Federal Register (76 F.R., No. 49), dated March 14, 2011, at 13699, indicating comments should be submitted on or before May 13, 2011. No comments were received.

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 record-keeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

MARAD contacted the American Association of Port Authorities (AAPA), the National Association of Waterfront Employers (NAWE), the World Shipping Council (WSC) and APM Terminals, Inc. for review and comments on the survey instruments. Furthermore, MARAD beta-tested the survey instruments with six entities (AAPA, NAWE, WSC, APM Terminals Inc. and three ports). We have incorporated their suggestions.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every three 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.

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

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

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

There is one questionnaire in this data collection effort in which we request aggregated terminal throughput data. Non-aggregated throughput data could be considered business sensitive. MARAD assures the confidentiality of the aggregated cargo throughput data and assures that all information we collect is used for statistical and analytical purposes only. MARAD will process and analyze all data, report its findings, and release information on an aggregate national or regional basis that does not jeopardize the competitive position of the responding organization. As a result, no respondent will appear individually in any tabulation or publication. **MARAD confirms its guarantee of business information confidentiality under 5 U.S.C., Section 552b4.**

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 collect any private or sensitive data from individuals.

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 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 14.

MARAD estimates that about 146 U.S. ports, 50 marine terminal companies and 1500

	3	x		\$120.00	x	2 hrs.		\$240.00	636	=	
\$152,640.00			Overhead at 40%								=
\$61,056.00											
			Total								= \$213,696.00

15. **Explain the reasons for any program changes or adjustments reported in items 13 or 14 of OMB Form 83-I.**

The change in annual burden hours necessary to complete the survey increased based on the amount of time proven necessary for those surveyed previously and the amount of time it took to confirm the statistics MARAD initially gathered from secondary sources. Although this iteration of the survey will be populated with data previously given by each respondent respectively, the time to confirm, deny and/or modify each field increases labor hours required slightly.

16. **For collections of information whose results are planned to be published for statistical use, outline plans for tabulation, statistical analysis, and publication. 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.**

MARAD plans to collect and publish information on a biennial fiscal-year basis, beginning FY 2011. At the beginning of fiscal year 1, the approved survey instrument will be mailed to defined groups, i.e., port authorities, individual terminal operators, and terminal companies for response. Total number of survey instruments anticipated to be mailed out will be 2669. A maximum of 30 days will be allotted for responses. This will be followed by follow-up communication to identified potential responders for an additional 30 days. Considering the number of surveys, we will allow another 30 days for additional responses. Months four and five will be used to tabulate data for analysis. Months six and seven will be used to complete the statistical analysis. Months eight and nine will be used to submit analysis for approval. Months ten through twelve will be used to provide input from analysis to agency MARAD and Department annual reports. Months thirteen through fifteen will be used to develop text for report to be published. Months sixteen and seventeen will be used to submit draft report for approval. Months eighteen and nineteen will be used to publish the report.

17. **If seeking approval not to display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

We are not seeking approval to avoid displaying the expiration date for OMB’s approval of the collection.

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 to the certification statement in Item 19.