

**Department of Transportation
Office of the Chief Information Officer**

**SUPPORTING STATEMENT
Unified Registration System
OMB Control Number 2126-NEW**

INTRODUCTION

The Federal Motor Carrier Safety Administration (FMCSA) requests the Office of Management and Budget's (OMB) approval of a new information collection request (ICR) entitled "FMCSA Registration/Updates." This ICR is due to the Agency's development of a supplemental proposed rulemaking (SNPRM) entitled "Unified Registration System" (see Attachment A) that would require those entities which are subject to the FMCSA's licensing, registration and certification regulations to use a new application form entitled Form MCSA-1, "FMCSA Registration/Update(s)."

Part A. Justification.

1. Circumstances that make collection of information necessary.

Section 103 of the ICC Termination Act of 1995 (ICCTA) enacted 49 U.S.C. 13908 (see Attachment B), which required the Secretary of Transportation (Secretary) to propose regulations to replace four current identification and registration systems with a single, online, Federal system — the Unified Registration System (URS). The Unified Carrier Registration Act of 2005, subtitle C of title IV of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) [Pub. L. 109-59, 119 Stat. 1714, August 10, 2005] (see Attachment C) modified the requirements for a unified registration system by amending § 13908. In particular, SAFETEA-LU repealed the Single State Registration System (SSRS), one of the four systems identified in § 13908, and replaced it with the Unified Carrier Registration Agreement. It also modified the requirement that fees collected under the new system cover the costs of operating and upgrading the registration by placing limitations on certain fees that the Agency could charge. Section 4304 of SAFETEA-LU (see Attachment D) reiterated the congressional requirement for a single, Federal, online system to replace the four individual systems identified under 49 U.S.C. 13908 (see Attachment E). This consolidation will simplify current Federal registration processes and make data on interstate motor carriers, property brokers, freight forwarders, and other regulated entities more accessible. The URS would apply to virtually every motor carrier, property broker, freight forwarder, cargo tank (CT) facility, and intermodal equipment provider (IEP) that is required to register with the United States Department of Transportation (USDOT) under 49 CFR 390.19 (see Attachment F) or 49 U.S.C. 13901 (see Attachment G).

This information collection supports the DOT Strategic Goal of Safety. It will streamline the existing registration process and ensure that FMCSA can more efficiently track motor carriers, freight forwarders, brokers, and other entities regulated by FMCSA.

2. How, by whom, and for what purpose is the information used.

The information on the Form MCSA-1 will be used by FMCSA to identify its regulated entities, to help prioritize the Agency's activities, to aid in assessing the safety outcomes of those activities and for statistical purposes. The FMCSA will collect the information electronically through on-line forms. The information is currently being collected through a series of forms, which may be filed on line or on paper. Every interstate motor carrier operating commercial motor vehicles (CMVs) is required to register with FMCSA to obtain a USDOT Number. Most for-hire carriers are also required to file a separate application for operating authority under 49 U.S.C. 13901. Mexico and Non-North America-domiciled motor carriers file a separate registration form. The proposed information collection will replace these three collections and create a single on-line form. This rule will streamline the collection and eliminate the need for motor carriers to file the same information on multiple forms.

The FMCSA and States use the registration information to track motor carriers, freight forwarders, and brokers. Registering motor carriers is essential to being able to identify carriers so that their safety performance can be tracked and evaluated. The data make it possible to link individual trucks to their motor carrier. It implements the mandate under 49 U.S.C. 31136(a)(1) (see Attachment H) that FMCSA's regulations ensure that CMVs are maintained and operated safely.

3. Extent of automated information collection.

In response to the Government Paperwork Elimination Act (enacted on October 21, 1998, as title XVII of Public Law 105-277, 112 Stat. 2681) (see Attachment I), FMCSA will require that motor carriers file their registration information on line. Therefore, 100 percent of the forms will be filed electronically.

4. Efforts to identify duplication.

The FMCSA is the only Federal agency with the authority to promulgate and enforce safety regulations applicable to for-hire and private motor carriers (and their CMVs and drivers) operating in interstate commerce. There are no similar filings made with any other Federal agency which would result in duplication of this information.

5. Efforts to minimize the burden on small businesses.

This proposed rule would reduce the burden on small businesses that are subject to both FMCSA commercial and safety jurisdiction by eliminating the filing of multiple forms requesting some of the same information. On-line filing will also limit the cost of submission and speed the process of obtaining numbers needed to begin operating.

6. Impact of less frequent collection of information.

Most of the information on the Form MCSA-1 would be collected only at initial registration. Motor carriers are required to update the information biennially. The FMCSA believes that a longer update cycle simply will not provide the Agency with the basic data it needs to perform

its safety mission efficiently or effectively.

7. Special circumstances.

No special circumstances apply to this information collection.

8. Compliance with 5 CFR 1320.8.

On May 19, 2005, FMCSA published a notice of proposed rulemaking (NPRM) for the Unified Registration System (70 FR 28990) (see Attachment J). The FMCSA received comments from 58 entities, most of which supported a unified system. Based on the comments and statutory changes made by SAFETEA-LU, FMCSA is publishing a supplemental notice of proposed rulemaking (SNPRM) to propose additional changes to this initiative. The FMCSA will seek public comments on the SNPRM.

9. Payments or gifts to respondents.

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

10. Assurance of confidentiality:

The Personally Identifiable Information (PII) collected on the Form MCSA-1 includes information from persons required to register with FMCSA as a sole proprietor/driver or owner of a motor carrier, intermodal equipment provider, freight forwarder, broker, or cargo tank facility. The PII collected will include the name, address, email address, taxpayer EIN or social security number (SSN), credit card number, and checking account number of these persons. Confidentiality of the PII will be protected by reasonable security safeguards against loss or unauthorized access, destruction, usage, modification, or disclosure. These safeguards incorporate standards and practices required for federal information systems under Federal Information Security Management Act (FISMA) of 2002 (44 U.S.C. 3542) and are detailed in Federal Information Processing Standards (FIPS) Publication 200, *Minimum Security Requirements for Federal Information and Information Systems* dated March 2006 and NIST Special Publication (SP) 800-53 Rev. 2, *Recommended Security Controls for Federal Information Systems* dated December 2007. The FMCSA has a comprehensive information security and privacy program that contains management, operational, and technical safeguards that are appropriate for the protection of PII. These safeguards are designed to achieve the following objectives:

- Ensure the security and confidentiality of PII
- Protect against any reasonably anticipated threats or hazards to the security or integrity of PII
- Protect against unauthorized access to or use of PII

The PII will be protected to the extent allowed by the Freedom of Information Act (FOIA), 5 U.S.C. 552, as amended (see Attachment K) and the Privacy Act of 1974.

The assurance of confidentiality is addressed in detail in the Privacy Impact Assessment (see Attachment L) prepared for this rulemaking action.

11. Justification for collection of sensitive information:

The purpose(s) for collecting PII from a sole proprietor/driver or owner of a motor carrier, intermodal equipment provider, freight forwarder, broker, or cargo tank facility is to track safety-related data in order to recognize trends and use this information for making policy and program changes. Only PII that has been identified in the URS SNPRM will be collected. The collection of PII is necessary to implement URS because it allows federal and state law enforcement agencies to positively identify specific records in FMCSA information systems.

The justification for collection of sensitive information is addressed in detail in the Privacy Impact Assessment prepared for this rulemaking action.

12. Estimate of burden hours for information requested:

This information collection covers the initial application to register with FMCSA as a motor carrier, freight forwarder, broker, intermodal equipment provider, and cargo tank facility, a biennial update of the information recorded on the registration application, and a name/address change request.

The information will be filed on Form MCSA-1. This form will replace existing Forms MCS-150, MCS-150B, MCS-150C and most forms in the OP-1 series (OP-1, OP-1(P), OP-1(FF), OP-1NNA, and the OP-2). NOTE: The Form MCS-150 and OP-1(MX) will be retained for Mexico-domiciled carriers that seek authority to operate beyond the United States municipalities on the United States-Mexico border and their commercial zones.

The MCSA-1 form would be filed when a carrier or other entity regulated by FMCSA first applies for a USDOT Number. All carriers and other regulated entities would be required to update the information on the MCSA-1 form every other year. Some carriers and other regulated entities currently file name/address change forms, which would be incorporated into the MCSA-1 form.

Table 1 presents the number of new entrants and the estimated number of total registrants for the three years covered by this information collection request (ICR). Table 2 presents the estimated annual responses (1 per respondent) for new entrants to file the Form MCSA-1. Tables 3 and 4 present the annual responses for carriers with recent activity to file updates and name/address changes. The time required to read the instructions, collect the information, and complete the form is estimated to average 1.34 hours. This is a weighted average estimated as follows:

- Carriers that need to file only the information currently required on an MCS-150 are assumed to continue to need only 20 minutes to complete the form.
- Carriers that currently must file Form MCS-150B to obtain a hazardous materials safety permit are assumed to need 26 minutes to complete the new form.
- Firms that currently complete only an OP-1 series form are assumed to still need 2 hours to complete the new form.
- Carriers that currently file both the MCS-150 and an OP-1 series form are assumed to take 2 hours and 10 minutes to complete the new form. These carriers are currently

estimated to spend 2 hours completing the OP-1 series form and 20 minutes to complete the MCS-150. The 10-minute time savings to complete the new MCSA-1 form reflects the elimination of completing the same basic identification information on both old forms.

Biennial updates are estimated to require 10 minutes because little of the information in this category is likely to change. Name/address changes are estimated to take 10 minutes. Biennial updates are estimated by subtracting new entrants from total entities and dividing that result by two. The number of new entrants and name/address changes, as well as total entities, is based on 2009 FMCSA data used for the Regulatory Impact Analysis (RIA) in support of the SNPRM.

Table 1: Number of Registrants by Year

| Year | Registrants | Total Entities |
|------|-------------|----------------|
| 1 | 61,280 | 583,999 |
| 2 | 62,132 | 592,115 |
| 3 | 62,995 | 600,344 |

Table 2: Respondents, Burden Hours for Initial Filings by Year

| Year | Respondents | Hours per Respondent | Total Burden Hours |
|------------|-------------|----------------------|--------------------|
| 1 | 61,280 | 1.34 | 82,115 |
| 2 | 62,132 | 1.34 | 83,257 |
| 3 | 62,995 | 1.34 | 84,413 |
| Annualized | | | 83,262 |

Table 3: Respondents and Burden Hours for Biennial Update

| Year | Respondents | Hours per Respondent | Total Burden Hours |
|------------|-------------|----------------------|--------------------|
| 1 | 261,360 | 10 min/60 min/hr | 43,560 |
| 2 | 264,992 | 10 min /60 min/hr | 44,165 |
| 3 | 268,617 | 10 min /60 min/hr | 44,779 |
| Annualized | | | 44,168 |

Table 4: Respondents and Burden Hours for Change Requests

| Year | Respondents | Hours per Respondent | Total Burden Hours |
|------------|-------------|----------------------|--------------------|
| 1 | 12,317 | 10 min /60 min/hr | 2,053 |
| 2 | 12,488 | 10 min /60 min/hr | 2,081 |
| 3 | 12,662 | 10 min /60 min/hr | 2,110 |
| Annualized | | | 2,082 |

The FMCSA estimated labor costs using the industry base wage for drivers loaded with fringe benefits. Most new entrants are very small firms where the owner may also be a driver.

Table 5: Labor Hour Costs

| Year | Wage Rate | Burden Hours | Total |
|-------------|------------------|---------------------|--------------|
| 1 | \$29.27 | 127,728 | \$3,738,256 |
| 2 | \$29.27 | 129,504 | \$3,790,230 |
| 3 | \$29.27 | 131,302 | \$3,842,877 |
| Annualized | | 129,511 | \$3,790,455 |

During the first year:

The total number of respondents is 583,999 [592,153 annualized].

The total burden hours is 127,728 [129,511 annualized].

The total labor cost is \$3,738,256 [\$3,790,455 annualized].

13. Estimate of total annual costs to respondents.

All responses would be filed electronically. Therefore, there are no capital or operating costs to respondents associated with this ICR. All filers are assumed to have computers or to be able to access the on-line filing site from public computers. Some carriers may pay a third party to file the information as part of a service to assist them in setting up a business. The fees charged, however, cover multiple services. The FMCSA has no information on how many carriers use such services or what part of the fees should be attributed to filing this form.

14. Estimate of cost to the Federal government.

The FMCSA estimates that the cost associated with supporting the registration system is about \$52.0 million (2010\$). The estimate includes staff costs (\$42.0 million), IT support, and overhead.

15. Explanation of program changes or adjustments.

This would be a new information collection. It would, however, replace three existing ICRs (2126-0013, 2126-0016, and 2126-0019). The proposed rule would extend the requirement for a biennial update to certain registrants (brokers, freight forwarders, and cargo tank facilities) to which the requirement does not apply today, reduce the burden associated with the filing of redundant information, and require that all forms be filed electronically.

16. Publication of results of data collection.

Data provided by this information collection will not be published.

17. Approval for not displaying the expiration date of OMB approval.

The FMCSA is not seeking an exemption from displaying the expiration date.

18. Exceptions to certification statement.

There are no exceptions to the certification statement.

ATTACHMENTS:

- A. Supplemental Notice of Proposed Rulemaking (SNPRM) entitled, “Unified Registration System,” (76 FR 66506), October 26, 2011.
- B. Title 49 U.S.C. 13908, Registration and Other Reforms (1995).
- C. Unified Carrier Registration Act of 2005, subtitle C, title IV of the Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) [Pub. L. 109-59, 119 Stat. 1714, August 10, 2005].
- D. Section 4304 of SAFETEA-LU, [Pub. L. 109-59, 119 Stat. 1714, August 10, 2005].
- E. Title 49 U.S.C. 13908, Registration and Other Reforms (2005).
- F. Title 49 CFR 390.19, Motor Carrier Identification Report.
- G. Title 49 U.S.C. 13901, Requirement for Registration.
- H. Title 49 U.S.C. 31136(a)(1), United States Government Regulations.
- I. Government Paperwork Elimination Act, (enacted on October 21, 1998, as title XVII of Public Law 105-277, 112 Stat. 2681).
- J. Notice of Proposed Rulemaking (NPRM) entitled, “Unified Registration System,” (70 FR 28990), May 19, 2005.
- K. Freedom of Information Act (FOIA), 5 U.S.C. 552, as amended.
- L. Privacy Impact Assessment (PIA)

Form:

Form MCSA-1

Part B. Collections of Information Employing Statistical Methods.

This information collection does not employ statistical methodologies.