Supporting Statement

for

Information Collection Request

Reporting and Recordkeeping Requirements for

Importation of Nonroad Engines and Recreational Vehicles

EPA ICR 1723.06

OMB Control Number: 2060-0320

September 2011

Compliance and Innovative Strategies Division

Office of Transportation and Air Quality

Office of Air and Radiation

U.S. Environmental Protection Agency

1. IDENTIFICATION OF THE INFORMATION COLLECTION

(a) TITLE OF THE INFORMATION COLLECTION

Reporting and Recordkeeping Requirements for Importation of Nonroad Engines and Recreational Vehicles (Renewal), OMB #2060-0320, ICR #1723.06.

(b) SHORT CHARACTERIZATION (ABSTRACT)

The Clean Air Act requires that motor vehicles and motor vehicle engines imported into the U.S. conform with applicable emission requirements. The Clean Air Act Amendments of 1990 extended these requirements to nonroad engines. This Information Collection Request (ICR) includes the importation of outboard spark ignition (SI) marine engines; personal watercraft SI marine engines; non-propulsion compression ignition (CI) engines used in marine applications; small nonroad SI engines (less than 25 horsepower), used, for example, in some lawn and garden equipment; and other nonroad CI engines such as construction equipment and farm tractors. Finally, this ICR was broadened to include the importation of other recently regulated categories of engines that will, like the above, all be listed on the same importation form, EPA Form 3520-21: locomotives and locomotive engines; large (greater than 50 horsepower) marine CI engines; nonroad recreational vehicles such as snowmobiles, all-terrain vehicles (ATVs), and off-highway motorcycles; and large nonroad SI engines used in such things as forklifts and compressors.

The Compliance and Innovative Strategies Division (CISD) in the Office of Air and Radiation collects information and requires some recordkeeping to help ensure that nonconforming engines are brought into compliance with Federal emission requirements, unless eligible for exemption or exclusion. Also, the information is used by the U.S. Customs Service (Customs), State regulatory agencies, businesses, and individuals to determine whether engines are in compliance.

Information collected includes identification of the importer, the entry date, the manufacturer, engine model and serial number, and an indication, by checking the appropriate boxes, of the regulatory category of engine and of the relevant regulatory provision under which it is being imported. The information is retained in document form. The information is used to monitor compliance of imports with the law and regulations and to respond to inquiries from the public concerning the compliance status of specific imported engines.

a) EPA Form 3520-21. This form is used by importers who are applying for entry of nonroad engines. Form 3520-21 has been routinely used since ICR 1723.01 was approved in 1995. As such, we don't find it necessary to include the expiration date on the front page of the form. The OMB control number, EPA form number, and Paperwork Reduction Act statement are appropriately displayed on the form.

b) EPA Form 3520-8. This form is used by independent commercial importers (ICIs) to request final admission (as opposed to initial declaration, which is covered by EPA Form 3520-1 and OMB 2060-0095 for on-road imports) of a nonconforming engine that has been brought into compliance with Federal emission requirements. To date, nearly all such ICIs have been light-duty vehicle importers under 40 CFR Part 85, Subpart P. There have also been a few on-road motorcycle ICI imports. The above-named uses of Form 3520-8 are also covered by OMB 2060-0095 (ICR 0010). Regulations for ICI imports of nonroad CI engines are also set forth at 40 CFR Part 89, Subpart G and contemplate requests for final admission of these engines. However, because this program is not yet active, only a placeholder burden is included here, so that this ICR covers all nonroad imports.

2. NEED FOR AND USE OF THE COLLECTION

(a) NEED/AUTHORITY FOR THE COLLECTION

Joint EPA and Customs regulations at 40 CFR 90.601 et seq. and 19 CFR 12.74 promulgated under the authority under the Clean Air Act (Sections 203, 208 and 213) give authority for the collection of information. The collection of this information helps ensure the compliance of imported nonroad engines with Federal emissions requirements, which helps meet the Agency goal of reducing air pollution. Without this information, EPA could not confirm that engines being imported conform to the emission requirements of the Act, and, consequently, would not be able to allow importation of these engines.

(b) PRACTICAL UTILITY/USERS OF THE DATA

The Compliance and Innovative Strategies Division receives the information either directly from the importers or indirectly from the importers through Customs. The information is used by Agency enforcement personnel to verify that all nonroad vehicles and engines subject to Federal emission requirements have been declared upon entry or that the category of exclusion or exemption from emissions requirements has been identified in the declaration. The information is also used to identify and prosecute violators of the regulations and to monitor the program in achieving the objectives of the regulations.

3. NONDUPLICATION, CONSULTATIONS, AND OTHER COLLECTION CRITERIA

(a) NONDUPLICATION

Because the information collected is specific to identifying the appropriate regulated category and appropriate regulatory provisions for imported nonroad engines under the Clean Air Act, the information is highly specific to EPA and not likely amenable to combining with other programs or agencies. Note that the form is currently already shared between EPA and Customs.

(b) PUBLIC NOTICE

EPA solicited public comment by means of a Federal Register Notice published on June 29, 2011, 76 FR 38151. The draft ICR was also placed in the docket.

(c) CONSULTATIONS

The following representatives and manufacturers of imported nonroad engines were also consulted to further define the burden that will be involved in handling Form 3520-21.

Mark Perk

General Motors, Electromotive Division

2021 Oxford St.

London, Ontario N5V2Z7

Canada

519-459-5953

Bruce Bradley and Edward Meyer

Nissan Forklift Corp., North America

240 North Prospect Street

Marengo, Illinois 60152

815-568-0061 and 815-568-4779

Ed Klim

International Snowmobile Manufacturers Association

1640 Haslett Rd., St. 170

Haslett, MI 48840

517-339-7788

(d) EFFECTS OF LESS FREQUENT COLLECTION

Since reporting is done only at the time of entry, less frequent collection would seriously undermine the Agency's ability to determine whether engines being imported meet applicable emission requirements. Consequently, the Agency would not be able to allow entry of engines being imported. Therefore, less frequent collection is not feasible. Note that one form per shipment may be used, provided attachments including all the information required to describe each engine is included.

(e) GENERAL GUIDELINES

This ICR requires that in the event of nonroad CI ICI imports, the importer notify EPA when requesting final admission for vehicles (Form 3520-8); this might occasionally result in reporting more often than quarterly. This requirement is necessary for EPA to inspect vehicles prior to release from the ICI. If EPA required quarterly reports, either the ICI would have to hold engines and only release them on a quarterly basis or EPA would likely not have the opportunity to inspect engines imported by the ICI.

Additionally, EPA's regulations require that any such nonroad CI ICIs retain records for eight years from the date of final admission (40 CFR 86.607(a)). For comparison, the Clean Air Act requires that light duty vehicles meet Federal emission standards throughout their useful lives, which is defined by the Clean Air Act to be 10 years or 100,000 miles. The imports regulations further specify that the useful life period starts from the date that the vehicle is delivered to the owner by the ICI. Therefore, because of this requirement, compliance documentation must ordinarily be maintained six years from the date of entry.

(f) CONFIDENTIALITY

Any information submitted to the Agency for which a claim of confidentiality is made will be safeguarded according to policies set forth in Title 40, Chapter 1, Part 2, Subpart B - Confidentiality of Business Information (see 40 CFR 2.201 et seq.). The public is not permitted access to information containing personal or organizational identifiers. This collection complies with the Privacy Act of 1974 and OMB Circular A-130.

(g) SENSITIVE QUESTIONS

No sensitive questions are asked.

4. THE RESPONDENTS AND THE INFORMATION REQUESTED

(a) RESPONDENTS/NAICS CODES

The Compliance and Innovative Strategies Division collects information from individual importers and both small and large companies who import, or import and manufacture nonroad engines and recreational vehicles. The NAICS codes for the respondents are as follows:

Non-road compression ignition engines

333618 Manufacturers of nonroad diesel engines

333111 Manufacturers of farm machinery and equipment

333112 Manufacturers of lawn and garden tractors (home)

333924 Manufacturers of industrial trucks

333120 Manufacturers of construction machinery

333131 Manufacturers of mining machinery and equipment

333132 Manufacturers of oil and gas field machinery and equipment

811112, 811198 Commercial importers of vehicles and vehicle components

33631 Manufacturers of motor vehicle gasoline engine and engine parts

336312 Manufacturers of gasoline engine and engine parts

33639 Manufacturers of other motor vehicle parts

Small nonroad spark-ignition engines

333618 Other engine equipment manufacturing

336312 Gasoline engine and engine parts manufacturing

336999 Other transportation equipment manufacturing

336911 Motorcycle, bicycle and parts manufacturing

Marine outboard and personal watercraft engines

333618 Manufacturers of marine spark ignition engines

333112 Manufacturers of recreational marine vessels

336611 Ship building and repair

336612 Boat building

336999 Other marine outboard and personal watercraft manufacturing

441222 Motorcycle, boat, and other motor vehicle dealers

Locomotive engines

333618 Manufacturers of locomotives and locomotive engines

48211, 482111, 482112 Railroad owners and operators

488210 Engine repair and maintenance

Large marine compression ignition engines

333618 Manufacturers of marine diesel engines

33661, 346611 Ship and boat building; ship building and repair

811310 Engine repair and maintenance

483 Water transportation, freight and passenger

336612 Boat building (watercraft not built in shipyards and typically of the type suitable or intended for personal use)

441222 Motorcycle, boat, and other motor vehicle dealers

Recreational vehicles, including snowmobiles, all-terrain vehicles, and certain high-speed utility vehicles

336991 Motorcycle manufacturers

336999 Snowmobile and all-terrain vehicle manufacturers

441222 Motorcycle, boat, and other motor vehicle dealers

Large nonroad spark-ignition engines

333618 Manufacturers of new nonroad spark-ignition engines

333111 Manufacturers of farm equipment

333112 Manufacturers of construction equipment

333924 Manufacturers of industrial trucks

811310 Engine repair and maintenance

(b) INFORMATION REQUESTED

(i) Data Items

The data requested in reports include:

- engine identification number

- engine make

- engine model

- model year of the engine

- port of entry

- date of entry

- entry number

- importer name, address and telephone number

- broker name, address and telephone number (optional)

- owner name, address and telephone number (optional)

- identification of the type of vehicle or engine by regulatory category

- identification of the provision under which the vehicle or engine is being imported

- justification for an exclusion or exemption, if applicable

(ii) Respondent Activities

To complete the collection, the respondent would:

-read form instructions

-collect data and complete forms

INFORMATION REQUIREMENTS FOR

IMPORTATION OF NONROAD CI ENGINES

40 CFR PART 89 SUBPARTS G AND J

INFORMATION REQUIREMENTS CITATION

I. ICI requirements

Reporting

- Certification application and 89.603(d)

production changes

- Notification of transfer to another ICI 89.604(c)(4)

- Notification of acceptance of responsibility 89.604(d)

- Application for final admission 89.605(a)

(certified engine)

- Application for final admission 89.609(b)

(modification/test engine)

- Attestation regarding maintenance 89.610

instructions, warranties and emission labeling

- Reply to notice of suspension or revocation 89.612(e)(3)(ii)

- Request for hearing 89.612(e)(3)(iii)

Recordkeeping

- Vehicle disposition 89.607

- Owners or ultimate purchasers 89.608(b)

- Maintenance instructions, warranties and 89.610

emission labeling

II. Requirements applying to all importers

- Notification of conditional admission 89.604(a)

- Request for prior approval 89.611

89.909

INFORMATION REQUIREMENTS FOR

IMPORTATION OF SMALL NONROAD SI ENGINES

40 CFR PART 90 SUBPARTS G AND J

INFORMATION REQUIREMENTS CITATION

- Notification of conditional admission 90.604(c),

90.611(a)

- Request for prior approval 90.612

90.909

INFORMATION REQUIREMENTS FOR

IMPORTATION OF MARINE SI ENGINES

INCLUDING MARINE OUTBOARD AND PERSONAL WATERCRAFT ENGINES

40 CFR PART 91 SUBPARTS H AND K

INFORMATION REQUIREMENTS CITATION

- Notification of conditional admission 91.703 (b)

- Request for prior approval 91.704

91.1009

INFORMATION REQUIREMENTS FOR

IMPORTATION OF NON-PROPULSION CI ENGINES

USED IN MARINE APPLICATIONS

40 CFR PART 89 SUBPARTS G AND J

INFORMATION REQUIREMENTS CITATION

- Notification of conditional admission 89.604(a)

- Request for prior approval 89.611

89.909

INFORMATION REQUIREMENTS FOR

IMPORTATION OF LOCOMOTIVES OR LOCOMOTIVE ENGINES

40 CFR PART 92, SUBPARTS I AND J

INFORMATION REQUIREMENTS CITATION

Notification of conditional admission 92.803

Request for prior approval 92.804

92.909

INFORMATION REQUIREMENTS FOR

LARGE MARINE CI ENGINES

40 CFR PART 94, SUBPARTS I AND J

INFORMATION REQUIREMENTS CITATION

Notification of conditional admission 94.803

Request for prior approval 94.804

94.909

INFORMATION REQUIREMENTS FOR

IMPORTATION OF OTHER NONROAD ENGINES

40 CFR PART 1068 SUBPARTS C AND D

INFORMATION REQUIREMENTS CITATION

Notification of conditional admission 1068.301

Request for prior approval 1068.301

5. THE INFORMATION COLLECTED--AGENCY ACTIVITIES, COLLECTION METHODOLOGY, AND INFORMATION MANAGEMENT

(a) AGENCY ACTIVITIES

The Compliance and Innovative Strategies Division receives the information as required from Customs, individuals, and businesses. After receiving the information, EPA uses the information to determine whether the engines and vehicles meet EPA requirements and retains the information in order to respond to public, State government, and Federal government inquiries.

(b) COLLECTION METHODOLOGY AND MANAGEMENT

Both Customs and the Compliance and Innovative Strategies Division use the information to determine if engines meet EPA requirements. The Compliance and Innovative Division retains information in document form in order to respond to public, State government, and Federal government inquires, which are handled by CISD staff. The documents are maintained by an EPA contractor.

(c) SMALL ENTITY FLEXIBILITY

Small entities are required to submit the forms covered by this ICR when applicable. There is no exemption for small entities. EPA does endeavor to provide small entities the maximum feasible flexibility in submitting the data.

(d) COLLECTION SCHEDULE

The information is not subject to a collection schedule, but is collected at the time of engine entry and, in the event of a non-road ICI import, when the engine is ready for approval by EPA of final admission.

6. ESTIMATING THE BURDEN AND COST OF THE COLLECTION

6(a) ESTIMATING RESPONDENT BURDEN

I. ICI Recording, Recordkeeping and Testing Burden for Nonroad CI engines

A. Reporting Burden Est. Est. # of Est. of

(hrs/instance) instances/yr Burden (hrs)

Form 3520-8 0.81 1 0.81

B. Recordkeeping

Form 3520-8 & other required ICI records (see 4(b)

0.5 1 0.5

C. Testing: 28.0 1 28.0

II. Reporting Burdens, Form 3520-21

Burden Est. Est. # of Est. of

(hrs/form) forms/yr Burden (hrs)

All categories 0.50 12,000 6,000

TOTAL BURDEN = 6,029.31 hrs

6(b) ESTIMATING RESPONDENT COST

LABOR COSTS:

I. ICI Recording, Recordkeeping, and Testing for Nonroad CI engines

Estimated Labor

Units Costs

A. Reporting 1 form $35.13

@$43.37 per hour

B. Recordkeeping 1 engine $10.12

@$20.24 per hour

C. Testing 1 engine $1,214.36

@$43.37 per hour

II. Reporting Form 3520-21

Hours Cost

All categories 6,000 $260,220

@43.37 per hour

Total Labor Cost $261,479

CAPITAL/STARTUP & O&M

I. ICI Recording, Recordkeeping, and Testing for Nonroad CI engines

Brokerage cost covering testing and application-related

1 engine at $14,000 per engine $14,000

II. O&M Costs For Record Storage

12,001 forms at $2 per form $24,002

Total Capital/Startup and O&M Costs $38,002

(i) Labor Costs

Rates for engineering managers, mechanical engineers, and secretaries (except legal, medical, and executive) are from the May 2006 BLS National Occupational Employment and Wage Estimates (http://www.bls.gov/oes/current/naics4\_336100.htm, accessed June 1, 2011). With a 160% overhead multiplier, these are $60.53, $43.37, and $20.24, respectively. Test labor costs are $43.37 per hour

(ii) Capital/Start-up Costs

Capital/start-up costs are predominantly incurred by ICIs during the required certification process, which is covered by other ICRs. ICIs in the on-road program typically obtain the necessary testing and certification work from a broker, who also provides testing services, or who obtains from a testing facility the test results necessary for the final importation form. The figure here is a placeholder for the possibility of extension of this program to nonroad CI engines, and is taken from the previous renewal of this ICR.

(iii) Operations and Maintenance Costs

This cost is estimated as a component of overall broker activities to import a vehicle or engine, and incorporates a $2 per form recordkeeping cost for broker form retention.

6(c) ESTIMATING AGENCY BURDEN AND COST

The imports program is administered by EPA’s Compliance and Innovative Strategies Division. Forty percent of one Full Time Equivalent employee (FTE), GS 12/3; twenty percent of one Senior Environmental Employment (SEE) Program employee[[1]](#footnote-1) (about 400 hours); and a portion of the work assignment under a government contract are allocated to imports activities. Based on the 2011 Office of Personnel GS pay schedule for Detroit, EPA estimates a yearly $79,780 for the FTE, then multiplies the hourly rate by the standard government benefits multiplication factor of 1.6, for a cost of $51,060 plus $9,939 for the SEE, and $145,000 is estimated for the contractor.

6(d) ESTIMATING THE RESPONDENT UNIVERSE AND TOTAL BURDEN COSTS

Recording, Recordkeeping, and Testing: 29.31 hrs

Reporting Burdens, Form 3520-21: 6,000 hrs

Total Hours 6,029.31

Recording, Recordkeeping, and Testing: $1259.61

Reporting Burdens, Form 3520-21: $260,220

Total Cost $261,479

6(e) BOTTOM LINE BURDEN HOURS AND COST TABLES

1. Respondent Tally

The information collection will involve an estimated 4,801 respondents at an estimated labor cost of $261,479 and a capital/startup and O&M cost of $38,002.

1. The Agency Tally

The contractor estimate is based upon the work assignment rather than an estimate of hours. An estimated total Agency cost of $205,999 per year is allocated to imports activities. An estimated 70% of these activities currently involve on-road imports (ICR 0010; OMB 2060-0104); consequently $ 67,199 is the estimate for the agency cost for purposes of this ICR.

1. Variations in the Annual Bottom Line

There are no variations in the annual bottom line.

6(f) REASONS FOR CHANGE IN BURDEN

As with the prior renewal, this ICR bases the burdens on an estimate of the actual Form 3520-21s received by EPA. The estimated 12,000 Form 21s received per year is considered accurate within 10%.

In addition, as with the prior renewal, a hypothetical burden of 1 engine is included as a placeholder for the burden associated with ICI importation of nonroad CI engines has increased slightly due to the slight increase in the cost of engine testing.

6(g) BURDEN STATEMENT

The annual public reporting and recordkeeping burden for this collection of information is estimated to average 30 minutes per response. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for EPA’s regulations are listed in 40 CFR part 9 and 48 CFR chapter 15.

To comment on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including the use of automated collection techniques, EPA has established a public docket for this ICR under Docket ID Number EPA-HQ-OAR-2007-1138, which is available for online viewing at [www.regulations.gov](http://www.regulations.gov), or in person viewing at the Air and Radiation Docket in the EPA Docket Center (EPA/DC), EPA West, Room 3334, 1301 Constitution Avenue, NW, Washington, D.C. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the Air and Radiation Docket is (202) 566-1742. An electronic version of the public docket is available at www.regulations.gov. This site can be used to submit or view public comments, access the index listing of the contents of the public docket, and to access those documents in the public docket that are available electronically. When in the system, select “search,” then key in the Docket ID Number identified above. Also, you can send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, D.C. 20503, Attention: Desk Officer for EPA. Please include the EPA Docket ID EPA-HQ-OAR-2007-1138 and OMB Control Number 2060-0320 in any correspondence.

1. The SEE Program is an employment program for older workers authorized by the Environmental Programs Assistance Act, passed by Congress in 1984, and provides employment opportunities to senior citizens aged 55 and over. [↑](#footnote-ref-1)