

**SUPPORTING STATEMENT – MODIFICATION OF MONTHLY REPORT
OF RAILROAD EMPLOYEES, WAGE FORM C,
(in EP 701)**

A. Justification:

1. (a) Why the collection is necessary. The Surface Transportation Board (Board) has broad statutory authority to provide economic regulatory oversight of railroads, addressing such matters as rates; service; the construction, acquisition and abandonment of rail lines; carrier mergers; and interchange of traffic among carriers (49 U.S.C. §§ 10101-11908). Class I (large) railroads are required to provide wage statistics pursuant to 49 U.S.C. § 11145. Amtrak also files this report. This collection shows, for each reporting carrier, the average number of employees at mid-month in the six job classification groups (executive, professional, maintenance-of-way, maintenance-of-equipment, transportation (train and engineer), and transportation (other than train and engineer)) that encompass all railroad employees. See 49 C.F.R. § 1246.

(b) Why the modification is necessary. The Board now proposes to accelerate the due date for this and several other reporting requirements. Under the proposal, Form C would be filed 10 days after the end of the month, instead of the current practice of 15 days (49 C.F.R. § 1246.1).¹ The proposed change to the filing deadline would further facilitate oversight of the economic health and operations of Class I railroads. Earlier reporting of financial information would provide the Board and the public with an increased ability to identify and evaluate emerging trends, business conditions, and issues related to Class I railroads. In addition, the Board would be able to more quickly produce the various decisions that depend on the data. Reporting and information technology has changed since the existing deadline was set, allowing data to be more easily compiled and prepared for reports. Other federal agencies, such as the Railroad Retirement Board and the Bureau of Labor Statistics, will have more timely information from the Class I railroads and from Amtrak, which also files these reports with the Board. Given the need for current financial and operational information, as well as improved reporting capabilities, it is appropriate that the Board reexamine and shorten current reporting deadlines.

2. How the collection will be used. The Board uses the information in this collection to forecast labor costs and measure the efficiency of the reporting railroads. The information also is used by the Board to evaluate proposed regulated transactions that may impact rail employees, including mergers and consolidations, acquisitions of control, purchases, and abandonments under 49 U.S.C. §§ 10902-03 and 11326. Other federal agencies, including the Railroad Retirement Board and the Bureau of Labor Statistics, as well as industry groups, depend on this report for information regarding the regulated railroad industry.

¹ The form title currently provided in 49 C.F.R. § 1246.1, “Form MRRE” is also outdated. We will update the form title if the Board adopts final rules in this proceeding.

3. Extent of automated information collection. The railroads submit this report electronically in Excel spreadsheet format.

4. Identification of duplication. No other Federal agency has economic regulatory authority over freight rail transportation. Because no other Federal agency collects the information in this report, nor is this information available from any other source, no duplication of information. In most instances, the information sought is unique to each carrier.

5. Effects on small business. No small entities will be affected by the collection of this information. This reporting requirement applies only to Amtrak and to the Class I railroads, which have operating revenues in excess of \$250 million (1991 dollars) (adjusted for inflation using 2012 data, the revenue threshold for a Class I rail carrier is \$452,653,248). The Board has adopted an indexing methodology that will ensure that regulated carriers are classified based on real business expansion, rather than the effects of inflation.

6. Impact of less frequent collections. The Board cannot fulfill its statutory responsibilities without monthly information on employment.

7. Special circumstances. No special circumstances described in question 7 apply to this collection.

8. Compliance with 5 C.F.R. § 1320.8. As part of this proposed rule, the Board has published a notice providing a 30-day comment period regarding the proposed modification, followed by a 30-day period for replies to comments. 80 Fed. Reg. 39045.

9. Payments or gifts to respondents. The Board does not provide any payment or gift to respondents.

10. Assurance of confidentiality. All information collected through this report is available to the public, and is available on the Board's website.

11. Justification for collection of sensitive information. This collection contains no information of a sensitive nature.

12. Estimation of burden hours for respondents. The following information pertains to the estimate of burden hours associated with this collection:

(1) Number of respondents: 8.

(2) Frequency of response: monthly

(3) Annual hour burden per respondent: Based on information provided by the railroad industry, we estimate an annual per-respondent-railroad burden of not more than 15 hours, based on a per monthly report estimate of not more than 1.25 hours, which includes the time needed to gather the information and edit, review, and complete the monthly employment

report. Based on this estimate, the eight Class I railroads require a total of not more than 120 hours to complete the monthly report. There should be no change in burden hours as a result of the proposed modification, which merely advances the due date of the report.

13. No other costs to respondents: No non-hour costs for operation, maintenance, or purchase of services associated with this collection have been identified: (a) Neither the existing collection, nor the proposed modification, will impose start-up costs on respondents. (b) This report is submitted to the agency electronically.

14. Estimated costs to the Board: We estimate that it takes 24 hours (GS 11/1 at \$38.93 per hour, including benefits) annually to prepare a monthly compilation for our website; 12 hours (GS 13/1 at \$55.49 per hour, including benefits) to review (QA) the compilation; and an additional one hour (Expert/Consultant at \$68.37 per hour, including benefits) to post the results on the website; resulting in a total annual cost to the government of \$1,668.

15. Changes in burden hours. No change in burden hours is requested. The proposed modification is not expected to affect the number of burden hours associated with this collection.

16. Plans for tabulation and publication: These monthly carrier reports are posted on the Board's website at <http://www.stb.dot.gov/stb/industry/econ_reports.html>.

17. Display of expiration date for OMB approval. No exception is sought. The control number and expiration date for this collection appear on the form.

18. Exceptions to Certification Statement. Not applicable

B. Collections of Information Employing Statistical Methods:

Not applicable