

**SUPPORTING STATEMENT – MODIFICATION OF  
QUARTERLY WAGE FORM A & B (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). Under 49 U.S.C. § 11145, the Board may require regulated carriers to submit financial and statistical data and reports that the Board needs to carry out its mission. For each reporting railroad, the annual and quarterly Wage Forms A & B, which are required to be filed by Class 1 (large) railroads pursuant to 49 U.S.C. § 11145 and 49 C.F.R. § 1245, show the numbers of employees, service hours, and compensation by employee group (executive, professional, maintenance-of-way, maintenance-of-equipment, transportation (train and engineer), and transportation (other than train and engineer)). This information is collected on the same form (Wage Form A & B) in two phases: the Quarterly Report of Railroad Employees and the Annual Report of Railroad Employees.

(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, Quarterly Wage Forms A & B would be filed 15 days, instead of 30 days, after the end of the quarter, and Annual Wage Forms A & B would be filed 30 days, instead of 45 days, after the end of the year (49 C.F.R. § 1245.2).<sup>1</sup> The proposed changes 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. 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. Reporting and information technology has changed since the existing deadlines for reporting were set, allowing data to be more easily compiled and prepared for reports. 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.

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<sup>1</sup> The form titles currently provided in 49 C.F.R. § 1245.2, “Form QRSC” and “Form ARSC” are outdated. We will update the form titles if the Board adopts final rules in this proceeding.

2. How the collection will be used. The Board uses Information from this form to forecast labor costs, to measure the efficiency of the reporting railroads, and to evaluate proposed regulated transactions under 49 U.S.C. §§ 10902-03 and 11326 that may impact rail employees: mergers; acquisitions of control; purchases; and abandonments. Other federal agencies and industry groups, including the Railroad Retirement Board, Bureau of Labor Statistics, and Association of American Railroads, depend on the information contained in these reports to monitor railroad operations.

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 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 agency collects the quarterly and annual reports primarily for public use. Collecting both the quarterly and annual reports provides more utility to those members of the public who are interested in specific quarterly data, as well as those who work only with annual data. Therefore, the utility of the data would be diminished if collected less frequently.

7. Special circumstances. No special circumstances 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.

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: quarterly and annually

(3) Annual hour burden per respondent: Based on information provided by the railroad industry, we estimate a per-respondent-railroad burden of not more than 160 hours, which includes the time needed to gather the information, edit, review, complete, and submit the quarterly and annual report. It is estimated that each of the eight railroad respondents requires no more than 30 hours for each of the four quarterly reports and no more than 40 hours for the annual report. The total annual burden hours on the industry is estimated to be not more than 1280 hours. 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. 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 three hours (GS 11/1 at \$38.93 per hour, including benefits) annually to compile; 1.5 hours (GS 13/1 at \$55.49 per hour, including benefits) to review (QA) the compilation; and one hour (Expert/Consultant at \$68.37 per hour, including benefits) to post this report (Wage Statistics of Class I Railroads) on our website; resulting in a total annual cost of \$268.

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 reports are submitted in the form of Excel spreadsheets and are posted on the Board's website at [http://www.stb.dot.gov/stb/industry/econ\\_reports.html](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