

SUPPORTING STATEMENT – Recordation of Liens

**A. Justification:**

1. Why the collection is necessary. Under 49 U.S.C. § 11301 and 49 C.F.R. § 1177, persons with a property interest in water carrier vessels, railroad cars, locomotives, or other rolling stock, or accessories used on such railroad cars, locomotives, or other rolling stock (including superstructures and racks) intended for the use of interstate transportation, may file with the Board for recordation the lien instrument (such as a mortgage, lease, equipment trust agreement, conditional sales agreement) that evidences their property interest. Recording such documents at the Surface Transportation Board (STB or Board) protects the property interest created by the agreement against subsequent claims on the property. Supplements including a release, discharge, or satisfaction of any part of security interest must also be filed with the Board to protect those interests. Recordation at the STB obviates the need for recording such a lien in individual States. 49 U.S.C. § 11301(e). (However, a lien recorded in another country by a company domiciled in that country is accorded equal recognition under 49 U.S.C. § 11301(d).)

2. How the collection will be used. Information in this collection is used by parties holding liens on such property to perfect their property interest. The Board records the document, along with the date and hour that the document was filed, and assigns an official number to the document. The Board provides a service by registering legal documentation of ownership of property (rail cars, rail equipment, water carrier vessels, etc.) and the documentation is secured where it cannot be lost or altered fraudulently.

The Board also maintains an index in alphabetical order by the party's name and also by number so that the public may search the index to help determine whether there is a lien on specific rail equipment and water carrier vessels. This information is searchable via the Board's E-Library.

3. Extent of automated information collection. This collection may be filed electronically by use of the E-filing option on the Board's website, and approximately 30% of respondents do so.

4. Identification of duplication. The Board is required by statute to administer this collection. No other Federal agency collects the information reported in this collection.

5. Effects on small business. This collection reduces the burden on any small business

that holds a lien on the relevant property because recording a lien at the STB obviates the need to record such a lien in individual States and navigate their often disparate requirements. 49 U.S.C. § 11301(e).

6. Impact of less frequent collections. Unless modified, the lien need only be recorded once. Failure to record a lien at the STB may result in an unperfected property interest in the relevant property.

7. Special circumstances. No special circumstances apply to this collection.

8. Compliance with 5 C.F.R. § 1320.8. As required, the Board published a notice providing a 60-day comment period regarding this collection. See 77 Fed. Reg. 64376 (10/19/12). No comments were received. A 30-day notice was published concurrently with this submission to Office of Management and Budget (OMB). See 78 Fed. Reg. 18675 (3/27/13).

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: An annual average of 2125 recordations was filed during the last three years by 50 respondents.

(2) Frequency of response: On occasion. (Each respondents files an average of 43 liens or modifications to liens per year.)

(3) Annual hour burden per respondent and total for all respondents: The information filed consists of an existing document, which may be filed electronically. Based on informal feedback recently provided by a small sampling (less than five) of respondents, it is estimated that it takes 35 minutes to file a lien with the Board. The resulting total hourly burden for this collection is estimated at 1,240 hours (estimated 35 minutes per response X 2125 responses).

13. Other costs to respondents: There are no non-hour costs associated with this collection. This collection may be filed electronically.

14. Estimated costs to the Board: \$87,125 (based on \$41 (20 minutes to 1 hour at GS 8) X 2125 (average number of tariffs filed per year during last 3 years)).

15. Changes in burden hours. This is an existing collection without a control number. This collection predates the creation of the STB. Water Carrier Recordation No. 1 was submitted to the STB's predecessor agency, the Interstate Commerce Commission, on February 17, 1969. The first recordation of a lien on rail equipment was authorized in 1952.

16. Plans for tabulation and publication: This information is posted on the Board's website.

17. Display of expiration date for OMB approval. No form is used for this collection. The instructions for filing a recordation can be found on the Board's website and in the Code of Federal Regulations at 49 C.F.R. §§ 1177.1-1177.5. Once the collection is approved, the Board will display the control number and expiration date of the collection by publishing a special notice in the Federal Register stating the control number and expiration date of the collection as provided in 5 C.F.R. § 1320.3(f)(3).

18. Exceptions to Certification Statement. Not applicable

**B. Collections of Information Employing Statistical Methods:**

Not applicable