**Supporting Statement for a Request for OMB Review under**

**the Paperwork Reduction Act**

**1. IDENTIFICATION OF THE INFORMATION COLLECTION**

**l(a) Title of the Information Collection**

**TITLE: Formaldehyde Emissions From Composite Wood Products, Third-party Certification Framework, Recordkeeping and Reporting – Proposed Rule (RIN 2070-AJ44)**

**EPA ICR No.: 2441.01 OMB Control No: 2070-[NEW]**

**1(b) Short Characterization**

The Formaldehyde Standards for Composite Wood Products Act, which established Title VI of the Toxic Substances Control Act (TSCA), set forth formaldehyde emission standards for hardwood plywood, particleboard and medium-density fiberboard and directs EPA to promulgate implementing regulations by January 2013. TSCA Title VI includes a provision directing EPA to promulgate implementing regulations related to a third-party certification system for composite wood panels. This consolidated ICR covers the recordkeeping and reporting requirements for accreditation bodies and third-party certifiers that wish to participate in this third-party certification program. It is a rule-related ICR for the Notice of Proposed Rulemaking entitled “Third-Party Certification Framework for the Formaldehyde Standards for Composite Wood Products Rule.” Additional information collection requests, such as those related to disclosure requirements for panel producers and product labeling requirements, will be covered later in a separate ICR.

Some examples of proposed reporting and third-party reporting requirements include:

* Product accreditation bodies that wish to participate in the program must submit an application to become recognized by EPA.
* Laboratory accreditation bodies that wish to participate in the program must submit an application to become recognized by EPA.
* Third-party certifiers that wish to participate in the program must submit an application for accreditation to a recognized product accreditation body and a recognized laboratory accreditation body.
* Recognized product accreditation bodies must submit an annual report to EPA on their accreditation activities.
* Recognized laboratories accreditation bodies must submit an annual report to EPA on their accreditation activities.
* TSCA Title VI accredited third-party certifiers must submit an annual report to their accreditation body or bodies (product accreditation body and laboratory accreditation body, if not the same entity) and to EPA on their TSCA Title VI accreditation activities.

Examples of proposed recordkeeping requirements would include:

* Recognized accreditation bodies must retain checklists and other records documenting compliance with the requirements for systems audits and on-site assessments of third-party certifiers for 3 years.
* A TSCA Title VI accredited third-party certifier must retain a list of panel producers and their respective product types, including resins used, that it has certified.
* A TSCA Title VI accredited third-party certifier must retain records on the results of inspections, audits, and emission tests conducted for and linked to each panel producer and product type.
* A TSCA Title VI accredited third-party certifier must retain a list of laboratories that they use, test methods, including test conditions and conditioning time and test results.
* A TSCA Title VI accredited third-party certifier must retain records on the methods and results for establishing test method correlations and equivalence.

The information collected under this ICR would be used by EPA’s Regional Administrators, the Office of Enforcement and Compliance Assurance (OECA), and/or the Office of Chemical Safety and Pollution Prevention (OCSPP), as appropriate. Some of the information would also be made available to the public via the internet. Confidential business information (CBI) submitted to EPA will be maintained by the Agency pursuant to TSCA § 14 and 40 CFR Part 2.

**2. NEED FOR AND USE OF THE COLLECTION**

**2(a) Need/Authority for the Collection**

The reporting and recordkeeping requirements of this consolidated ICR are implemented under the authority of TSCA Title VI. TSCA Title VI directs EPA to promulgate regulations, including provisions relating to “third-party testing and certification” in “a manner that ensures compliance with the emission standards.” To meet its statutory obligations, EPA must obtain sufficient information to establish and oversee a credible third-party certification program for composite wood products. This information will help EPA ensure that all program participants are carrying out their responsibilities diligently, impartially, and uniformly. The proposed regulations aim to ensure consistent application of the requirements of TSCA Title VI by using voluntary consensus standards as requirements, and by leveraging the expertise of international accreditation bodies.

High quality third-party certifiers are essential in ensuring that domestic and foreign composite wood panel producers supplying products to the U.S. have adequate quality assurance and quality control procedures, are adequately testing their products to determine that they are compliant, and are otherwise acting in manner that is consistent with the requirements of TSCA Title VI. The reporting and record maintenance requirements in this ICR would help ensure that all program participants remain qualified and are held accountable for their activities, and would allow panel producers to obtain credible TSCA Title VI certifications for their regulated composite wood products.

**2(b) Use of the Data**

EPA would use the information collected to evaluate the credentials of entities that wish to participate in the program, oversee compliance with the program requirements, monitor issues as they arise, and inform interested parties where they can obtain EPA-recognized TSCA Title VI accreditation and certification services.

**3. NON-DUPLICATION, CONSULTATIONS, AND OTHER COLLECTION CRITERIA**

**3(a) Non-Duplication**

TSCA Title VI assigns the responsibility for promulgating regulations that ensure compliance with the statutorily established emission standards for formaldehyde from composite wood products to the EPA Administrator. The information collection requirements addressed in this ICR are not duplicative of any other Federal requirement. No other Federal agency requires respondents to report or maintain information on their accreditation or certification activities related to formaldehyde emissions from composite wood products.

EPA based the framework for this program on other Federal and State third-party certification systems. However, because the third-party certification framework is necessarily tailored to the unique TSCA Title VI requirements, these records and reports are the sole source of information for EPA to rely on in order to determine the number of program participants, evaluate their credentials, monitor their compliance with the program, determine the number of panel producers receiving certification services, and evaluate a panel producer’s compliance history.

**3(b) Public Notice Required Prior to ICR Submission to OMB**

This ICR will be made available to the public for comment through a Federal Register notice. The public will have 60 days to provide comments. Any comments received will be given consideration when completing the supporting statement that is submitted to OMB.

**3(c) Consultations**

On numerous occasions during the course of developing the proposed regulation, the Agency has consulted with the regulated community and the public. These consultations have been held directly with industry officials and, on an ongoing basis, with owners and operators of regulated facilities. EPA has also consulted with the California Air Resources Board (CARB), which operates a similar third-party certification program for formaldehyde standards for composite wood products that are sold, supplied, or offered for sale in the State of California.

Since EPA began its regulatory investigation into formaldehyde emissions from pressed wood products with an Advanced Notice of Proposed Rulemaking (ANPR) published in 2008, EPA has met on numerous occasions with the composite wood panel and related industries. These meetings have been in the form of presentations at trade shows and industry association conferences, and meetings with the Composite Panel Association (CPA), the Hardwood Plywood and Veneer Association (HPVA), the Kitchen Cabinet Manufacturing Association (KCMA), the American Home Furnishings Alliance (AHFA), the Business and Institutional Furniture Manufacturer’s Association (BIFMA), and individual companies. EPA staff have, at the invitation of potentially regulated manufactures, conducted factory tours and site visits.

EPA convened a Small Business Advocacy Review Panel and hosted two panel outreach meetings with small entity representatives (SERs). Prior to each meeting, EPA distributed outreach materials to the SERs, and after each meeting the SERs were asked to provide written feedback on how EPA might reduce regulatory burden on small entities. The Panel received written comments from the SERs in response to the discussions at the meetings and the outreach materials. The Panel summarized written and oral comments from the SERs and developed Panel recommendations in its Panel Report. (*See* Panel Report of the Small Business Advocacy Review Panel on EPA’s Planned Proposed Rule Implementing the Formaldehyde Standards for Composite Wood Products Act (TSCA Title VI), April 4, 2011).

EPA intends to carry out further consultations and outreach with potentially regulated entities concurrent with the public comment period. These comments will be used to update the Supporting Statement as needed.

**3(d) Effects of Less Frequent Collection**

EPA has judged that the reporting and recordkeeping requirements of the ICR are the minimum amount necessary to fulfill its statutory mandate to promulgate regulations on a third-party certification program that ensure compliance with the emission standards. Although the third-party certification program is critical to the implementation of TSCA Title VI, EPA cannot delegate its statutory duty to ensure compliance with TSCA Title VI to third-party certifiers. Likewise it cannot delegate its oversight duties to accreditation bodies. The reports and records in this ICR would allow EPA carry out its statutorily delegated roles in program design, enforcement, and oversight. EPA believes that requiring applications, annual reports, and certain one-time notifications from the accreditation bodies and third-party certifiers that wish to be recognized or accredited as program participants would allow EPA to effectively monitor the program. Annual reports and notifications that are triggered by specific occurrences will allow EPA to ensure compliance with the emission standards, as required by the statute. EPA believes that less frequent reporting and failure to require notice of significant events (e.g., a third-party certifier losing its accreditation) could result in uncertified and noncompliant products being distributed in commerce.

**3(e) General Guidelines**

This information collection complies with the guidelines at 5 CFR 1320.5(d)(2). The exceptions to OMB’s Paperwork Reduction Act Guidelines, and the explanation of why such characteristics are needed to fulfill the statutory requirements, are described below:

There are a number of provisions that would require reporting within a certain number of days of an occurrence of a specific event. For example, notice that an accredited third-party certifier has failed to comply with any provision of this section must be provided to EPA within 24 hours of the time the failure is identified. These reporting requirements are not triggered by the calendar (i.e., they are not required quarterly or at more frequent intervals). Therefore, the Agency does not believe that these provisions need special justification. Moreover, EPA believes that unless these notifications are provided within the intervals prescribed in the proposed rule, a change in circumstances could result in uncertified products being distributed in commerce, in violation of the statute.

**3(f) Confidentiality**

EPA handles claims of confidentiality pursuant to established CBI procedures, as found at Section 14 of TSCA and 40 CFR Part 2, and the Agency’s TSCA CBI Manual. CBI is also protected under the Freedom of Information Act (5 USC Section 525).

Most of the information requested in the reporting requirements of these collections is not of a confidential nature.

**3(g) Sensitive Questions**

EPA asks no questions of a sensitive nature.

**4. THE RESPONDENTS AND THE INFORMATION REQUESTED**

**4(a) Respondents/NAICS Codes**

The primary respondents would be accrediting bodies and third-party certifiers that wish to participate in the TSCA Title VI third-party certification program.

Third-party certifiers are independent entities that review products, processes or services to verify that a set of norms, criteria, claims, practices or standards are being met. In this case the set of standards would be set by EPA in the proposed TSCA Title VI implementing regulations and would require conformity with specified voluntary consensus standards.

An accreditation body is an organization that provides an impartial verification of the competency of conformity assessment bodies such as third-party certifiers. Accreditation bodies are themselves evaluated by their own international oversight bodies to ensure their compliance with voluntary consensus standards.

The following NAICS codes are relevant:

* Engineering services (NAICS code 541330).
* Testing laboratories (NAICS code 541380).
* Administrative management and general management consulting services (NAICS code 541611).
* All other professional, scientific, and technical services (NAICS code 541990).
* All other support services (NAICS code 561990).
* Business associations (NAICS code 813910).
* Professional organizations (NAICS code 813920).

**4(b) Information Requested**

**(i) Data Items**

The information collection requirements are triggered when an entity desires to participate in the program either as an accrediting body or a third-party certifier. Entities that wish to participate in the program and offer services related to TSCA Title VI accreditation or certification must submit an application. Accreditation bodies would apply to be recognized through a recognition agreement with EPA. Third-party certifiers would then apply to an EPA-recognized accreditation body to become TSCA Title VI accredited.

Once an accreditation body is recognized or a third-party certifier is TSCA Title VI accredited, that entity then becomes subject to other reporting, notification, and record keeping requirements. If an entity were to leave the program, the reporting and notification requirements would cease, and the record keeping requirements would lapse at the end of the record retention period.

The proposed recordkeeping requirements and reporting requirements include:

**(A) Notifications/Reports**. Respondents are required to submit information to EPA to accomplish the following reporting tasks:

* Product accreditation bodies that wish to participate in the program must submit an application to become recognized by EPA via a recognition agreement. The application must include: 1) The name, address, telephone number, and email address of a primary contact; 2) Documentation of its International Accreditation Forum Inc., Multilateral Recognition Arrangement signatory status, or equivalent; 3) If not a domestic entity, the name and address of an agent for service located in the United States; and 4) A description of any other qualifications related to its experience in performing product accreditation of conformity assessment bodies or third-party certifiers. Qualifications required for applicants include ongoing conformance with International Organization for Standardization and International Electrotechnical Commission (ISO/IEC) 17011 (including associated recordkeeping and reporting requirements) and demonstrating basic competence to perform accreditation activities for product certification according to ISO/IEC Guide 65.

* Laboratory accreditation bodies that wish to participate in the program must submit an application to become recognized by EPA via a recognition agreement. The application would include: 1) The name, address, telephone number, and email address of primary contact; 2) Documentation of International Laboratory Accreditation Cooperation Mutual Recognition Arrangement signatory status, or equivalent; 3) If not a domestic entity, the name and address of an agent for service located in the United States; and 4) a description of any other qualifications related to the laboratory accreditation body’s experience in performing laboratory accreditation and inspection certification of conformity assessment bodies or third-party certifiers. Qualifications required for applicants include ongoing conformance with ISO/IEC 17011 (including associated record keeping and reporting requirements) and a demonstration of basic competence to perform accreditation activities for laboratory accreditation according to ISO/IEC 17025.
* Recognized product accreditation bodies would be required to submit an annual report to EPA on their accreditation activities. This report would include the number and locations of systems audits and on-site assessments performed, and the results of accredited third-party certifier laboratory proficiency testing or inter-laboratory comparisons.
* Recognized laboratory accreditation bodies would be required to submit an annual report to EPA on their accreditation activities. This report would include the number and locations of systems audits and on-site assessments performed, and the results of accredited third-party certifier laboratory proficiency testing or inter-laboratory comparisons.
* Recognized product accreditation bodies would be required to forward copies of third-party certifiers’ applications to EPA at the address identified in the recognition agreement within 90 days of the date of receipt.
* Recognized product accreditation bodies would be required to submit notice if it loses its status as a signatory to the International Accreditation Forum Inc. Multilateral Recognition Arrangement (or membership in an equivalent organization) within 5 business days of the date that the body receives notice of the loss of its signatory status.
* Recognized laboratory accreditation bodies would be required to submit notice if it loses its status as a signatory to the International Laboratory Accreditation Cooperation Mutual Recognition Arrangement (or membership in an equivalent organization) within 5 business days of the date that the body receives notice of the loss of its signatory status.
* Recognized accreditation bodies would be required to submit notice when it accredits a third-party certifier within 5 business days of the date that the certifier is TSCA Title VI accredited.
* Recognized accreditation bodies would be required to submit notice that an accredited third-party certifier has failed to comply with any provision of the regulation within 24 hours of the time the accreditation body identifies the failure.
* A recognized accreditation body would be required to submit notice when it suspends or revokes a third-party certifier’s accreditation within 24 hours of the time that the suspension or revocation takes effect.
* A recognized accreditation body would be required to submit notice of a decision to make changes in its organizational policies or management structure that could adversely affect the third-party certifier accreditation program within 30 days of the decision to make the changes.
* Recognized accreditation bodies would be required to provide checklists and other records documenting compliance with the requirements for systems audits and on-site assessments of third-party certifiers to EPA within 30 days of request. The records must be retained for 3 years.

* TSCA Title VI accredited third-party certifiers would be required to supply the following records to EPA within 30 days of request: 1) A list of panel producers that it has certified and their respective product types, including resins used; 2) The results of inspections, audits, and emission tests conducted for and linked to each panel producer and product type; 3) A list of laboratories it uses, test methods, including test conditions and conditioning time and test results; and 4) The methods and results for establishing test method correlations and equivalence. These records must be maintained for 3 years.
* If a third-party certifier approves an application for reduced testing, it must notify and forward copies of the application for reduced testing to EPA within 30 days.

**(B) Third-Party Reports**. Respondents are required to submit information to entities other than EPA as follows:

* Recognized product accreditation bodies would be required to provide a unique tracking number (i.e., third-party certified number) to every third-party-certifier it accredits.
* Recognized laboratory accreditation bodies would be required, within 15 days of a request by a third-party certifier or their EPA-recognized product accreditation body, to forward copies of a third-party certifier’s laboratory application and accreditation documentation to the applicable EPA-recognized product accreditation body (if the laboratory accreditation body is not also recognized as a product accreditation body) at the address identified by the third-party certifier.
* Third-party certifiers that wish to participate in the program must submit an application for accreditation to a recognized laboratory accreditation body and then to a recognized product accreditation body. The product accreditation body and laboratory accreditation body may, in some cases, be the same entity. In such cases, the applications can be made concurrently. The application to the product accreditation would be required to include: 1) The name, address, telephone number, and email address of primary contact; 2) If not a domestic entity, the name and address of an agent for service located in the United States; 3) The type of composite wood products that the applicant intends to certify if accredited; and 4) A description of the third-party certifier’s qualifications including experience or ability in product certification and complying with ISO/IEC Guide 65 (including associated record keeping requirements); experience in the composite wood product industry with the specific product(s) the applicant intends to certify, and ability to inspect and properly train and supervise inspectors pursuant to ISO/IEC 17020 (including associated record keeping requirements). The application to the laboratory accreditation would be required to include: 1) The name, address, telephone number, and email address of primary contact; 2) If not a domestic entity, the name and address of an agent for service located in the United States; 3) A description of the third-party certifier laboratory’s qualifications (including contract laboratories), including experience in performing or verifying formaldehyde testing on composite wood products, experience complying with ISO/IEC 17025 (including associated record keeping requirements), and experience with test method ASTM E-1333-96 (2002) and experience evaluating correlation between test methods.
* TSCA Title VI accredited third-party certifiers must provide their third-party certifier numbers to any panel producers receiving their TSCA Title VI certification services.
* TSCA Title VI accredited third-party certifiers must submit an annual report to their accreditation body or bodies (product accreditation body and laboratory accreditation body, if not the same entity) and to EPA on their TSCA Title VI accreditation activities. The report would include: 1) A list of panel producers that the certifier has certified during the previous year and their products, including resins used and the average and range of formaldehyde emissions by panel producer, resin, and product type; 2) A list of any noncomplying products or events by a panel producer; 3) A list of laboratories and test methods used by the certifier; and 4) the results of inter-laboratory comparison or proficiency testing for the laboratories used by the certifier.
* TSCA Title VI accredited third-party certifiers would be required to inform their accreditation body or bodies (product accreditation body and laboratory accreditation body, if not the same entity) within 30 days of any changes in personnel qualifications, procedures, or laboratories used by the certifier.
* Should a TSCA Title VI accredited third-party certifier withdraw from the program or lose its accreditation, it would be required to notify all panel producers that receive its TSCA Title VI accreditation services within 3 business days.
* Should a recognized accreditation body be removed or withdraw from the program it must notify all third-party certifiers that receive its accreditation services within 5 business days.
* Third-party certifiers that receive applications from panel producers for reduced testing must act on those applications within 90 days.

**(C) Records**. Respondents are required to maintain records as follows:

* Recognized accreditation bodies must retain checklists and other records documenting compliance with the requirements for systems audits and on-site assessments of third-party certifiers for 3 years.
* A TSCA Title VI accredited third-party certifier must retain a list of panel producers that it has certified and their respective product types, including resins used, for 3 years.
* TSCA Title VI accredited third-party certifiers must retain records on the results of inspections, audits, and emission tests conducted for and linked to each panel producer and product type for 3 years.

* A TSCA Title VI accredited third-party certifier must retain a list of laboratories that it uses, test methods, including test conditions and conditioning time and test results for 3 years.
* TSCA Title VI accredited third-party certifiers must retain records on the methods and results for establishing test method correlations and equivalence for 3 years.

**(ii) Respondent Activities**

Typical respondents include accreditation bodies and third-party certifiers that wish to offer TSCA Title VI accreditation or certification services. All respondents would need to read the rule and determine which provisions would be applicable to their operations; plan and modify their procedures to come into compliance with the rule; provide training to appropriate staff; process, compile, and review information for accuracy and appropriateness; and record, disclose, and/or report the required information.

**5. THE INFORMATION COLLECTION — AGENCY ACTIVITIES, COLLECTION METHODOLOGY, AND INFORMATION MANAGEMENT**

**5(a) Agency Activities**

EPA resources would be devoted to reviewing and analyzing data submissions, compiling and recording data, maintaining files of submitted data, auditing and inspecting facilities, producing audit and inspection reports, responding to public inquiries, providing regulatory interpretations and developing rulemakings. EPA plans to publish certain information on the internet, including a list of accredited third-party certifiers and recognized accreditation bodies. EPA plans to continue/expand its review of the use of the Internet to facilitate the transfer of information from EPA to the public. More specific Agency activities are as follows:

* Receive and evaluate applications from accreditation bodies that wish to participate in the program.
* Develop and enter into recognition agreements with qualified accreditation bodies.
* Supply a point of contact for each recognition agreement for accreditation bodies to consult with on implementation of the recognition agreement.
* Maintain a current and publically available list of recognized accreditation bodies and accredited third-party certifiers.
* Evaluate the annual reports from recognized accreditation bodies and TSCA Title VI accredited third-party certifiers.
* Evaluate all notices received from accreditation bodies and third-party certifiers to determine whether further agency action is warranted.

**5(b) Collection Methodology and Management**

The current proposal does not provide a required format for reports and notices. However, EPA is considering an electronic reporting requirement. If EPA finalizes a mandatory electronic reporting requirement all reports and notices covered by this action would be required to be submitted via that internet through EPA’s Central Data Exchange (CDX). The required use of CDX for submission of TSCA Title VI notices and reports would be consistent with the Government Paperwork Elimination Act (GPEA, Pub. L. 105-277), which requires that, when practicable, federal organizations use electronic forms, electronic filings, and electronic signatures to conduct official business with the public. EPA’s Cross-Media Electronic Reporting Regulation (CROMERR) (October 13, 2005; 70 FR 59848; FRL-7977-1) provides that any requirement in Title 40 of the Code of Federal Regulations to submit a report directly to EPA can be satisfied with an electronic submission that meets certain conditions once the Agency publishes a notice that electronic document submission is available for that requirement.

To register in CDX, the CDX registrant (also referred to as “Electronic Signature Holder” or “Public/Private Key Holder”) would download two forms: the Electronic Signature Agreement and the Verification of Company Authorizing Official form. Registration enables CDX to perform two important functions: authentication of identity and verification of authorization. Within the “Electronic Signature Agreement” form, the Authorized Official (AO) would agree to certain CDX security conditions. On the “Verification of Company Authorizing Official” form, the AO would designate himself/herself as the AO and attest to the completeness and accuracy of the submitted information. When these forms are received, EPA would activate the submitter's registration in CDX and sends him or her an e-mail notification.

Most of the information requested in the reporting requirements of these collections is not of a confidential nature. Nonetheless, the any electronic reporting application would be designed to support TSCA Confidential Business Information needs by providing a secure environment that meets Federal standards. Users would be able to claim CBI for appropriate data fields. The electronic reporting application would use Transportation Layer Security (TLS) with 256-bit digital encryption, and the data would be encrypted at rest using a key that only a user knows. All data would remain encrypted until it is behind several EPA firewalls and within the EPA CBI LAN, and all encryption modules would be Federal Information Processing Standard (FIPS) 140-2 compliant. Also, users would be required to have valid CDX credentials (user name and password combination) to access the application, and they would be required to know the answers to the 20-5-1 series of questions associated with a CDX account in order to submit data to the EPA.

While EPA is not currently proposing an electronic reporting requirement, EPA believes the adoption of electronic communications may reduce the reporting burden on industry by reducing both the cost and the time required to review, edit and transmit data to the Agency. All information sent via CDX would be transmitted securely to protect CBI. Furthermore, if anything in the submission has been claimed CBI, a sanitized copy of the notice must be provided by the submitter. With electronic reporting, this could be done automatically during the submission process, eliminating the need for the submitter to do this manually. Electronic reporting would also allow submitters to share a draft notice within their company during the creation of a notice and to save a copy of the final file for future use. Appendix B provides mock ups illustrating a potential electronic reporting system for TSCA Title VI submissions.

The Agency would also benefit from receiving electronic submissions. Data systems would be populated electronically, as oppose to manual data entry, reducing the potential for human error that exists when data are entered by hand. Agency personnel would also be able to communicate more efficiently with submitters electronically, compared to using mail.

**5(c) Small Entity Flexibility**

Small businesses are not exempt from the requirements of TSCA Title VI. The information collections would apply to all entities that wish to participate in the TSCA Title VI third-party certification program, regardless of size. EPA has elected to require equal disclosure by all participating accreditation bodies and third-party certifiers because the third-party certification program is essential to ensuring compliance with the highly technical requirements of TSCA Title VI.

**5(d) Collection Schedule**

Most of the reporting activities are triggered by specific events or on an as needed basis rather than by specific dates, as shown on Table 5-1.

| **Table 5-1: Collection Requirements and Schedule** | | |
| --- | --- | --- |
| **Ref. #** | **Collection Requirement** | **Collection Schedule** |
| 1 | Application to EPA from a product accreditation body | When product accreditation body wishes to participate in the program and every 3 years thereafter for as long as it wishes to continue to participate |
| 2 | Application to EPA from a laboratory accreditation body | When laboratory accreditation body wishes to participate in the program and every 3 years thereafter for as long as it wishes to continue to participate |
| 3 | Annual report to EPA from a product accreditation body | Annually, on the month its recognition agreement was signed |
| 4 | Annual report to EPA from a laboratory accreditation body | Annually, on the month its recognition agreement was signed |
| 5 | Copies of third-party certifiers’ applications forwarded from a recognized product accreditation body to EPA | Within 90 days of receipt of those applications |
| 6 | A recognized product accreditation bodies must submit notice if it loses its status as a signatory to the International Accreditation Forum Inc., Multilateral Recognition Arrangement (or membership in an equivalent organization) | Within 5 business days of being informed of loss of status |
| 7 | A recognized laboratory accreditation bodies must submit notice if it loses its status as a signatory to the International Laboratory Accreditation Cooperation Mutual Recognition Arrangement (or membership in an equivalent organization) | Within 5 business days of being informed of loss of status |
| 8 | A recognized accreditation body must submit notice when it accredits a third-party certifier | Within 5 business days of the date that the certifier is accredited |
| 9 | A recognized accreditation body must submit notice that a TSCA Title VI accredited third-party certifier has failed to comply with any provision of the regulation | Within 24 hours of the time the accreditation body identifies the failure |
| 10 | A recognized accreditation body must submit notice when it suspends or revokes a third-party certifier’s accreditation | Within 24 hours of the time that the suspension or revocation takes effect |
| 11 | A recognized accreditation body must submit notice of a decision to make changes in its organizational policies or management structure that could adversely affect the third-party certifier accreditation program | Within 30 days of the decision to make the changes |
| 12 | A recognized accreditation body must provide checklists and other records documenting compliance with the requirements for systems audits and on-site assessments of third-party certifiers to EPA | Within 30 days of a request by EPA |
| 13 | A recognized product accreditation body must provide a unique tracking number to every third-party-certifier it accredits | At the time the third-party certifier receives its accreditation |
| 14 | An accredited third-party certifier must supply the following records to EPA: 1) A list of panel producers and their respective product types, including resins used, that it has certified; 2) The results of inspections, audits, and emission tests conducted for and linked to each panel producer and product type; 3) A list of laboratories it uses, test methods, including test conditions and conditioning time and test results; and 4) The methods and results for establishing test method correlations and equivalence | Within 30 days of request by EPA |
| 15 | A recognized laboratory accreditation body must forward copies of a third-party certifier’s laboratory application and accreditation documentation to the applicable EPA-recognized product accreditation body (if the product accreditation body is not also recognized as a laboratory accreditation body ) at the address identified by the third-party certifier | Within 15 days of a request by a third-party certifier or its EPA-recognized product accreditation body |
| 16 | A third-party certifier that wishes to participate in the program must submit an application for accreditation to a recognized laboratory accreditation body and then to a recognized product accreditation body | When it desires to become accredited to perform TSCA Title VI certification services, and every three years thereafter for as long as it desires to continue providing TSCA Title VI certification services |
| 17 | A TSCA Title VI accredited third-party certifier would be required to provide its third-party certifier number to any panel producer receiving its TSCA Title VI certification services | When a panel producer begins receiving its services |
| 18 | A TSCA Title VI accredited third-party certifier must submit an annual report to its accreditation body or bodies (product accreditation body and laboratory accreditation body, if not the same entity) and to EPA on its TSCA Title VI certification activities | Annual, on anniversary of accreditation |
| 19 | A TSCA Title VI accredited third-party certifier must inform its accreditation body or bodies (product accreditation body and laboratory accreditation body) of any changes in the personnel qualifications, procedures, or laboratories used by the certifier | Within 30 days |
| 20 | Should a TSCA Title VI accredited third-party certifier withdraw from the program or lose its accreditation, it would be required to notify all panel producers that receive its TSCA Title VI accreditation services | Within 3 business days |
| 21 | Should a recognized accreditation body be removed or withdraw from the program it must notify all third-party certifiers that receive its accreditation services | Within 5 business days |
| 22 | Notify EPA of approval of an application for reduced testing forward copies of all approved applications for reduced testing to EPA | Notification with 5 days of approval,  Forward copy of application within 30 days of receipt |
| 23 | Third-party certifiers must act on applications for reduced testing | Within 90 days of receipt of a complete application |

**6. ESTIMATING BURDEN AND COST OF THE COLLECTION**

This section estimates the incremental burden of the recordkeeping and reporting requirements for accreditation bodies (ABs) and third-party certifiers (TPCs) that wish to participate in the TSCA Title VI third-party certification program for composite wood products.

The current proposal does not provide a required format for reports and notices, so the estimates in this section assume that reporting is done on paper. Since EPA is considering an electronic reporting requirement, Appendix A describes the incremental changes in burden and cost if EPA finalizes a mandatory electronic reporting requirement.

**6(a) Estimating Respondent Burden**

This ICR presents the estimated annual burden and associated annual costs for the following information collection components of the third party certification framework:

* **Accreditation Bodies:**
  + **Rule Familiarization:** Reading the rule in order to understand the requirements;
  + **Application Submission:** Submitting an application to enter into a recognition agreement with EPA;
  + **Prepare a Recognition Agreement:** If the application is approved, enter into a recognition agreement with EPA;
  + **EPA Notification:** Provide EPA with notifications in the following instances: loss of signatory status; TPC application; TPC accreditation; TPC compliance failure; organization policy or management structure changes that could adversely affect accreditation program; and provide checklists and other records documenting compliance with systems audits and on-site assessments;
  + **TPC Notification:** Provide TPCs with notifications if they withdraw or are removed from the program;
  + **Recordkeeping:** Maintain records documenting TPC accreditation applications, and checklists and other records documenting compliance with systems audits and on-site assessments. Applications must be retained for 3 years from the date they were submitted; and
  + **Reporting:** Provide an annual report to EPA with the number of TPC applications received; the number of TPCs approved and denied; the names and contact information of all accredited TPCs; the number and locations of systems audits and on-site assessments; and the results of accredited TPC proficiency testing and inter-laboratory comparisons.
* **Third Party Certifiers:** 
  + **Rule Familiarization:** Reading the rule in order to understand the requirements;
  + **Application Submission:** submitting an application to the accrediting body;
  + **Obtain Accreditation:** initially obtain accreditation (i.e., to demonstrate compliance with the relevant ISO/IEC standards and test method ASTM E-1333-96 and experience correlating between test methods);
  + **Manufacturer Notifications and Recordkeeping:** the annual cost of manufacturer notification and of maintaining records; and
  + **Accrediting Body Notifications and Reporting:** provide an annual report and other notifications to the accrediting body.

**(i) Number of Respondents**

The number of domestic accreditation bodies was estimated to be 8, the number of signatories to the International Accreditation Forum, Inc. (IAF) or the International Laboratory Accreditation Cooperation (ILAC). Of the 8 domestic accrediting bodies, 4 were determined to be small entities. The number of foreign accreditation bodies was estimated to be 17, the number of signatories for ISO Guide 65, ISO 17020, or ISO 17025 in countries with CARB-approved TPCs. Based on the small business determinations for domestic accrediting bodies, it is estimated that 9 of the foreign accrediting bodies are small entities.

As shown in , CARB has approved a total of 36 TPCs, 9 of which are located in the U.S. (although most U.S. TPCs provide services internationally). Of the 9 U.S. firms, 2 are classified as “small” based on the U.S. Small Business Administration’s size standards, 2 are classified as large, and the small business status could not be determined for the 5 remaining firms. Thus, it is estimated that half of all TPCs (both foreign and domestic) are small entities. It is assumed that there will be 9 domestic TPCs and 27 foreign TPCs in the TSCA Title VI program, the same as in the CARB program.

|  |  |
| --- | --- |
| Exhibit 6-1: Summary of CARB-Approved Third Party Certifiers | |
| Country Where TPC is Located | Number of TPCs |
| Australia | 1 |
| Austria | 1 |
| Belgium | 1 |
| China | 5 |
| Czech Republic | 1 |
| Denmark | 1 |
| France | 1 |
| Germany | 4 |
| Hong Kong | 3 |
| Indonesia | 1 |
| Italy | 3 |
| New Zealand | 1 |
| Poland | 1 |
| Spain | 1 |
| Sweden | 1 |
| Taiwan | 1 |
| United States | 9 |
| **Total** | **36** |
| *Source: California Air Resources Board. 2011. List of CARB Approved Third Party Certifiers.* | |

presents a summary of the number of respondents by size and type.

|  |  |  |
| --- | --- | --- |
| Exhibit 6-2: Summary of Respondents | | |
| Respondent Type | Total Number of Respondents | Total Number of Small Respondents |
| Domestic Accrediting Bodies | 8 | 4 |
| Foreign Accrediting Bodies | 17 | 9 |
| Domestic Third Party Certifiers | 9 | 5 |
| Foreign Third Party Certifiers | 27 | 14 |

**(ii) Burden Per Respondent**

and present the estimated per-activity recordkeeping and reporting burdens for accreditation bodies and third party certifiers, respectively. summarizes the total hour burden by type of firm. Exhibit 6-5 provides separate estimates for TPCs that are accredited for all three relevant ISO/IEC standards (Guide 65, 17020, and 17025) and for those that need to obtain an additional accreditation. The latter group will pay fees to an accreditation body, which are accounted for as costs in section 6(b)(ii), and described in more detail there. The recordkeeping and reporting requirements do not differ between TPCs that have all of their accreditations and those that do not, so the two groups have identical burdens in Exhibit 6-5. The two groups are listed separately here in order to carry them through the analysis consistently.

Exhibit A-1 and Exhibit A-2 in Appendix A present the incremental changes in burden if EPA finalizes a mandatory electronic reporting requirement.

| Exhibit 6-3: Recordkeeping and Reporting Burden for Accreditation Bodies, by Activity | | | | | |
| --- | --- | --- | --- | --- | --- |
| Activity1 | Per Activity Burden Hours | | | Number of Annual Activities  (d) | Total Burden (hours)  (e) = (d)\*{(a)+(b)+(c)} |
| Clerical  (a) | Technical  (b) | Managerial  (c) |
| 1. Rule Familiarization | 0.00 | 5.00 | 5.00 | 1.00 | 10.0000 |
| 2. Application Submission | | | | | |
| Company Information (Name, Address, Telephone Number, and Email Address of Primary Contact)2 | 0.00 | 0.04 | 0.02 | 1.00 | 0.0600 |
| Documentation of IAF MLA, ILAC MRA, or Equivalent Signatory Status2 | 0.00 | 0.04 | 0.02 | 1.00 | 0.0600 |
| Description of Any Other Qualifications Related to Experience in Performing Accreditation of Conformity Assessment Bodies or Third Party Certifiers3 | 0.00 | 0.83 | 0.51 | 1.00 | 1.3400 |
| 3. Recognition agreement4 | 1.00 | 1.00 | 4.00 | 1.00 | 6.0000 |
| 4. EPA Notification | | | | | |
| Loss of Status as a Signatory to the IAF MLA, ILAC MRA, or Equivalent Organization5 | 0.00 | 0.08 | 0.04 | 0.05 | 0.0060 |
| Third Party Certifier Applications5 | 0.00 | 0.08 | 0.04 | 3.00 | 0.3600 |
| Third Party Certifier Accreditation5 | 0.00 | 0.08 | 0.04 | 3.00 | 0.3600 |
| Third Party Certifier Compliance Failure5 | 0.00 | 0.08 | 0.04 | 0.33 | 0.0396 |
| Third Party Certifier Accreditation Suspension or Revocation (Product ABs) / Accredited Laboratory Compliance Failure (Laboratory ABs)5 | 0.00 | 0.08 | 0.04 | 0.33 | 0.0396 |
| Change to Organizational Policy or Management Structure that Could Adversely Affect Accreditation Program5 | 0.00 | 0.08 | 0.04 | 0.20 | 0.0240 |
| Checklists and Other Records Documenting Compliance with the Requirements for Systems Audits and On-site Assessment of Third Party Certifiers5 | 0.00 | 0.08 | 0.04 | 1.00 | 0.1200 |
| Change in Name or Address of Domestic Agent (*Foreign Entities Only*)5 | 0.00 | 0.08 | 0.04 | 0.50 | 0.0600 |
| 5. Third Party Certifier Notification | | | | | |
| Unique Tracking Number2 | 0.00 | 0.04 | 0.02 | 3.00 | 0.1800 |
| Withdraw from or be Removed from Program2 | 0.00 | 0.04 | 0.02 | 0.25 | 0.0150 |
| 6. Recordkeeping | | | | | |
| Accreditation Applications6 | 0.75 | 1.50 | 0.75 | 1.00 | 3.0000 |
| Checklists and Other Records Documenting Compliance with the Requirements for Systems Audits and On-site Assessment of Third Party Certifiers6 | 0.75 | 1.50 | 0.75 | 1.00 | 3.0000 |
| 7. Annual Report to EPA | | | | | |
| Number of Third Party Certifier Applications Received7 | 0.25 | 0.50 | 0.25 | 1.00 | 1.0000 |
| Number of Third Party Certifier Applications Approved and Denied7 | 0.25 | 0.50 | 0.25 | 1.00 | 1.0000 |
| The Names and Contact Information of All Accredited Third Party Certifiers7 | 0.25 | 0.50 | 0.25 | 1.00 | 1.0000 |
| Number and Locations of Systems Audits and On-site Assessments7 | 0.25 | 0.50 | 0.25 | 1.00 | 1.0000 |
| Results of Accredited Third Party Certifier Laboratory Proficiency Testing or Inter-laboratory Comparisons7 | 0.25 | 0.50 | 0.25 | 1.00 | 1.0000 |
| **Domestic Total in First Year** |  |  |  |  | **29.6042** |
| **Foreign Total in First Year** |  |  |  |  | **29.6642** |
| **Domestic Total in Non-Reapplication Year (Year 2)** |  |  |  |  | **12.1442** |
| **Foreign Total in Non-Reapplications Year (Year 2)** |  |  |  |  | **12.2042** |
| **Domestic Total in Reapplication Year (Year 3)** |  |  |  |  | **19.6042** |
| **Foreign Total in Reapplication Year (Year 3)** |  |  |  |  | **19.6642** |
| Notes: 1. Under the proposed rule, accreditation bodies are required to submit an application to renew their recognition agreement every 3 years. As a result, this analysis assumes that accreditation bodies incur application submission and recognition agreement preparation costs in the first year and subsequently every 3 years thereafter.  2. Based on the estimated burden associated with reporting "company information" (EPA 2011).  3. Based on the estimated burden associated with answering substantiation questions when making plant site confidentiality claims (EPA 2011). 4. Based on conversations with accreditation bodies. 5. Based on the estimated burden associated with reporting "company information" (EPA 2011). Values have been doubled based on best professional judgment. 6. Based on the estimated burden associated with "recordkeeping" (EPA 2011). The rule requires that records be kept for 3 years that show the production volume, plant site, and site-limited status of each reported substance. 7. Estimated as one-third of the burden associated with "recordkeeping" (EPA 2011). Estimate based on best professional judgment. *Source: U.S. Environmental Protection Agency. 2011. Supporting Statement for a Request for OMB Review under the Paperwork Reduction Act: the Final Rule Addendum to Partial Update of the TSCA Section 8(b) TSCA Inventory Data Base, Production and Site Reports.* | | | | | |

| Exhibit 6-4: Recordkeeping and Reporting Burden for Third Party Certifiers, by Activity | | | | | |
| --- | --- | --- | --- | --- | --- |
| Activity1 | Per Activity Burden Hours | | | Number of Annual Activities  (d) | Total Burden (hours)  (e) = (d)\*{(a)+(b)+(c)} |
| Clerical  (a) | Technical  (b) | Managerial  (c) |
| 1. Rule Familiarization | 0.00 | 5.00 | 5.00 | 1.00 | 10.00 |
| 2. Product Accreditation Body Application Submission | | | | | |
| Company Information (Name, Address, Telephone Number, and Email Address of Primary Contact) and Type of Composite Wood Products Applicant Intends to Certify2 | 0.00 | 0.04 | 0.02 | 1.00 | 0.06 |
| Description of TPC's Experience or Ability in Product Certification and Complying with ISO/IEC Guide 653 | 0.00 | 0.83 | 0.51 | 1.00 | 1.34 |
| Description of TPC's Experience in the Composite Wood Product Industry with the Product(s) Intended to be Certified3 | 0.00 | 0.83 | 0.51 | 1.00 | 1.34 |
| Description of TPC's Ability to Inspect and Properly Train and Supervise Inspectors Pursuant to ISO/IEC 170203 | 0.00 | 0.83 | 0.51 | 1.00 | 1.34 |
| 3. Laboratory Accreditation Body Application Submission | | | | | |
| Company Information (Name, Address, Telephone Number, and Email Address of Primary Contact; if foreign, name and address of an agent for service located in the U.S.)2 | 0.00 | 0.04 | 0.02 | 1.00 | 0.06 |
| Description of TPC's Experience in Performing or Verifying Formaldehyde Testing on Composite Wood Products3 | 0.00 | 0.83 | 0.51 | 1.00 | 1.34 |
| Description of TPC's Experience Operating or Using Laboratories that Comply with ISO/IEC 170253 | 0.00 | 0.83 | 0.51 | 1.00 | 1.34 |
| Description of TPC's Experience with Test Method ASTM E-1333-96 (2002) and Experience Evaluating Correlation between Test Methods3 | 0.00 | 0.83 | 0.51 | 1.00 | 1.34 |
| 4. Manufacturer Notification | | | | | |
| Third Party Certifier Number2 | 0.00 | 0.04 | 0.02 | 1.00 | 0.06 |
| Withdraw from Program or Lose Accreditation2 | 0.00 | 0.04 | 0.02 | 0.25 | 0.015 |
| 5. Recordkeeping | | | | | |
| List of Manufacturers and their Product Types (including Resins Used) Certified by TPC4 | 0.75 | 1.50 | 0.75 | 1.00 | 3.00 |
| Results of Inspections, Audits, and Emission Tests Conducted for Each Manufacturer and Product Type4 | 0.75 | 1.50 | 0.75 | 1.00 | 3.00 |
| List of the TPC's Laboratories, Test Methods (including Test Conditions and Conditioning Time), and Test Results4 | 0.75 | 1.50 | 0.75 | 1.00 | 3.00 |
| Methods and Results for Establishing Test Method Correlations and Equivalence4 | 0.75 | 1.50 | 0.75 | 1.00 | 3.00 |
| List of Manufacturers and Products Approved for Reduced Testing4 | 0.75 | 1.50 | 0.75 | 1.00 | 3.00 |
| 6. Annual Report to Accreditation Bodies | | | | | |
| List of Manufacturers and their Products Certified by the TPC during the Previous Year (including Resins Used, and the Average and Range of Formaldehyde Emissions by Manufacturer, Resin, and Product Type)5 | 0.25 | 0.50 | 0.25 | 1.00 | 1.00 |
| List of Noncomplying Products or Events by Manufacturer5 | 0.25 | 0.50 | 0.25 | 1.00 | 1.00 |
| List of Laboratories and Test Methods Used by the TPC5 | 0.25 | 0.50 | 0.25 | 1.00 | 1.00 |
| Results of Inter-Laboratory Comparison or Proficiency Testing for the Laboratories Used by the TPC4 | 0.25 | 0.50 | 0.25 | 1.00 | 1.00 |
| 7. Accreditation Board Notification | | | | | |
| Personnel Qualification Changes2 | 0.00 | 0.04 | 0.02 | 0.50 | 0.03 |
| Procedure Changes2 | 0.00 | 0.04 | 0.02 | 0.50 | 0.03 |
| Laboratory Changes2 | 0.00 | 0.04 | 0.02 | 0.50 | 0.03 |
| 8. EPA Notification | | | | | |
| Change in Name or Address of Domestic Agent (*Foreign TPCs Only*)2 | 0.00 | 0.04 | 0.02 | 0.50 | 0.03 |
| **Domestic Total in First Year** |  |  |  |  | **37.325** |
| **Foreign Total in First Year** |  |  |  |  | **37.355** |
| **Domestic Total in Non-Reapplication Year (Years 2 and 3)** |  |  |  |  | **19.165** |
| **Foreign Total in Non-Reapplications Year (Years 2 and 3)** |  |  |  |  | **19.195** |
| **Domestic Total in Reapplication Year (Year 4)** |  |  |  |  | **27.325** |
| **Foreign Total in Reapplication Year (Year 4)** |  |  |  |  | **27.355** |
| Notes: 1. Under the proposed rule, TPCs are required to apply for re-accreditation every three years. As a result, application and accreditation costs are incurred every third year.  2. Based on the estimated burden associated with reporting "company information" (EPA 2011).  3. Based on the estimated burden associated with answering substantiation questions when making plant site confidentiality claims (EPA 2011). 4. Based on the estimated burden associated with "recordkeeping" (EPA 2011). The rule requires that records be kept for 3 years that show the production volume, plant site, and site-limited status of each reported substance. 5. Estimated as one-third of the burden associated with "recordkeeping" (EPA 2011). Estimate based on best professional judgment.  *Source: U.S. Environmental Protection Agency. 2011. Supporting Statement for a Request for OMB Review under the Paperwork Reduction Act: the Final Rule Addendum to Partial Update of the TSCA Section 8(b) TSCA Inventory Data Base, Production and Site Reports.* | | | | | |

|  |  |  |  |
| --- | --- | --- | --- |
| Exhibit 6-5: **Total Burden by Firm Type** | | | |
| **Firm Type** | **Number of Firms** | Burden Per Firm  (hours) | Total Burden  (hours) |
|
| **Year 1** | | | |
| Domestic Accrediting Body | 8 | 29.6042 | 237 |
| Foreign Accrediting Body | 17 | 29.6642 | 504 |
| Domestic TPC obtaining one additional accreditation | 3 | 37.3250 | 112 |
| Domestic TPC with current accreditations | 6 | 37.3250 | 224 |
| Foreign TPC obtaining one additional accreditation | 9 | 37.3550 | 336 |
| Foreign TPC with current accreditations | 18 | 37.3550 | 672 |
| **Year 2** | | | |
| Domestic Accrediting Body | 8 | 12.1442 | 97 |
| Foreign Accrediting Body | 17 | 12.2042 | 207 |
| Domestic TPC obtaining one additional accreditation | 3 | 19.1650 | 57 |
| Domestic TPC with current accreditations | 6 | 19.1650 | 115 |
| Foreign TPC obtaining one additional accreditation | 9 | 19.1950 | 173 |
| Foreign TPC with current accreditations | 18 | 19.1950 | 346 |
| **Year 3** | | | |
| Domestic Accrediting Body | 8 | 19.6042 | 157 |
| Foreign Accrediting Body | 17 | 19.6642 | 334 |
| Domestic TPC obtaining one additional accreditation | 3 | 19.165 | 57 |
| Domestic TPC with current accreditations | 6 | 19.165 | 115 |
| Foreign TPC obtaining one additional accreditation | 9 | 19.195 | 173 |
| Foreign TPC with current accreditations | 18 | 19.195 | 346 |
| **Three Year Average** | | | |
| Domestic Accrediting Body | 8 | 20.4509 | 164 |
| Foreign Accrediting Body | 17 | 20.5109 | 349 |
| Domestic TPC obtaining one additional accreditation | 3 | 25.2183 | 76 |
| Domestic TPC with current accreditations | 6 | 25.2183 | 151 |
| Foreign TPC obtaining one additional accreditation | 9 | 25.2483 | 227 |
| Foreign TPC with current accreditations | 18 | 25.2483 | 454 |
| **All Entities** | **61** | **23.2951** | **1,421** |

**6(b) Estimating Respondent Costs**

Respondent costs are estimated by combining burden estimates from the previous section with loaded wage rates, and adding in materials costs.

**(i) Wage Rates**

The fully loaded unit labor cost for managerial, professional/technical, and clerical labor in the regulated industry and for EPA staff is estimated by adding fringe benefits and overhead costs to the hourly wage or annual salary for each category following the method described in *Wage Rates for Economic Analysis of the Toxics Release Inventory Program*. This section describes the method employed to estimate the fully loaded unit labor costs for each labor category and presents the results of the analysis.

Labor categories used in the analysis correspond to the U.S. Bureau of Labor Statistics (BLS) Standard Occupational Classification (SOC) system. In March 2004, BLS began using the North American Industry Classification System (NAICS) instead of the Standard Industrial Classification (SIC) System, and the Standard Occupational Classification (SOC) system instead of the Occupational Classification System (OCS). summarizes the crosswalk between old and new occupational titles, and lists the SOC titles that correspond to the managerial, professional/technical, and clerical labor categories used in this analysis.

|  |  |  |
| --- | --- | --- |
| Exhibit 6-6: Detail of Labor Categories Used in the Analysis | | |
| Labor Category Used in the Analysis | BLS Old Title (OCS) | BLS New Title (SOC) |
| Managerial | Executive, administrative, and managerial | Management, business, and financial |
| Professional/Technical | Professional specialty and technical | Professional and related |
| Clerical | Administrative support, including clerical | Office and administrative support |

Wages and fringe benefit data for managerial, professional/technical, and clerical labor are from the BLS Employer Costs for Employee Compensation(ECEC) historical data for December 2006 – March 2011.[[1]](#footnote-1)

The costs of fringe benefits such as paid leave and insurance, specific to each labor category, are taken from the same BLS report. Fringe benefits as a percentage of wages are calculated separately for each labor category. For example, for December 2010, the average wage rate for professional/technical labor was $36.57, and the average fringe benefit was $13.52.[[2]](#footnote-2) Therefore, fringe benefits as a percentage of wages were $13.52/$36.57, or approximately 37 percent (see ).

An additional loading factor of 17 percent is applied to wages to account for overhead. This approach is used for consistency with Office of Pollution Prevention and Toxics (OPPT) economic analyses for two major rulemakings: *Wage Rates for Economic Analyses of the Toxics Release Inventory Program*, June 2002, and the *Revised Economic Analysis for the Amended Inventory Update Rule: Final Report*. This overhead loading factor is added to the benefits loading factor, and the total is then applied to the base wage to derive the fully loaded wage. For example, the December 2010 fully loaded wage for professional/technical labor is $36.57 × (1+ 0.37 + 0.17) = $56.31.

Fully loaded costs for managerial and clerical labor are calculated in a similar manner, as shown in .

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Exhibit 6-7: Derivation of Loaded Industry Wage Rates | | | | | | | | |
| Labor Category | Data Source for Wage Information | Date | Wage | Fringe Benefit | Fringes as % wage | Overhead as % wage a | Fringe + overhead factor | Loaded Wages |
| (a) | (b) | (c)=(b)/(a) | (d) | (e)=(c)+(d)+1 | (f)= (a)\*(e) |
| Clerical | BLS *ECEC*, Private Professional and Business Services Industries, “Office and Administrative Support”b | Dec-10 | $16.72 | $6.09 | 36.42% | 17% | 1.53 | $25.65 |
| Professional/  Technical | BLS *ECEC*, Private Professional and Business Services Industries, “Professional and related“b | Dec-10 | $36.57 | $13.52 | 36.97% | 17% | 1.54 | $56.31 |
| Managerial | BLS *ECEC*, Private Professional and Business Services Industries, “Mgt, Business, and Financial”b | Dec-10 | $42.42 | $17.15 | 40.43% | 17% | 1.57 | $66.78 |
| Notes:  a An overhead rate of 17% is used.  b Data for this occupational series found in U.S. Bureau of Labor Statistics. 2011. *Employer Costs for Employee Compensation: Supplementary Tables: Historical Data: December 2006 - March 2011*. | | | | | | | | |

**(ii) Costs Per Respondent**

Labor costs for accrediting bodies and third party certifiers are presented in and . These labor costs were estimated by multiplying the respondent burdens in and by the loaded wage rates presented in . In addition to these labor costs, some TPCs will incur non-labor costs associated with obtaining accreditation. The accreditation costs of TPCs will depend on whether they have the systems and equipment in place to satisfy the accreditation requirements or whether they will have to establish these. Based on telephone interviews, the cost of obtaining a single accreditation initially is about $20,000 to $30,000 for each quality system. This analysis uses the mid-point of the range, $25,000, as the cost estimate. The cost would be about three times that if the firm needed to be newly accredited for all three standards (Guide 65, 17020, and 17025). Based on discussions with six TPCs, the analysis assumes that two-thirds of the CARB-certified TPCs will already have accreditations in place and that one-third will need to obtain one additional accreditation. As a result, this analysis assumes that one-third of TPCs will incur a cost of $25,000 to obtain one additional accreditation, while two-thirds of TPCs will not incur any additional costs associated with obtaining and maintaining additional accreditations.

In addition to obtaining the initial accreditation, the TPCs will need to renew their systems and testing certifications. Two respondents reported costs that ranged from $5,000 to $15,000 per year associated with maintaining certification, such as paying audit fees to their AB (typical accreditation lasts two years). Note that the systems and testing certifications for which the laboratories reported costs may cover more than the specific formaldehyde testing, and therefore these estimates may overstate costs if these labs would incur these costs even if they were not acting as TPCs under TSCA Title VI. However, to be conservative and not underestimate costs, it is assumed that laboratories do not incur these costs in the baseline. Because the audits include tests other than formaldehyde, the analysis uses the low end of the costs reported as the annual reaccreditation cost, $5,000. As discussed above, based on discussions with the six TPCs the analysis assumes that two-thirds of the CARB-certified TPCs will already be maintaining these accreditations and that one-third will be maintaining one additional accreditation. Thus, one-third of TPCs will incur a cost of $5,000 from maintaining an additional accreditation, while two-thirds of TPCs will not incur any additional costs associated with obtaining and maintaining additional accreditations.

Exhibit A-1 and Exhibit A-2 in Appendix A present the incremental changes in cost if EPA finalizes a mandatory electronic reporting requirement.

| Exhibit 6-8: Recordkeeping and Reporting Labor Costs for Accreditation Bodies, by Activity (2010$) | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Activity | Estimated Annual Frequency1 | Clerical Cost2 | Technical Cost2 | | Managerial Cost2 | | | Total Cost |
| **1. Rule Familiarization** | **1** | **$0.00** | **$281.55** | | **$333.90** | | | **$615** |
| **2. Application Submission** | | | | | | | | |
| Company Information (Name, Address, Telephone Number, and Email Address of Primary Contact)3 | 1 | $0.00 | $2.25 | | $1.34 | | | $3.59 |
| Documentation of IAF MLA, ILAC MRA, or Equivalent Signatory Status3 | 1 | $0.00 | $2.25 | | $1.34 | | | $3.59 |
| Description of Any Other Qualifications Related to Experience in Performing Accreditation of Conformity Assessment Bodies or Third Party Certifiers4 | 1 | $0.00 | $46.74 | | $34.06 | | | $80.80 |
| **Application Submission Subtotal** |  |  |  | |  | | | **$88** |
| **3. Recognition agreement5** | **1** | **$25.65** | **$56.31** | | **$267.12** | | | **$349** |
| **4. EPA Notification** | | | | | | | | |
| Loss of Status as a Signatory to the IAF MLA, ILAC MRA, or Equivalent Organization6 | 0.05 | $0.00 | $0.23 | $0.13 | | $0.36 | | |
| Third Party Certifier Application6 | 3 | $0.00 | $13.51 | $8.01 | | $21.53 | | |
| Third Party Certifier Accreditation6 | 3 | $0.00 | $13.51 | $8.01 | | $21.53 | | |
| Third Party Certifier Compliance Failure6 | 0.33 | $0.00 | $1.49 | $0.88 | | $2.37 | | |
| Third Party Certifier Accreditation Suspension or Revocation (Product ABs) / Accredited Laboratory Compliance Failure (Laboratory ABs)6 | 0.33 | $0.00 | $1.49 | $0.88 | | $2.37 | | |
| Change to Organizational Policy or Management Structure that Could Adversely Affect Accreditation Program6 | 0.2 | $0.00 | $0.90 | $0.53 | | $1.44 | | |
| Checklists and Other Records Documenting Compliance with the Requirements for Systems Audits and On-site Assessment of Third Party Certifiers6 | 1 | $0.00 | $4.50 | $2.67 | | $7.18 | | |
| Change in Name or Address of Domestic Agent (*Foreign Entities Only*)6 | 0.5 | $0.00 | $2.25 | $1.34 | | $3.59 | | |
| **EPA Notification Subtotal (Domestic)** |  |  |  |  | | **$57** | | |
| **EPA Notification Subtotal (Foreign)** |  |  |  |  | | **$60** | | |
| **5. Third Party Certifier Notification** | | | | | | | | |
| Unique Tracking Number3 | 3 | $0.00 | $6.76 | $4.01 | | $10.76 | | |
| Withdraw from or be Removed from Program3 | 0.25 | $0.00 | $0.56 | $0.33 | | $0.90 | | |
| **TPC Notification Subtotal** |  |  |  |  | | **$12** | | |
| **6. Recordkeeping** | | | | | | | | |
| Accreditation Applications7 | 1 | $19.24 | $84.47 | $50.09 | | $153.79 | | |
| Checklists and Other Records Documenting Compliance with the Requirements for Systems Audits and On-site Assessment of Third Party Certifiers7 | 1 | $19.24 | $84.47 | $50.09 | | $153.79 | | |
| **Recordkeeping Subtotal** |  |  |  |  | | **$308** | | |
| **7. Annual Report to EPA** | | | | | | | | |
| Number of Third Party Certifier Applications Received8 | 1 | $6.41 | $28.16 | $16.70 | | | $51.26 | |
| Number of Third Party Certifier Applications Approved and Denied8 | 1 | $6.41 | $28.16 | $16.70 | | | $51.26 | |
| The Names and Contact Information of All Accredited Third Party Certifiers8 | 1 | $6.41 | $28.16 | $16.70 | | | $51.26 | |
| Number and Locations of Systems Audits and On-site Assessments8 | 1 | $6.41 | $28.16 | $16.70 | | | $51.26 | |
| Results of Accredited Third Party Certifier Laboratory Proficiency Testing or Inter-laboratory Comparisons8 | 1 | $6.41 | $28.16 | $16.70 | | | $51.26 | |
| **Annual Report Subtotal** |  |  |  |  | | | **$256** | |
| **Domestic Total in First Year** | |  |  | |  | | **$1,685** | |
| **Foreign Total in First Year** | |  |  | |  | | **$1,688** | |
| **Domestic Total in Non-Reapplication Year (Year 2)** | |  |  | |  | | **$633** | |
| **Foreign Total in Non-Reapplications Year (Year 2)** | |  |  | |  | | **$636** | |
| **Domestic Total in Reapplication Year (Year 3)** | |  |  | |  | | **$1,070** | |
| **Foreign Total in Reapplication Year (Year 3)** | |  |  | |  | | **$1,073** | |
| Notes: 1. Based on best professional judgment and rule requirements. Under the proposed rule, accreditation bodies are required to submit an application to renew their recognition agreement every 3 years. As a result, this analysis assumes that accreditation bodies incur application submission and recognition agreement preparation costs in the first year and subsequently every 3 years thereafter. 2. Based on Employer Costs for Employee Compensation wage and benefit data for private professional and business services industries (BLS 2011a). Clerical costs are estimated using data from the "office and administrative support" occupational group; technical costs are estimated using data from the "professional and related" occupational group; and managerial costs are estimated using data from the "management, business, and financial" occupational group. 3. Based on the estimated burden associated with reporting "company information" (EPA 2011a).  4. Based on the estimated burden associated with answering substantiation questions when making plant site confidentiality claims (EPA 2011a). 5. Based on conversations with accreditation bodies. 6. Based on the estimated burden associated with reporting "company information" (EPA 2011a). Values have been doubled based on best professional judgment. 7. Based on the estimated burden associated with "recordkeeping" (EPA 2011a). The rule requires that records be kept for 3 years that show the production volume, plant site, and site-limited status of each reported substance. 8. Estimated as one-third of the burden associated with "recordkeeping" (EPA 2011a). Estimate based on best professional judgment. *Sources: (1) U.S. Bureau of Labor Statistics. 2011. Employer Costs for Employee Compensation: Supplementary Tables: Historical Data: December 2006 - March 2011, and (2) U.S. Environmental Protection Agency. 2011. Supporting Statement for a Request for OMB Review under the Paperwork Reduction Act: the Final Rule Addendum to Partial Update of the TSCA Section 8(b) TSCA Inventory Data Base, Production and Site Reports.* | | | | | | | | |

| Exhibit 6-9: Recordkeeping and Reporting Labor Costs for Third Party Certifiers, by Activity (2010$) | | | | | |
| --- | --- | --- | --- | --- | --- |
| Activity | Estimated Annual Frequency1 | Clerical Cost2 | Technical Cost2 | Managerial Cost2 | Total Cost |
| **1. Rule Familiarization** | **1.00** | **$0.00** | **$281.55** | **$333.90** | **$615** |
| **2. Product Accreditation Body Application Submission** | | | | | |
| Company Information (Name, Address, Telephone Number, and Email Address of Primary Contact; if foreign, name and address of an agent for service located in the U.S.) and Type of Composite Wood Products Applicant Intends to Certify3 | 1.00 | $0.00 | $2.25 | $1.34 | $3.59 |
| Description of TPC's Experience or Ability in Product Certification and Complying with ISO/IEC Guide 654 | 1.00 | $0.00 | $46.74 | $34.06 | $80.80 |
| Description of TPC's Experience in the Composite Wood Product Industry with the Product(s) Intended to be Certified4 | 1.00 | $0.00 | $46.74 | $34.06 | $80.80 |
| Description of TPC's Ability to Inspect and Properly Train and Supervise Inspectors Pursuant to ISO/IEC 170204 | 1.00 | $0.00 | $46.74 | $34.06 | $80.80 |
| **Product Accreditation Subtotal** |  |  |  |  | **$246** |
| **3. Laboratory Accreditation Body Application Submission** | | | | | |
| Company Information (Name, Address, Telephone Number, and Email Address of Primary Contact; if foreign, name and address of an agent for service located in the U.S.)3 | 1.00 | $0.00 | $2.25 | $1.34 | $3.59 |
| Description of TPC's Experience in Performing or Verifying Formaldehyde Testing on Composite Wood Products4 | 1.00 | $0.00 | $46.74 | $34.06 | $80.80 |
| Description of TPC's Experience Operating or Using Laboratories that Comply with ISO/IEC 170254 | 1.00 | $0.00 | $46.74 | $34.06 | $80.80 |
| Description of TPC's Experience with Test Method ASTM E-1333-96 (2002) and Experience Evaluating Correlation between Test Methods4 | 1.00 | $0.00 | $46.74 | $34.06 | $80.80 |
| **Laboratory Accreditation Subtotal** |  |  |  |  | **$246** |
| **4. Manufacturer Notification** | | | | | |
| Third Party Certifier Number3 | 1.00 | $0.00 | $2.25 | $1.34 | $3.59 |
| Withdraw from Program or Lose Accreditation3 | 0.25 | $0.00 | $0.56 | $0.33 | $0.90 |
| **Manufacturer Notification Subtotal** |  |  |  |  | **$4** |
| **5. Recordkeeping** | | | | | |
| List of Manufacturers and their Product Types (including Resins Used) Certified by TPC5 | 1.00 | $19.24 | $84.47 | $50.09 | $153.79 |
| Results of Inspections, Audits, and Emission Tests Conducted for Each Manufacturer and Product Type5 | 1.00 | $19.24 | $84.47 | $50.09 | $153.79 |
| List of the TPC's Laboratories, Test Methods (including Test Conditions and Conditioning Time), and Test Results5 | 1.00 | $19.24 | $84.47 | $50.09 | $153.79 |
| Methods and Results for Establishing Test Method Correlations and Equivalence5 | 1.00 | $19.24 | $84.47 | $50.09 | $153.79 |
| List of Manufacturers and Products Approved for Reduced Testing5 | 1.00 | $19.24 | $84.47 | $50.09 | $153.79 |
| **Recordkeeping Subtotal** |  |  |  |  | **$769** |
| **6. Annual Report to Accreditation Bodies** | | | | | |
| List of Manufacturers and their Products Certified by the TPC during the Previous Year (including Resins Used, and the Average and Range of Formaldehyde Emissions by Manufacturer, Resin, and Product Type)6 | 1.00 | $6.41 | $28.16 | $16.70 | $51.26 |
| List of Noncomplying Products or Events by Manufacturer6 | 1.00 | $6.41 | $28.16 | $16.70 | $51.26 |
| List of Laboratories and Test Methods Used by the TPC6 | 1.00 | $6.41 | $28.16 | $16.70 | $51.26 |
| Results of Inter-Laboratory Comparison or Proficiency Testing for the Laboratories Used by the TPC6 | 1.00 | $6.41 | $28.16 | $16.70 | $51.26 |
| **Annual Report to AB Subtotal** |  |  |  |  | **$205** |
| **7. Accreditation Board Notification** | | | | | |
| Personnel Qualification Changes3 | 0.50 | $0.00 | $1.13 | $0.67 | $1.79 |
| Procedure Changes3 | 0.50 | $0.00 | $1.13 | $0.67 | $1.79 |
| Laboratory Changes3 | 0.50 | $0.00 | $1.13 | $0.67 | $1.79 |
| **Accreditation Board Notification Subtotal** |  |  |  |  | **$5** |
| **8. EPA Notification** | | | | | |
| **Change in Name or Address of Domestic Agent (*Foreign TPCs Only*)3** | **0.50** | **$0.00** | **$1.13** | **$0.67** | **$2** |
| **Domestic Total in First Year** | |  |  |  | **$2,090** |
| **Foreign Total in First Year** | |  |  |  | **$2,092** |
| **Domestic Total in Non-Reapplication Year (Years 2 and 3)** | |  |  |  | **$983** |
| **Foreign Total in Non-Reapplications Year (Years 2 and 3)** | |  |  |  | **$985** |
| **Domestic Total in Reapplication Year (Year 4)** | |  |  |  | **$1,475** |
| **Foreign Total in Reapplication Year (Year 4)** | |  |  |  | **$1,477** |
| Notes: 1. Based on best professional judgment and rule requirements. Under the proposed rule, TPCs are required to apply for re-accreditation every three years. As a result, application and accreditation costs are incurred every third year. 2. Based on Employer Costs for Employee Compensation wage and benefit data for private professional and business services industries (BLS 2011a). Clerical costs are estimated using data from the "office and administrative support" occupational group; technical costs are estimated using data from the "professional and related" occupational group; and managerial costs are estimated using data from the "management, business, and financial" occupational group. 3. Based on the estimated burden associated with reporting "company information" (EPA 2011a).  4. Based on the estimated burden associated with answering substantiation questions when making plant site confidentiality claims (EPA 2011a). 5. Based on the estimated burden associated with "recordkeeping" (EPA 2011a). The rule requires that records be kept for 3 years that show the production volume, plant site, and site-limited status of each reported substance. 6. Estimated as one-third of the burden associated with "recordkeeping" (EPA 2011a). Estimate based on best professional judgment. *Sources: (1) U.S. Bureau of Labor Statistics. 2011. Employer Costs for Employee Compensation: Supplementary Tables: Historical Data: December 2006 - March 2011, and (2) U.S. Environmental Protection Agency. 2011. Supporting Statement for a Request for OMB Review under the Paperwork Reduction Act: the Final Rule Addendum to Partial Update of the TSCA Section 8(b) TSCA Inventory Data Base, Production and Site Reports.* | | | | | |

(iii) Total Burden and Costs

presents a summary of the total burden and costs for this information collection request by the type of firm. The total burden and cost are calculated by multiplying the burdens and costs per firm by the number of affected firms.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Exhibit 6-10: **Total Burden and Costs (2010$)** | | | | | | | | |
| Firm Type | Number of Firms | Per Firm Burden and Cost | | | Total Burden and Cost | | | |
| Labor | | Non-Labor Cost | Labor | | | Non-Labor Cost |
| Hours | Cost | **Hours** | | **Cost** |
| **Year 1** | | | | | | | | |
| Domestic Accrediting Body | 8 | 29.6042 | $1,685 |  | 237 | | $13,480 |  |
| Foreign Accrediting Body | 17 | 29.6642 | $1,688 |  | 504 | | $28,696 |  |
| Domestic TPC obtaining one additional accreditation | 3 | 37.3250 | $2,090 | $25,000 | 112 | | $6,270 | $75,000 |
| Domestic TPC with current accreditations | 6 | 37.3250 | $2,090 |  | 224 | | $12,540 |  |
| Foreign TPC obtaining one additional accreditation | 9 | 37.3550 | $2,092 | $25,000 | 336 | | $18,828 | $225,000 |
| Foreign TPC with current accreditations | 18 | 37.3550 | $2,092 |  | 672 | | $37,656 |  |
| **Year 2** | | | | | | | | |
| Domestic Accrediting Body | 8 | 12.1442 | $633 |  | 97 | | $5,064 |  |
| Foreign Accrediting Body | 17 | 12.2042 | $636 |  | 207 | | $10,812 |  |
| Domestic TPC obtaining one additional accreditation | 3 | 19.1650 | $983 | $5,000 | 57 | | $2,949 | $15,000 |
| Domestic TPC with current accreditations | 6 | 19.1650 | $983 |  | 115 | | $5,898 |  |
| Foreign TPC obtaining one additional accreditation | 9 | 19.1950 | $985 | $5,000 | 173 | | $8,865 | $45,000 |
| Foreign TPC with current accreditations | 18 | 19.1950 | $985 |  | 346 | | $17,730 |  |
| **Year 3** | | | | | | | | |
| Domestic Accrediting Body | 8 | 19.6042 | $1,070 |  | 157 | | $8,560 |  |
| Foreign Accrediting Body | 17 | 19.6642 | $1,073 |  | 334 | | $18,241 |  |
| Domestic TPC obtaining one additional accreditation | 3 | 19.165 | $983 | $5,000 | 57 | | $2,949 | $15,000 |
| Domestic TPC with current accreditations | 6 | 19.165 | $983 |  | 115 | | $5,898 |  |
| Foreign TPC obtaining one additional accreditation | 9 | 19.195 | $985 | $5,000 | 173 | | $8,865 | $45,000 |
| Foreign TPC with current accreditations | 18 | 19.195 | $985 |  | 346 | | $17,730 |  |
| **Three Year Average** | | | | | | | | |
| Domestic Accrediting Body | 8 | 20.4509 | $1,129.33 |  | 164 | $9,035 | |  |
| Foreign Accrediting Body | 17 | 20.5109 | $1,132.33 |  | 349 | $19,250 | |  |
| Domestic TPC obtaining one additional accreditation | 3 | 25.2183 | $1,352.00 | $11,667 | 76 | $4,056 | | $35,000 |
| Domestic TPC with current accreditations | 6 | 25.2183 | $1,352.00 |  | 151 | $8,112 | |  |
| Foreign TPC obtaining one additional accreditation | 9 | 25.2483 | $1,354.00 | $11,667 | 227 | $12,186 | | $105,000 |
| Foreign TPC with current accreditations | 18 | 25.2483 | $1,354.00 |  | 454 | $24,372 | |  |
| **All Entities** | **61** | **23.2945** | **$1,262.46** | **$2,295.08** | **1421** | **$77,010** | | **$140,000** |

**6(c) Estimating Agency Burden and Cost**

EPA resources would be devoted to reviewing and analyzing data submissions, compiling and recording data, maintaining hard-copy files of submitted data, auditing and inspecting facilities, producing audit and inspection reports, responding to public inquiries, and providing regulatory interpretations. EPA anticipates that these activities will require the equivalent of one full-time employee (FTE) at Headquarters. Using the 2010 Washington/Baltimore area annual salary rate for a GS-13, Step 5 employee ($100,904), and multiplying by a loading factor of 1.6 to reflect overhead and fringe benefits results in an estimated EPA cost of $161,446 per year.

Section A.2 in Appendix A discusses the incremental changes in EPA cost if EPA finalizes a mandatory electronic reporting requirement.

**6(d) Bottom Line Burden Hours and Costs/Master Table**

presents the bottom line burden and costs.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Exhibit 6-11: Total Burden and Costs** | | | | |
|  | **Year 1** | **Year 2** | **Year 3** | **Average** |
| Number of Respondents and Responses | 61 | 61 | 61 | 61 |
| Total Burden Hours | 2,085.64 | 995.38 | 1,181.88 | 1,421 |
| **Total Cost** | **$417,470** | **$111,318** | **$122,243** | **$217,010** |

EPA is considering an electronic reporting requirement for this information collection. Exhibit A-3 in Appendix A summarizes the incremental changes in bottom line burden and cost if EPA finalizes a mandatory electronic reporting requirement.

**6(e) Reasons for Changes in Burden**

Not applicable. These are new requirements so there was no previous ICR.

**6(f) Burden Statement**

The annual public burden for this collection of information, which is approved under OMB Control No. 2070-NEW, is estimated to be 23.29 hours per response (i.e., 1,421 burden hours for an estimated 61 responses). According to the Paperwork Reduction Act, “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. For this collection it includes such activities as annual familiarization with requirements, recordkeeping, notification, and reporting requirements. 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 in title 40 of the CFR, after appearing in the Federal Register, are listed in 40 CFR part 9 and included on the related collection instrument or form, if applicable.

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 No. EPA-HQ-OPPT-2011-0380. The docket is available for public viewing at the Pollution Prevention and Toxics Docket in the EPA Docket Center (EPA/DC). The EPA/DC Public Reading Room is located in the EPA West Building, Room 3334, 1301 Constitution Ave., NW., Washington, DC. The EPA/DC 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 EPA/DC Public Reading Room is (202) 566-1744, and the telephone number for the Pollution Prevention and Toxics Docket is (202) 566-0280. An electronic version of the public docket is available through the Federal Docket Management System (FDMS) at www.regulations.gov. Use FDMS 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. Once 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, DC 20503, Attention: Desk Office for EPA. Please include the EPA Docket ID No. EPA-HQ-OPPT-2011-0380 and OMB control number 2070-NEW in any correspondence.

**Appendix A – Incremental Impacts of Mandatory Electronic Reporting**

EPA is considering requiring mandatory electronic reporting requirement for accreditation bodies and TPCs (both referred to here as respondents). If EPA adopts this requirement for the TPC rule, respondents would submit their notifications and reports to EPA using the Central Data Exchange (CDX). The changes in burden and costs for respondents and EPA are described below.

**A.1 Burden and Costs of Electronic Reporting for Accreditation Bodies and TPCs**

All respondents spend time in the first year to complete a subscriber agreement and register with CDX. Some respondents will spend time in subsequent years due to employee turnover or compromised electronic signatures. These burdens are offset by reductions in reporting and recordkeeping burden due to electronic reporting.

CDX users are assigned to one of two roles in the CDX system, an Authorizing Official or a Support Registrant.

**Authorized Official (AO)**: The AO is the person legally responsible for the submission. The AO is typically a senior official for the respondent. The AO is the only user who can start a new form, or reopen a completed form to begin the amendment process, and is the only user who can electronically sign and submit a form. AOs can also assign Support Registrants to edit and complete forms on his or her behalf. AOs must submit a subscriber agreement to EPA, and register with CDX.

**Support Registrants**: A Support Registrant is a person designated by an AO to submit supporting documents on his or her behalf. Support Registrants can edit a submission that is created by the AO. Support Registrants are only allowed to edit submissions that the AO has granted him or her access. Support Registrants do not have any access rights to create or submit a form. Once the AO creates a form, they will provide the Support Registrant with a passphrase to access the submission and complete all sections of the form. Once the Support Registrant has finished completing the form, the AO will access the submission, review it, and submit it. Support Registrants must register with CDX, but do not need to submit a subscriber agreement to EPA.

This analysis uses a simplifying assumption that an average of five employees at each respondent will register with CDX: one manager (who will serve as AO) four technical staff members (who will serve as Support Registrants).

First Year Burden for Accreditation Bodies and TPCs

Respondents will incur electronic reporting costs in the first year to submit a subscriber agreement, register with CDX, and contact EPA’s CDX Help Desk.

**Subscriber Agreement.** An AO must complete a subscriber agreement in order to establish their identity and their relation to the entity for which they will submit electronic documents, as well as to document a unique correlation with the device that will be used create their electronic signature. Users can comply with the subscriber agreement provisions in CDX either by submitting a paper subscriber agreement with a wet-ink signature, or by submitting an electronic signature agreement.

* *Paper subscriber agreement.* Preparing, submitting, and filing a paper subscriber agreement is estimated to require an average of 20 minutes of time per registrant (EPA 2011), which is assumed to be managerial time.
* *Electronic signature agreement.* Preparing, submitting, and filing an electronic signature agreement is estimated to require an average of 15 minutes of time per registrant (EPA 2011), which is assumed to be managerial time.

**CDX Registration**. CDX users will need to register with CDX, which involves selecting a user name and password, providing contact information, and identifying the facility and the registrant’s role at the facility. This is estimated to take an average of 10 minutes per user (EPA 2011). This results in an estimate that each respondent will spend 10 minutes of managerial time and 40 minutes of technical time to register with CDX.

**Help Desk**. CDX users are assumed to spend an average of 4 minutes contacting EPA’s CDX Help Desk for technical support (EPA 2011), which results in an estimate of 4 minutes of managerial time and 16 minutes of technical time per respondent.

***Problem Resolution****.* Three percent of respondents each year are assumed to spend an average of one hour of technical time working with EPA’s CDX Help Desk to resolve problems involving their registrations or agreements (EPA 2011).

Subsequent Year Burden for Accreditation Bodies and TPCs

In subsequent years, respondents may incur electronic reporting costs due to employee turnover and compromised electronic signatures.

**Employee Turnover**. It is assumed that each year 10 percent of CDX users will be replaced by new employees, who will have to comply with the subscriber agreement and/or CDX registration requirements (EPA 2011). Thus, in subsequent years 10 percent of AOs will spend 15 to 20 minutes of managerial time to complete a subscriber agreement. In addition, 10 percent of all users (both managerial and technical) will spend 10 minutes to register with CDX and 4 minutes contacting EPA’s CDX Help Desk.

**Report Compromised Signature***.* Each year 1 percent of respondents are assumed to report a compromised or surrendered electronic signature, which requires the submittal of a new subscriber agreement (EPA 2011). This will entail 15 to 20 minutes of managerial time to prepare, submit, and file a new agreement, and 4 minutes of managerial time to contact EPA’s CDX Help Desk.

Savings for Accreditation Bodies and TPCs

Electronic reporting is assumed to reduce the recordkeeping burden by 50 percent, and to eliminate the use of clerical time for reporting and recordkeeping (EPA 2009). For ABs, this is estimated to result in average savings of 3.75 hours of clerical time in the first year and 2.75 hours in subsequent years, as well as 1 hour of technical time and 0.5 hours of managerial time in all years. For TPCs, this is estimated to result in average savings of 4.75 hours of clerical time, 2.5 hours of technical time, and 1.25 hours of managerial time per year.

Electronic reporting also results in savings for respondents due to the following:

* The number of forms that need to be resubmitted because they are incomplete or invalid should be greatly reduced because forms cannot be submitted via CDX if any required fields are incomplete, or if the submission fails internal validation checks;
* All of the respondent’s relevant staff will be able to access the CDX forms easily and directly input their information, so the system will facilitate easier internal review by the respondent prior to submission;
* Filling out a form similar to one previously submitted will be faster with electronic reporting, as the respondent will already have an electronic copy of the earlier form to edit rather than having to fill out a new form; and
* All routine correspondence with the Agency (including submission of supporting documents) will be via CDX, which saves time and delivery costs and reduces delays in EPA’s review.

EPA has not estimated the value of these additional savings to respondents.

Changes in Burden and Costs to Accreditation Bodies and TPCs due to Electronic Reporting

As shown in Exhibit A-1, accreditation bodies would save 3.8 to 5.1 hours per year (equivalent to $99 to $177) depending on whether it is the initial year, reapplication year, or non-reapplication year. TPCs would save 7.0 to 8.4 hours per year (equivalent to $259 to $337) depending on whether it is the initial year, a reapplication year, or non-reapplication year, as shown in Exhibit A-2.

As shown in Exhibit A-3, electronic reporting via CDX would reduce the total average burden of the rule to domestic and foreign respondents from 1,421 hours to 1,029 hours per year (a decrease of 392 hours). This decreases the cost of the rule from $217,010 to $203,334 per year, a savings of $14,666 per year. There are additional unquantified improvements in efficiency and higher data quality due to electronic reporting.

| Exhibit A-1: Incremental Cost of **Electronic Reporting Requirements**: Burden and Cost Per Accrediting Body | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Activity | Per Activity Burden Hours | | | Number of Annual Activities  (d) | Total Burden (hours) | Total Cost | | | |
| Clerical | Technical | Managerial | Clerical  ($25.65/hr) | Technical  ($56.31/hr) | Managerial  ($66.78/hr) | Total |
| (a) | (b) | (c) | (e) = (d)\*{(a)+(b)+(c)} | (f) | (g) | (h) | (i) |
| 1. CDX Electronic Reporting (First Year) | | | | | | | | | |
| Electronic Subscriber Agreements (domestic firms) | - | - | 0.250 | 1.00 | 0.250 | - | - | $16.70 | $16.70 |
| Paper Subscriber Agreements (foreign firms) | - | - | 0.330 | 1.00 | 0.330 | - | - | $22.04 | $22.04 |
| CDX Registration | - | 0.670 | 0.170 | 1.00 | 0.840 | - | $37.73 | $11.35 | $49.08 |
| Help Desk | - | 0.270 | 0.070 | 1.00 | 0.340 | - | $15.20 | $4.67 | $19.88 |
| Problem Resolution | - | 1.000 | - | 0.03 | 0.030 | - | $1.69 | - | $1.69 |
| *Subtotal (domestic)* |  |  |  |  | *1.460* |  |  |  | *$87.00* |
| *Subtotal (foreign)* |  |  |  |  | *1.540* |  |  |  | *$93.00* |
| 2. CDX Electronic Reporting (Subsequent Years) | | | | | | | | | |
| Electronic Subscriber Agreements (domestic firms) | - | - | 0.250 | 0.10 | 0.025 | - | - | $1.67 | $1.67 |
| Paper Subscriber Agreements (foreign firms) | - | - | 0.330 | 0.10 | 0.033 | - | - | $2.20 | $2.20 |
| CDX Registration | - | 0.670 | 0.170 | 0.10 | 0.084 | - | $3.77 | $1.14 | $4.91 |
| Help Desk | - | 0.270 | 0.070 | 0.10 | 0.034 | - | $1.52 | $0.47 | $1.99 |
| Report Compromised Signature |  |  | 0.400 | 0.01 | 0.004 | - | - | $0.27 | $0.27 |
| *Subtotal (domestic)* |  |  |  |  | *0.147* |  |  |  | *$9.00* |
| *Subtotal (foreign)* |  |  |  |  | *0.155* |  |  |  | *$9.00* |
| 3. Recognition Agreement | (1.000) | - | - | 1.000 | (1.000) | $(25.65) | - | - | ($26.00) |
| 4. Recordkeeping | | | | | | | | | |
| Accreditation Applications | (0.750) | (0.500) | (0.250) | 1.000 | (1.500) | ($19.24) | ($28.16) | ($16.70) | ($64.09) |
| Checklists and Other Records Documenting Compliance with the Requirements for Systems Audits and On-site Assessment of Third Party Certifiers | (0.750) | (0.500) | (0.250) | 1.000 | (1.500) | ($19.24) | ($28.16) | ($16.70) | ($64.09) |
| *Subtotal* |  |  |  |  | (3.000) |  |  |  | ($128.00) |
| 5. Annual Report to EPA | | | | | | | | | |
| Number of Third Party Certifier Applications Received | (0.250) | - | - | 1.000 | (0.250) | $(6.41) | - | - | $(6.41) |
| Number of Third Party Certifier Applications Approved and Denied | (0.250) | - | - | 1.000 | (0.250) | $(6.41) | - | - | $(6.41) |
| The Names and Contact Information of All Accredited Third Party Certifiers | (0.250) | - | - | 1.000 | (0.250) | $(6.41) | - | - | $(6.41) |
| Number and Locations of Systems Audits and On-site Assessments | (0.250) | - | - | 1.000 | (0.250) | $(6.41) | - | - | $(6.41) |
| Results of Accredited Third Party Certifier Laboratory Proficiency Testing or Inter-laboratory Comparisons | (0.250) | - | - | 1.000 | (0.250) | $(6.41) | - | - | $(6.41) |
| *Subtotal* |  |  |  |  | (1.250) |  |  |  | $(32.00) |
| **Domestic Total in First Year** |  |  |  |  | **(3.790)** |  |  |  | **($99.00)** |
| **Foreign Total in First Year** |  |  |  |  | **(3.710)** |  |  |  | **($93.00)** |
| **Domestic Total in Non-Reapplication Year** |  |  |  |  | **(4.103)** |  |  |  | **($151.00)** |
| **Foreign Total in Non-Reapplications Year** |  |  |  |  | **(4.095)** |  |  |  | **($151.00)** |
| **Domestic Total in Reapplication Year** |  |  |  |  | **(5.103)** |  |  |  | **($177.00)** |
| **Foreign Total in Reapplications Year** |  |  |  |  | **(5.095)** |  |  |  | **($177.00)** |
| Notes:   1. CDX Electronic Reporting (first year):  * Electronic signature agreement. Preparing, submitting, and filing an electronic signature agreement is estimated to require an average of 15 minutes of time per respondent, which is assumed to be managerial time (EPA 2011). * Paper subscriber agreement. Preparing, submitting, and filing a paper subscriber agreement is estimated to require an average of 20 minutes of time per respondent, which is assumed to be managerial time (EPA 2011). * CDX Registration. CDX users will need to register with CDX, which involves selecting a user name and password, providing contact information, and identifying the facility and the registrant’s role at the facility. This is estimated to take an average of 10 minutes per user (EPA 2011). This results in an estimate that each respondent will spend 10 minutes of managerial time and 40 minutes of technical time to register with CDX. * Help Desk. CDX users are assumed to spend an average of 4 minutes contacting EPA’s CDX Help Desk for technical support (EPA 2011), which results in an estimate of 4 minutes of managerial time and 16 minutes of technical time per respondent. * Problem Resolution. Three percent of respondents each year are assumed to spend an average of one hour of technical time working with EPA’s CDX Help Desk to resolve problems involving their registrations or agreements (EPA 2011).  1. CDX Electronic Reporting (subsequent years):  * Employee Turnover. It is assumed that each year 10 percent of CDX users will be replaced by new employees, who will have to comply with the subscriber agreement and/or CDX registration requirements (EPA 2011). Thus, in subsequent years 10 percent of CDX users will spend 15 to 20 minutes of managerial time to complete a subscriber agreement. In addition, 10 percent of all CDX users (both managerial and technical) will spend 10 minutes to register with CDX and 4 minutes contacting EPA’s CDX Help Desk. * Report Compromised Signature. Each year 1 percent of respondents are assumed to report a compromised or surrendered electronic signature, which requires the submittal of a new subscriber agreement (EPA 2011). This will entail 15 to 20 minutes (20 assumed here) of managerial time to prepare, submit, and file a new agreement, and 4 minutes of time to contact EPA’s CDX Help Desk.  1. Recognition Agreement  * Electronic reporting is assumed to eliminate the use of clerical time for the recognition agreement.  1. Recordkeeping  * Electronic reporting is assumed to reduce the recordkeeping burden by 50 percent (EPA 2009).  1. Annual Report to EPA  * Electronic reporting is assumed to reduce the recordkeeping burden by 50 percent (EPA 2009).   *Sources: (1) U.S. Bureau of Labor Statistics. 2011. Employer Costs for Employee Compensation: Supplementary Tables: Historical Data: December 2006 - March 2011, (2) EPA 2011* | | | | | | | | | |

| Exhibit A-2: Incremental Cost of **Electronic Reporting Requirements**: Burden and Cost Per Third Party Certifier | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Activity | Per Activity Burden Hours | | | Number of Annual Activities  (d) | Total Burden (hours) | Total Cost | | | |
| Clerical | Technical | Managerial | Clerical  ($25.65/hr) | Technical  ($56.31/hr) | Managerial  ($66.78/hr) | Total |
| (a) | (b) | (c) | (e) = (d)\*{(a)+(b)+(c)} | (f) | (g) | (h) | (i) |
| 1. CDX Electronic Reporting (First Year) | | | | | | | | | |
| Electronic Subscriber Agreements (domestic firms) | - | - | 0.250 | 1.00 | 0.250 | - | - | $16.70 | $16.70 |
| Paper Subscriber Agreements (foreign firms) | - | - | 0.330 | 1.00 | 0.330 | - | - | $22.04 | $22.04 |
| CDX Registration | - | 0.670 | 0.170 | 1.00 | 0.840 | - | $37.73 | $11.35 | $49.08 |
| Help Desk | - | 0.270 | 0.070 | 1.00 | 0.340 | - | $15.20 | $4.67 | $19.88 |
| Problem Resolution | - | 1.000 | - | 0.03 | 0.030 | - | $1.69 |  | $1.69 |
| *Subtotal (domestic)* |  |  |  |  | *1.460* |  |  |  | *$87.00* |
| *Subtotal (foreign)* |  |  |  |  | *1.540* |  |  |  | *$93.00* |
| 2. CDX Electronic Reporting (Subsequent Years) | | | | | | | | | |
| Electronic Subscriber Agreements (domestic firms) | - | - | 0.250 | 0.10 | 0.025 | $0.00 | $0.00 | $1.67 | $1.67 |
| Paper Subscriber Agreements (foreign firms) | - | - | 0.330 | 0.10 | 0.033 | $0.00 | $0.00 | $2.20 | $2.20 |
| CDX Registration | - | 0.670 | 0.170 | 0.10 | 0.084 | $0.00 | $3.77 | $1.14 | $4.91 |
| Help Desk | - | 0.270 | 0.070 | 0.10 | 0.034 | $0.00 | $1.52 | $0.47 | $1.99 |
| Report Compromised Signature | - | - | 0.400 | 0.01 | 0.004 | $0.00 | $0.00 | $0.27 | $0.27 |
| *Subtotal (domestic)* |  |  |  |  | *0.147* |  |  |  | *$9.00* |
| *Subtotal (foreign)* |  |  |  |  | *0.155* |  |  |  | *$9.00* |
| 3. Manufacturer Notification and Recordkeeping | | | | | | | | | |
| List of Manufacturers and their Product Types (including Resins Used) Certified by TPC | (0.750) | (0.500) | (0.250) | 1.00 | (1.500) | ($19.24) | ($28.16) | ($16.70) | ($64.09) |
| Results of Inspections, Audits, and Emission Tests Conducted for Each Manufacturer and Product Type | (0.750) | (0.500) | (0.250) | 1.00 | (1.500) | ($19.24) | ($28.16) | ($16.70) | ($64.09) |
| List of the TPC's Laboratories, Test Methods (including Test Conditions and Conditioning Time), and Test Results | (0.750) | (0.500) | (0.250) | 1.00 | (1.500) | ($19.24) | ($28.16) | ($16.70) | ($64.09) |
| Methods and Results for Establishing Test Method Correlations and Equivalence | (0.750) | (0.500) | (0.250) | 1.00 | (1.500) | ($19.24) | ($28.16) | ($16.70) | ($64.09) |
| List of Manufacturers and Products Approved for Reduced Testing | (0.750) | (0.500) | (0.250) | 1.00 | (1.500) | ($19.24) | ($28.16) | ($16.70) | ($64.09) |
| *Subtotal* |  |  |  |  | (7.500) |  |  |  | ($320.00) |
| 4. Annual Report and Notifications of Changes |  |  |  |  |  |  |  |  |  |
| List of Manufacturers and their Products Certified by the TPC during the Previous Year (including Resins Used, and the Average and Range of Formaldehyde Emissions by Manufacturer, Resin, and Product Type) | (0.250) | - | - | 1.00 | (0.250) | $(6.41) | - | - | $(6.41) |
| List of Noncomplying Products or Events by Manufacturer | (0.250) | - | - | 1.00 | (0.250) | $(6.41) | - | - | $(6.41) |
| List of Laboratories and Test Methods Used by the TPC | (0.250) | - | - | 1.00 | (0.250) | $(6.41) | - | - | $(6.41) |
| Results of Inter-Laboratory Comparison or Proficiency Testing for the Laboratories Used by the TPC | (0.250) | - | - | 1.00 | (0.250) | $(6.41) | - | - | $(6.41) |
| *Subtotal* |  |  |  |  | (1.000) |  |  |  | $(26.00) |
| **Domestic Total in First Year** |  |  |  |  | **(7.040)** |  |  |  | **($259.00)** |
| **Foreign Total in First Year** |  |  |  |  | **(6.960)** |  |  |  | **($253.00)** |
| **Domestic Total in Non-Reapplication Year** |  |  |  |  | **(8.353)** |  |  |  | **($337.00)** |
| **Foreign Total in Non-Reapplications Year** |  |  |  |  | **(8.345)** |  |  |  | **($337.00)** |
| **Domestic Total in Reapplication Year** |  |  |  |  | **(8.353)** |  |  |  | **($337.00)** |
| **Foreign Total in Reapplications Year** |  |  |  |  | **(8.345)** |  |  |  | **($337.00)** |
| Notes:   1. CDX Electronic Reporting (first year):  * Electronic signature agreement. Preparing, submitting, and filing an electronic signature agreement is estimated to require an average of 15 minutes of time per registrant, which is assumed to be managerial time (EPA 2011). * Paper subscriber agreement. Preparing, submitting, and filing a paper subscriber agreement is estimated to require an average of 20 minutes of time per user, which is assumed to be managerial time (EPA 2011). * CDX Registration. CDX users will need to register with CDX, which involves selecting a user name and password, providing contact information, and identifying the facility and the registrant’s role at the facility. This is estimated to take an average of 10 minutes per registrant (EPA 2011). This results in an estimate that each respondent will spend 10 minutes of managerial time and 40 minutes of technical time to register with CDX. * Help Desk. CDX users are assumed to spend an average of 4 minutes contacting EPA’s CDX Help Desk for technical support (EPA 2011), which results in an estimate of 4 minutes of managerial time and 16 minutes of technical time per respondent. * Problem Resolution. Three percent of respondents each year are assumed to spend an average of one hour of technical time working with EPA’s CDX Help Desk to resolve problems involving their registrations or agreements (EPA 2011).  1. CDX Electronic Reporting (subsequent years):  * Employee Turnover. It is assumed that each year 10 percent of CDX users will be replaced by new employees, who will have to comply with the subscriber agreement and/or CDX registration requirements (EPA 2011). Thus, in subsequent years 10 percent of CDX users will spend 15 to 20 minutes of managerial time to complete a subscriber agreement. In addition, 10 percent of all registrants will spend 10 minutes to register with CDX and 4 minutes contacting EPA’s CDX Help Desk. Paper subscriber agreement. Preparing, submitting, and filing a paper subscriber agreement is estimated to require an average of 20 minutes of time per registrant (EPA 2011). This results in an estimate of 20 minutes of managerial time per respondent submitting a paper subscriber agreement. * Report Compromised Signature. Each year 1 percent of respondents are assumed to report a compromised or surrendered electronic signature, which requires the submittal of a new subscriber agreement (EPA 2011). This will entail 15 to 20 minutes (20 assumed here) of managerial time to prepare, submit, and file a new agreement, and 4 minutes of time to contact EPA’s CDX Help Desk. * Problem Resolution. Three percent of respondents each year are assumed to spend an average of one hour of technical time working with EPA’s CDX Help Desk to resolve problems involving their registrations or agreements (EPA 2011).  1. Recordkeeping  * Electronic reporting is assumed to reduce the recordkeeping burden by 50 percent (EPA 2009).  1. Annual Report to Recordkeeping Bodies  * Electronic reporting is assumed to reduce the recordkeeping burden by 50 percent (EPA 2009).   *Sources: (1) U.S. Bureau of Labor Statistics. 2011. Employer Costs for Employee Compensation: Supplementary Tables: Historical Data: December 2006 - March 2011, (2) EPA 2011Sources: (1) U.S. Bureau of Labor Statistics. 2011. Employer Costs for Employee Compensation: Supplementary Tables: Historical Data: December 2006 - March 2011,* | | | | | | | | | |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Exhibit A-3: Total Bottom Line Burden and Costs (Foreign and Domestic)** | | | | |
|  | **Year 1** | **Year 2** | **Year 3** | **Average** |
| Costs without Electronic Reporting Requirements | | | | |
| Number of Respondents and Responses | 61 | 61 | 61 | 61 |
| Total Burden Hours | 2,085.64 | 995.38 | 1,181.88 | 1,421 |
| **Total Cost** | **$417,470** | **$111,318** | **$122,243** | **$217,010** |
| Incremental Burden and Costs for Electronic Reporting Requirements | | | | |
| Number of Respondents and Responses | 61 | 61 | 61 | 61 |
| Total Burden Hours | (344.67) | (402.931) | (427.93) | (392) |
| **Total Cost** | **($11,535)** | **($15,907)** | **($16,557)** | **($14,666)** |
| Total Burden and Costs, Including Incremental Burden and Costs for Electronic Reporting Requirements | | | | |
| Number of Respondents and Responses | 61 | 61 | 61 | 61 |
| Total Burden Hours | 1,740.97 | 592.44 | 753.94 | 1,029 |
| **Total Cost** | **$405,935** | **$95,411** | **$105,686** | **$202,344** |

**A.2 Costs of Electronic Reporting for EPA**

A portion of the cost that EPA incurs to operate the CDX system can be attributed to the TSCA Title VI program. These costs are described below.

**CDX O&M** – The cost of CDX operations and maintenance for TSCA Title VI electronic reporting is estimated to be approximately $3,000 per year.

**CDX Application Support O&M** – The cost of application support operations and maintenance (for Help Desk support, resolving technical problems, software maintenance and upgrades, etc.) for TSCA Title VI electronic reporting is estimated to be approximately $25,000 per year.

**CDX Software Licensing Cost***s* – EPA’s cost of software licensing attributable to TSCA Title VI is estimated to be approximately $6,000 per year.

**CDX CBI LAN O&M**– The cost attributable of operations and maintenance of EPA’s confidential business administration (CBI) local area network (LAN) attributable to TSCA Title VI is estimated to be approximately $15,000 per year.

**EPA staff** – Managing the CDX system related to the TSCA Title VI program is estimated to require approximately 0.1 FTE per year of EPA staff. Based on the 2010 Washington/Baltimore area annual salary rate for a GS-13, Step 5 employee ($100,904) and a loading factor of 1.6 for overhead and fringe benefits, the cost of the EPA staff needed to manage the CDX program attributable to the TSCA Title VI is estimated to be $16,145 per year.

Overall, EPA’s cost for operating the CDX system that can be attributed to the TSCA Title VI program is estimated at $65,145 per year.

The use of electronic reporting and CDX also creates savings for EPA. It is expected to improve efficiency and lead to higher quality data being available more quickly to EPA. EPA typically keys or scans in the data from paper submissions, which can result in errors. Consequently, EPA must perform quality assurance checks on extracted and scanned information. When data is submitted electronically, the time required for EPA staff to review and process the information is reduced because manual data entry or processing is eliminated. Electronic reporting also improves data quality because it facilitates data correction and validation by highlighting fields with omitted or inconsistent data prior to submission. EPA has not estimated the value of these efficiencies and improvements in data quality.

**Appendix B – Mock-Ups for Potential TSCA Title VI Electronic Reporting Application**

**B.1 Summary of the Electronic Reporting Application Under Consideration**

The current proposed regulation does not provide a required format for reports and notices. However, EPA is considering an electronic reporting requirement. If the EPA finalizes a mandatory electronic reporting requirement all reports and notices covered by this action would be required to be submitted via that internet through the EPA’s Central Data Exchange (CDX).

The EPA is requesting comment on a mandatory electronic reporting requirement for Accrediting Bodies (ABs) and Third-Party Certifiers (TPCs). In order to give regulated entities more information on which to base their comments, the EPA prepared mock-ups of a potential electronic reporting application. The mock-ups are in draft form and should be considered for illustrative purposes only. They contain two sections, an AB user interface which would be visible to participating laboratory and product ABs and the TPC user interface which would be visible to TSCA Title VI accredited TPCs.

These mock-ups are not complete in that they do not address all aspects of the EPA's proposed implementation of TSCA Title VI. To the extent that the EPA’s proposals change, conforming changes would be made to the data elements and other aspects of the electronic reporting application, should the EPA choose to implement a mandatory electronic reporting requirement. Should the EPA develop this electronic reporting application, the EPA would allow regulated entities to participate in testing of the application and the EPA would provide training as necessary.

**B. Electronic Reporting and Confidential Business Information**

The EPA believes that most of the information that would be collected under TSCA Title VI is not confidential in nature. Nonetheless, any electronic reporting application would be designed to support TSCA Confidential Business Information (CBI) needs by providing a secure environment that meets Federal standards. Users would be able to claim CBI for appropriate data fields.

The draft mock-ups below contain CBI check boxes that illustrate how reporting entities would submit CBI claims for particular data elements. In the proposal, the EPA is requesting comment on whether the data elements in the ABs’ and TPCs’ annual reports, and the required notifications should be reported into a publicly viewable database. EPA requests comment on whether such information might contain CBI, and if so, which data elements may be subject to CBI claims. EPA believes that data elements related to the type or formulation of a resin may be the subject of legitimate TSCA CBI claims. Notwithstanding the current placement of the CBI check boxes, the EPA would modify their placement to conform with the final rule, should the EPA finalize a mandatory electronic reporting requirement.

1. U.S. Bureau of Labor Statistics. 2011. *Employer Costs for Employee Compensation: Supplementary Tables: Historical Data: December 2006 - March 2011*. Past economic analyses used ECEC data series specific to white-collar workers in the manufacturing sector. However, those data sets were discontinued in March 2007, and these historical data were the best alternative. In a phone conversation (February 11, 2009), a BLS employee could not identify a better data set to use. [↑](#footnote-ref-1)
2. Past analyses have used the term “technical” labor. Here the category is called “professional/technical” labor, to make clear how it relates to BLS categories. In 2004, BLS changed from the Occupational Classification System, OCS, to the Standard Occupational Classification system, SOC. In the process, the “Professional specialty and technical” category became the “Professional and related” category. However, the coverage of the old and new occupational groups is approximately the same. See the BLS article, “Comparing Current and Former Industry and Occupation ECEC Series”(Weinstein and Loewenstein, 2004). [↑](#footnote-ref-2)