

**Department of Transportation
Office of the Chief Information Officer**

**SUPPORTING STATEMENT
Unified Registration System,
FMCSA Registration/Updates
2126-NEW**

INTRODUCTION

The Federal Motor Carrier Safety Administration (FMCSA) requests the Office of Management and Budget's (OMB) approval of a new information collection request (ICR) entitled, "Unified Registration System, FMCSA Registration/Updates." This ICR is due to the Agency's development of a Final Rule entitled, "Unified Registration System" (78 FR 52608 dated August 23, 2013) (see Attachment A) that requires those entities that are subject to the FMCSA's licensing, registration and certification regulations to use a new application Form MCSA-1 entitled, "FMCSA Registration/Update(s)."

Part A. Justification.

1. Circumstances that make collection of information necessary.

Section 103 of the ICC Termination Act of 1995 (ICCTA) enacted 49 U.S.C. 13908 (see Attachment C), which required the Secretary of Transportation (Secretary) to propose regulations to replace four current identification and registration systems with a single, online, Federal system – the Unified Registration System (URS). The Unified Carrier Registration Act of 2005, subtitle C of title IV of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) [Pub. L. 109-59, 119 Stat. 1714, August 10, 2005] (see Attachment D) modified the requirements for a unified registration system by amending § 13908. In particular, SAFETEA-LU repealed the Single State Registration System (SSRS), one of the four systems identified in § 13908, and replaced it with the Unified Carrier Registration Agreement. It also modified the requirement that fees collected under the new system cover the costs of operating and upgrading the registration by placing limitations on certain fees that the Agency could charge. Section 4304 of SAFETEA-LU (see Attachment E) reiterated the congressional requirement for a single, Federal, online system to replace the four individual systems identified under 49 U.S.C. 13908 (see Attachment F). This consolidation simplifies current Federal registration processes and makes data on interstate motor carriers, property brokers, freight forwarders, and other regulated entities more accessible. The URS applies to virtually every motor carrier, property broker, freight forwarder, cargo tank (CT) facility, and intermodal equipment provider (IEP) that is currently required to register with the United States Department of Transportation (USDOT) under 49 CFR 390.19 (see Attachment G) or 49 U.S.C. 13901 (see Attachment H).

This information collection supports the DOT Strategic Goal of Safety. It will streamline the existing registration process and ensure that FMCSA can more efficiently track motor carriers, freight forwarders, brokers, and other entities regulated by the Agency.

2. How, by whom, and for what purpose is the information used.

The information on the Form MCSA-1 will be used by FMCSA to identify its regulated entities, to help prioritize the Agency's activities, to aid in assessing the safety outcomes of those activities and for statistical purposes. The FMCSA will collect the information electronically through on-line forms. The information is currently being collected through a series of forms, which may be filed on-line or on paper. Every interstate motor carrier operating commercial motor vehicles (CMVs) is required to register with FMCSA to obtain a USDOT Number. Most for-hire carriers are also required to file a separate application for operating authority under 49 U.S.C. 13901. Mexico- and Non-North America-domiciled motor carriers file a separate registration form. The information collection will replace these three collections and create a single on-line form. This rule will streamline the collection and eliminate the need for motor carriers to file the same information on multiple forms.

The FMCSA and States use the registration information to track motor carriers, freight forwarders, brokers and other entities they regulate. Registering motor carriers is essential to being able to identify carriers so that their safety performance can be tracked and evaluated. The data make it possible to link individual trucks to the responsible motor carrier, thus implementing the mandate under 49 U.S.C. 31136(a)(1) (see Attachment I) that FMCSA's regulations ensure that CMVs are maintained and operated safely.

3. Extent of automated information collection.

In response to the Government Paperwork Elimination Act (enacted on October 21, 1998, as title XVII of Public Law 105-277, 112 Stat. 2681) (see Attachment J), FMCSA will require that motor carriers file their registration information on line. Therefore, 100 percent of the registration forms will be filed electronically.

4. Efforts to identify duplication.

Federal rules promulgated by the Pipeline and Hazardous Materials Safety Administration (PHMSA) may duplicate the URS provisions to some extent as they relate to hazmat motor carriers required to register under PHMSA's Hazardous Material Registration System. However, other than the basic identification information - company name and address and DOT numbers - the information filed for PHMSA and FMCSA does not overlap. The PHMSA Hazardous Material Registration System cannot be combined with URS. Each system covers many companies that are not subject to the other (i.e., airlines, ship lines, and railroads for PHMSA), and non-hazmat carriers, brokers, etc. for URS. Even the hazmat information collected is different, as the PHMSA system is aggregating data at a higher level than FMCSA. The two collections also serve different purposes. The PHMSA collection is mainly to determine whether the carriers are small entities and, therefore, subject to lower fees. The FMCSA collection serves the multiple purposes discussed above that require more detailed data. There are no other similar filings made with any other Federal agency which would result in duplication of this information.

5. Efforts to minimize the burden on small businesses.

This Final Rule reduces the burden on small businesses that are subject to both FMCSA commercial and safety jurisdiction by eliminating the filing of multiple forms requesting some of the same information. On-line filing will also limit the cost of submission and speed the process of obtaining USDOT Numbers needed to begin operating.

6. Impact of less frequent collection of information.

Most of the information on the Form MCSA-1 will be collected only at initial registration. Motor carriers are required to update the information biennially. The FMCSA believes that a longer update cycle simply will not provide the Agency with the basic data it needs to perform its safety mission efficiently or effectively.

7. Special circumstances.

No special circumstances apply to this information collection.

8. Compliance with 5 CFR 1320.8.

On May 19, 2005, FMCSA published a notice of proposed rulemaking (NPRM) for the Unified Registration System (70 FR 28990) (see Attachment K). The FMCSA received comments from 58 entities, most of which supported a unified system. Based on the comments and statutory changes made by SAFETEA-LU, FMCSA published a supplemental notice of proposed rulemaking (SNPRM) on October 26, 2011, that proposed additional changes to this initiative (Attachment B) (75 FR 66506 - 66595). The FMCSA received comments from 9 entities on the SNPRM, supporting a unified system.

9. Payments or gifts to respondents.

Respondents are not provided with any payment or gift for this information collection.

10. Assurance of confidentiality:

The Personally Identifiable Information (PII) collected on the Form MCSA-1 includes information from persons required to register with FMCSA as a sole proprietor/driver or owner of a motor carrier, intermodal equipment provider, freight forwarder, broker, or cargo tank facility. Although a business name qualifies as PII under OMB Circular M-07-16, it is not PII, in the sense that Privacy Act protections apply to its public disclosure. The PII collected will include the name, address, email address, taxpayer EIN or social security number (SSN), credit card number, and checking account number of these persons. Confidentiality of the PII will be protected by reasonable security safeguards against loss or unauthorized access, destruction, usage, modification, or disclosure. These safeguards incorporate standards and practices required for Federal information systems under the Federal Information Security Management Act (FISMA) of 2002 (44 U.S.C. 3542) and are detailed in Federal Information Processing Standards (FIPS) Publication 200 entitled, "*Minimum Security Requirements for Federal Information and Information Systems*," dated March 2006 and NIST Special Publication (SP)

800-53 Rev. 3 entitled, “*Recommended Security Controls for Federal Information Systems and Organizations*,” dated August 2009 as amended.

The FMCSA has a comprehensive information security and privacy program that contains management, operational, and technical safeguards that are appropriate for the protection of PII. These safeguards are designed to achieve the following objectives:

Ensure the security and confidentiality of PII

- Protect against any reasonably anticipated threats or hazards to the security or integrity of PII
- Protect against unauthorized access to or use of PII

The PII will be protected to the extent allowed by the Freedom of Information Act (FOIA), 5 U.S.C. 552, as amended (see Attachment L) and the Privacy Act of 1974 (Pub. L. 93-579, 88 Stat. 1896, enacted Dec. 31, 1974, 5 U.S.C. § 552a).

The assurance of confidentiality is addressed in detail in the Privacy Impact Assessment (see Attachment M) prepared for this rulemaking action.

11. Justification for collection of sensitive information:

The purpose(s) for collecting PII from a sole proprietor/driver or owner of a motor carrier, intermodal equipment provider, freight forwarder, broker, or cargo tank facility is to track safety-related data in order to recognize trends and use this information for making policy and program changes. Only PII that has been identified in the URS SNPRM will be collected. The collection of PII is necessary to implement URS because it allows both Federal and State law enforcement agencies to positively identify specific records in FMCSA information systems.

The justification for collection of sensitive information is addressed in detail in the Privacy Impact Assessment prepared for this rulemaking action.

12. Estimate of burden hours for information requested:

This information collection covers the initial application to register with FMCSA as a motor carrier, freight forwarder, broker, intermodal equipment provider, and cargo tank facility; a biennial update or any other update of the information recorded on the registration application; a name/address change request; a reinstatement of revoked or inactive registration; and a notification of transfers of operating authority.

The information will be filed on Form MCSA-1. This form will replace existing Forms MCS-150, MCS-150B, MCS-150C and most forms in the OP-1 series (OP-1, OP-1(P), OP-1(FF), OP-1NNA, and OP-2). NOTE: Forms MCS-150 and OP-1(MX) will be retained for the small number of Mexico-domiciled carriers that seek authority to operate beyond the United States municipalities on the United States-Mexico border and their commercial zones because they are not included within the scope of the URS rule.

The MCSA-1 form will be filed when a carrier or other entity regulated by FMCSA first applies for a USDOT Number. All carriers and other regulated entities will be required to update the information on the MCSA-1 form every other year. Some carriers and other regulated entities

currently file name/address change forms, which will be incorporated into the MCSA-1 form. Requests for reinstatements and notification of transfers of operating authority will also be incorporated into the MCSA-1 form.

Table 1 presents the number of new entrants and the estimated number of total Applicants for the three years covered by this information collection request (ICR). Table 2 presents the estimated annual responses (1 per respondent) for new entrants to file the Form MCSA-1. Tables 3 through 6 present the annual responses for carriers with recent activity to file updates, name/address changes, reinstatements, and notify FMCSA about a transfer of operating authority. The time required to read the instructions, collect the information, and complete the form is estimated to average 1.34 hours. This is a weighted average estimated as follows:

- Carriers that need to file only the information currently required on an MCS-150 are assumed to continue to need only 20 minutes to complete the form.
- Carriers that currently must file Form MCS-150B to obtain a hazardous materials safety permit are assumed to need 26 minutes to complete the new form.
- Entities that currently complete only an OP-1 series form are assumed to still need 2 hours to complete the new form.
- Carriers that currently file both the MCS-150 and an OP-1 series form are assumed to take 2 hours and 10 minutes to complete the new form. These carriers are currently estimated to spend 2 hours completing the OP-1 series form and 20 minutes to complete the MCS-150. The 10-minute time savings to complete the new MCSA-1 form reflects the elimination of completing the same basic identification information on both old forms.

Biennial updates are estimated to require 10 minutes because little of the information in this category is likely to change. Name/address changes and notification of transfers are estimated to take 10 minutes. Biennial updates are estimated by subtracting new entrants from total entities regulated and dividing that result by two. The number of new entrants and name/address changes, as well as total entities, is based on 2009 FMCSA data used for the Regulatory Impact Analysis (RIA) in support of the Final Rule. The number of notification of transfers is based on 2012 FMCSA data used in the RIA.

The population estimates in this ICR differ slightly from the ICR for the MCS Forms, which estimate burdens based on the current frequency counts of filings. The burden estimates for the purpose of this ICR reflect the total population under URS plus the population of intrastate non-hazmat carriers.¹ Because this ICR starts in 2014, FMCSA projected the populations to the period from 2014 to 2016 to align with the URS RIA.

¹ Intrastate non-hazmat carriers are not required to file the MCSA-1 under URS. Several States, however, encourage the filing. FMCSA includes the burden estimate of this intrastate non-hazmat population to be consistent with PRA-2126-0013 MCS filing.

Table 1: Number of Applicants by Year

Year	New Entrant URS Applicants	Total URS Entities	New Entrant Intrastate Non-Hazmat Carrier Applicants	Total Intrastate Non-Hazmat Carrier Entities	Total Entities (Total URS Entities + Total Intrastate Non-Hazmat Carrier Entities)
1	61,280	583,999	48,450	43,265	627,264
2	62,132	592,115	48,450	43,265	635,380
3	62,995	600,344	48,450	43,265	643,609

Table 2: Respondents, Burden Hours for Initial Filings by Year

Year	URS Respondents	Intrastate Non-Hazmat Carriers	Hours per Respondent	Total Burden Hours²
1	61,280	48,450	1.34	147,038
2	62,132	48,450	1.34	148,180
3	62,995	48,450	1.34	149,336
Annualized				148,185

Table 3: Respondents and Burden Hours for Biennial Update

Year	URS Respondents	Intrastate Non-Hazmat Carriers³	Hours per Respondent	Total Burden Hours
1	292,000	43,265	10 min/60 min/hr	55,877
2	296,058	43,265	10 min/60 min/hr	56,554
3	300,172	43,265	10 min/60 min/hr	57,240
Annualized				56,557

² To estimate the total burden hours, FMCSA sums the URS respondents and the intrastate non-hazmat respondents and multiplies the total respondents by the estimated hour per respondent.

³ Because the PRA-2126-0013 aggregates across biennial updates and change requests, FMCSA is unable to disaggregate these two burden estimates. Some of the intrastate non-hazmat carriers included in the biennial update burden estimate may be burdens associated with change requests. Because the time burden is identical across the two filing types, the total burden estimate is unaffected by this issue.

Table 4: Respondents and Burden Hours for Change Requests

Year	URS Respondents	Hours per Respondent	Total Burden Hours
1	12,103	10 min /60 min/hr	2,017
2	12,271	10 min /60 min/hr	2,045
3	12,442	10 min /60 min/hr	2,074
Annualized			2,045

Table 5: Respondents and Burden Hours for Transfer Notifications

Year	URS Respondents	Hours per Respondent	Total Burden Hours
1	987	10 min /60 min/hr	165
2	1,001	10 min /60 min/hr	167
3	1,015	10 min /60 min/hr	169
Annualized			167

Table 6: Respondents and Burden Hours for Reinstatements

Year	URS Respondents	Hours per Respondent	Total Burden Hours
1	1,891	10 min /60 min/hr	315
2	1,917	10 min /60 min/hr	320
3	1,944	10 min /60 min/hr	324
Annualized			320

The FMCSA estimated labor costs using the industry base wage for drivers loaded with fringe benefits (shown in Table 7). Most new entrants are very small firms where the owner may also be a driver.

Table 7: Labor Hour Costs

Year	Wage Rate	Burden Hours	Total
1	\$29.27	205,412	\$6,011,878
2	\$29.27	207,265	\$6,066,110
3	\$29.27	209,142	\$6,121,048
Annualized		207,273	\$6,066,345

During the first year:

The total number of respondents is 627,264 [635,418 annualized].

The total burden hours is 205,412 [207,273 annualized].

The total labor cost is \$6,011,878 [\$6,066,345 annualized].

13. Estimate of total annual costs to respondents.

All responses will be filed electronically. Therefore, there are no capital or operating costs to respondents associated with this ICR. All filers are assumed to have computers or to be able to access the on-line filing site from public computers. Some carriers may pay a third party to file the information as part of a service to assist them in setting up a business. The fees charged, however, cover multiple services. The FMCSA has no information on how many carriers use such services or what part of the fees should be attributed to filing this form.

14. Estimate of cost to the Federal government.

The FMCSA estimates that the cost associated with supporting the registration system is about \$52.0 million (2010\$). The estimate includes staff costs (\$42.0 million), IT support, and overhead.

15. Explanation of program changes or adjustments.

This will be a new information collection. It will, however, replace three existing ICRs (2126-0013, 2126-0016, and 2126-0019). The URS rule will extend the requirement for a biennial update to certain Applicants (brokers, freight forwarders, and cargo tank facilities) to which the requirement does not apply today, reduce the burden associated with the filing of redundant information, and require that all forms be filed electronically.

16. Publication of results of data collection.

Data provided by this information collection will not be published.

17. Approval for not displaying the expiration date of OMB approval.

The FMCSA is not seeking an exemption from displaying the expiration date.

18. Exceptions to certification statement.

There are no exceptions to the certification statement.