

**Supporting Statement
For
Exemption from Make Inoperative Prohibition
Modifier Identification and Consumer Disclosure
49 CFR 595 Subpart C
OMB Control # 2127-0635**

1. Explain the circumstances that make the collection of information necessary.

Attach a copy of the appropriate statute or regulation mandating or authorizing the collection of information.

The National Highway Traffic Safety Administration (NHTSA), under the US Department of Transportation, was established by the Highway Safety Act of 1970 to carry out safety programs under the National Traffic and Motor Vehicle Safety Act of 1966. The Safety Act has subsequently been recodified under Title 49 of the United States Code in Chapter 301, Motor Vehicle Safety. This statute contains a provision prohibiting certain commercial entities from knowingly making inoperative any part of a device or element of design installed in or on a motor vehicle in compliance with an applicable Federal Motor Vehicle Safety Standard (49 U.S.C. section 30122). However, the statute also gives NHTSA the authority to issue regulations that exempt persons from this prohibition (49 U.S.C. section 30122(c)(1)).

On February 27, 2001 NHTSA published a final rule (66 FR 12638) to facilitate the modification of motor vehicles so that persons with disabilities can drive or ride in them as passengers. In that final rule, the agency issued a limited exemption from a statutory provision that prohibits specified types of commercial entities from either removing safety equipment or features installed on motor vehicles pursuant to the Federal Motor

Vehicle Safety Standards or altering the equipment or features so as to adversely affect their performance. The exemption is limited in that it allows repair businesses to modify only certain types of Federally-required safety equipment and features, under specified circumstances. The regulation is found at 49 CFR Part 595 Subpart C – Vehicle Modifications to Accommodate People with Disabilities.

This action addresses the Department’s Strategic Goal #6 “Safety Strategic Goal”, specifically strategy 6.2.3., “Standards regulations and enforcement” by making vehicles safer for persons with disabilities. It provides flexibility and allows for innovation and incentives that improve transportation safety for persons with disabilities. The rule is written in plain English and uses self-certification.

2. Indicate how, by whom, and for what purpose the information is to be used.

Indicate actual use of the information received from the current collection.

49 CFR Part 595 Subpart C included two new "collections of information," as that term is defined in 5 CFR Part 1320 Controlling Paperwork Burdens on the Public: modifier identification, and a document to be provided to the owner of the modified vehicle stating the exemptions used for that vehicle and any reduction in load carrying capacity of the vehicle of more than 100 kg (220 lbs).

Commercial entities who modify vehicles after the first retail sale and who wish to use the exemptions offered under this rule are required to provide NHTSA with a document stating the name and address of the business and a prescribed statement that they modify vehicle for persons with disabilities and intend to avail themselves of the exemptions.

Any changes in that information must be conveyed to the agency within 30 days. This information will be used by the agency to track entities involved in vehicle modification for persons with disabilities and is available to the public on the NHTSA web site.

Modifiers must also provide each customer whose vehicle modification involves the use of the make inoperative exemptions with a list of the exemptions used in the process of modifying that vehicle. The simplest form of this document is an annotated invoice. No specific or special forms are required. A copy of this document must also be retained by the modifier for five years. This document will be used by the consumer to understand the modifications made to his/her vehicle and their effect on vehicle safety. It may be used by NHTSA in the event of an inquiry about the safety of the firm's vehicles.

3. Describe whether the collection of information involves the use of technological collection techniques or other forms of information technology.

This request involves two elements: the registration of vehicle modifiers with NHTSA in the form of a letter to the Administrator, and the disclosure of information by the vehicle modifier to the vehicle owner at the time the vehicle is delivered. Electronic collection is not applicable to either of these elements.

4. Describe efforts to identify duplication. Show specifically why similar information cannot be used.

The information collected under this regulation is unique and is not available through other sources.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize the burden.

This collection of information does involve small businesses, the shops that modify vehicles to accommodate persons with disabilities after the first retail sale of the vehicle. Since the collection does affect small businesses we have been very careful to design the collection in a way that minimizes the burden on the respondent. Therefore, the combined burden of the registration requirement and the third party disclosure requirement is not major.

The registration involves a one-time submission, in the form of a business letter containing only the name and address of the modifier and a statement prescribed by the regulation. The typing, reviewing, and mailing of the letter involves less than a typical business letter. A single registration is required, except when a modifier changes its name or location. Our estimate of the time required is 10 minutes. The level of effort required is the same, regardless of the company's size.

The disclosure to the vehicle owner is made with each vehicle modified using the exemptions. Disclosure involves annotating the regular invoice as to the exemption used for each listed modification. We estimate the average time needed to annotate each invoice is 20 minutes. We estimate each modifier will make an average of six disclosures in a typical year; some business will make more, some less.

6. Describe the consequences to the Federal program or policy activities if the collection is not collected or collected less frequently.

The information is registered only once, unless the modifier changes its name or address. The disclosure is made once per vehicle modified with the exemptions. The disclosure pertains to that unique vehicle. If the information is not collected, NHTSA will not be able to identify or locate vehicle modifiers, should a question arise about the safety of the vehicles they build, and consumers will not have the information they need about the safety of their modified vehicles.

7. Explain any special circumstances that require the information collection to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.6.

The procedures specified for this information collection are consistent with the guidelines set forth in 5 CFR 1320.6.

8. Provide a copy of the Federal Register document soliciting comments on the collection of information, a summary of all public comments responding to the notice, and a description of the agency's action in response to the comments.

Describe efforts to consult with persons outside the agency to obtain their views.

The Federal Register document (April 3, 2013 [78 FR 20172]) soliciting comments on the collection of information is attached. No comments were received.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

No payment or gift will be or was provided to any respondent.

10. Describe any assurance of confidentiality provided to respondents.

No assurances of confidentiality are given by the agency. The only information required to be sent to the agency is the name and address of the company. This information is made public on the agency's web site and by telephone or written request.

11. Provide additional justification for any questions on matters that are commonly considered private.

There are no private questions involved in this information-collection activity. The required information is exclusively business-oriented, with no personal data submitted or requested.

12. Provide estimate of the hour burden of the collection of information on the respondents.

The estimated burden for modifiers wishing to use the new make inoperative exemptions allowed by 49 CFR 595.7 to identify themselves to NHTSA according to 49 CFR 595.6 was calculated in two parts as follows:

Part 1 Requirement to Register with NHTSA to Use the Exemptions

The registration involves a one-time submission, in the form of a business letter containing only the name and address of the modifier and a statement prescribed by the regulation. The typing, reviewing, and mailing of the letter involve less than a typical business letter. A single registration is required, except when a modifier changes its name or location. Our estimate of the time required is 10 minutes.

Respondents: 90.0

Responses: 1.0

Hrs/response: 0.167

Annual total burden: 15.0 hours

In making this estimate we assumed that there are 700 businesses making vehicle modifications for persons with disabilities in the United States. We assume that 85 percent of these, or 595 businesses, will elect to use the exemptions available under the rule. After the initial registration (which occurred in 2001), we estimate of those 700 businesses, 90 will need to change their information, or new registrants will elect to use the exemptions. We assume that each letter takes 10 minutes to create and mail.

Part 2

The disclosure to the vehicle owner is made with each vehicle modified using the exemptions. Disclosure involves annotating the regular invoice as to the exemption used for each listed modification. We estimate the average time needed to annotate each invoice is 20 minutes. We estimate each modifier will make an average of six disclosures in a typical year, some business will make more, some less. The estimated burden for preparing the document required by 49 CFR 595.7(b) and specified in paragraph (e) was calculated as follows:

Respondents: 700 (businesses using the exemptions)

Av. # Responses: 4.87 (average # of vehicles modified with exemptions per business)

Hrs/response: 0.333 (time to annotate the invoice to show exemptions used)

Annual total burden: 1137 hours

In making this estimate we assumed that there are 3411 vehicle modifications made each year for persons with disabilities for which the exemptions will be used by 700 businesses in the United States. We estimate that the time needed to annotate an existing invoice to add the exemptions used for each modification is 20 minutes. Since the

invoice would be prepared, given to the consumer, and retained by the modifier in the normal course of business, we do not include burdens for those activities.

The total burden, adding parts 1 and 2 of the calculation, is $15.0 + 1137 = 1152$ hours.

The estimated costs associated with the total estimated burden hours are as follows:

- Clerical staff – 15.0 hours per year at \$12.00 per hour equals \$180.00 per year
- Engineering technician – 1137 hours per year at \$36.00 per hour equals \$40,932.00 per year

Total estimated annual cost to respondents for the hour burdens for collection of information = \$41,112.00

Note: This cost associated with hour burden as determined above is not included in the "Annual reporting and record keeping cost burden" figure in Question 14 of form OMB 83-I

13. Provide estimates of the total annual cost to the respondents or record keepers.

The estimated burden for modifiers wishing to use the make inoperative exemptions allowed by 49 CFR 595.7 to identify themselves to NHTSA according to 49 CFR 595.6 was calculated as follows:

Respondents: 90.0

Responses: 1.0

\$/response: 0.56

Total annual burden: \$50.04

In making this estimate we assumed that there are 90 businesses making vehicle modifications for persons with disabilities in the United States who will need to change their information, or new registrants who will elect to use the exemptions. We assume costs of 49 cents for postage and office supplies for each letter.

14. Provide estimates of annualized cost to the Federal Government.

There is no cost incurred by the Federal Government as a result of this regulation.

15. Explain the reasons for any program changes or adjustments reported in items 13 or 14 of the OMB Form 83-I.

There is an adjustment of an increase of 214 burden hours (from previous submission of 938 hours to current submission of 1152 hours).

16. For collection of information whose results will be published, outline plans for tabulation, and publication.

NHTSA does not have plans to publish the results.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

NHTSA is not seeking such approval.

18. Explain each exception of the certification statement identified in Item 19, “Certification for Paperwork Reduction Act Submissions,” of OMB Form 83-I.

No exceptions to the certification statement are made.