

SUPPORTING STATEMENT

Preparation and Execution of the Project Agreement and Modifications

This is a request for OMB's for a renewal of the three-year approved clearance of the information collection entitled, "Preparation and Execution of the Project Agreement and Modifications" (OMB No.2125-0529).

1. Circumstances that make the collection of information necessary:

Section 106 of Title 23, United States Code, directs the Secretary of Transportation to "enter into a formal project agreement with the State transportation departments formalizing the conditions of the project approval." The information in the agreement to formalize the responsibilities of the Federal and State governments concerning the construction and maintenance of each Federal-aid highway project is included in part 630, subpart A of title 23, Code of Federal Regulations. A State has the flexibility to use whatever format it considered suitable to provide the statutory information required.

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

In nearly all instances, the limited amount of information required under the regulation is entered into an electronic system by the State Departments of Transportation. The information is evaluated by FHWA Division Office staff and is then approved, if found to be satisfactory and funds are available. The approval establishes a commitment on the part of the Federal government to pay the Federal share of project expenses and sets up an account to reimburse State DOTs for incurred eligible project related expenses.

The project agreement is a statutory requirement. Implementation of existing project agreement requirements is a simple way to formalize the agreement among those Federal and State officials who are responsible for project approval and management. State and Federal procedures require that such a formal agreement – an official understanding of mutual responsibilities – be reached before a Federal-aid project can proceed. The project agreement also provides current obligational information used in project management and information including that used to control Federal-aid fiscal resources. It is, therefore, a document needed to advance a highway project to completion. Its elimination would disrupt long-established procedures that are widely accepted among State highway departments.

3. Extent of automated information collection:

Electronic transmissions and electronic signature control are improved technologies that are currently available to respondents to provide the information to the FHWA. Currently, 90% of the respondents are providing data electronically to the Fiscal Management Information System. For electronic signature, the same proportion of respondents (i.e., 90%) is using this technology.

4. Efforts to identify duplication:

There are no other requirements or collections of information by the FHWA or other Federal agencies that duplicate this process.

5. Efforts to minimize the burden on small businesses:

This is a Federal-State agreement and does not involve any small businesses.

6. Impact of less frequent collection of information:

This collection cannot be conducted less frequently. One project agreement must be executed for each Federal-aid project if the purpose described in item 2 above is to be met.

7. Special circumstances:

There are no special circumstances related to this information collection.

8. Compliance with 5 CFR 1320.8:

The FHWA published a Federal Register Notice on Oct. 2, 2013 (78 FR 60996) advising the public of its intent to request the renewed clearance of this information collection. No comments were received.

9. Payments or gifts to respondents:

No payments or gifts are to be provided to the respondents.

10. Assurance of confidentiality:

The information to be collected is not considered confidential and is available to the public.

11. Justification for collection of sensitive information:

This information collection does not involve any sensitive information.

12. Estimate of burden hours for information requested:

State Highway Departments in the 50 States, the District of Columbia, Puerto Rico, the Commonwealth of the Northern Mariana Islands, and the Territories of Guam, the Virgin Islands and American Samoa, participate in a project agreement with the FHWA. Depending on the size of and activity in the above government agencies, the number of project agreements executed in any agency ranges between 10 and 1,500. The average number is approximately 400 documents per agency. Further, it is estimated that each document requires approximately 54 minutes for preparation and 6 minutes to review and file. The total, estimated burden hours are calculated as follows:

400 documents/year x 56 respondents = 22,400 documents per year
 22,400 documents x 1 hour each = 22,400 annual burden hours.

The estimated salaries associated with these burden hours are based on professional staff performing one-half of the work (@ \$34 per hour) and administrative staff performing the other half (@ \$22 per hour). These related respondent salary costs are, therefore, \$627,200 and are calculated as follows: (11,200 hours x \$34 = \$380,800) plus (11,200 hours x \$22 = \$246,400).

13. Estimate of annual costs to respondents:

Other than the salary and staffing costs indicated in item 12 above, there are no costs to the respondents.

14. Estimate of cost to the Federal government:

Federal professional staff spends approximately 3 minutes reviewing and signing each agreement. Federal secretarial staff spends approximately 3 minutes recording and filing each document. The annual Federal government salary costs are computed below:

Professional:	22,400 X 0.05 hour x \$39/hour =	\$ 43,680
Secretarial:	22,400 X 0.05 hour x \$22/hour =	<u>\$ 24,640</u>
Total:		\$ 68,320

15. Explanation for program changes or adjustments:

This is an adjustment to the currently approved collection. The decrease in the number of project agreements for Federal-aid projects, from 498 project agreements to 400 project agreements, is the cause of the adjustment.

16. Publication of results of data collection:

The information to be collected is not intended for publication.

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

No such approval is being requested.

18. Exceptions to certification statement:

There are no exceptions to the certification statement.