SUPPORTING STATEMENT FOR PAPERWORK REDUCTION ACT SUBMISSIONS UNDER 5 CFR PART 1320
Information Collection: 2133-0532

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

The Voluntary Intermodal Sealift Agreement (VISA) is a voluntary agreement, in accordance with section 708, Defense Production Act, 1950, as amended, under which participants agree to provide commercial sealift capacity and intermodal shipping services and systems, necessary to meet national defense requirements. In order to meet national defense requirements, the Government must assure the continued availability of commercial sealift resources.

The Maritime Administrator and the Secretary of Defense recertify the need for and the Attorney General approves the agreement every two years. Section 708 of the Defense Production Act of 1950, as amended, (50 U.S.C. App. 2158), as implemented by regulations of the Federal Emergency Management Agency (44 CFR Part 332), Voluntary agreements and plans of action for preparedness programs and expansion of production capacity and supply, authorizes the President, upon a finding that conditions exist which may pose a direct threat to the national defense or its preparedness programs to consult with representatives of industry, business, financing, agriculture, labor, or other interests in order to provide the making of such voluntary agreements. It further authorizes the President to delegate that authority to individuals who are appointed by and with the advice and consent of the Senate, upon the condition that such individuals obtain the prior approval of the Attorney General after the Attorney General's consultation with the Federal Trade Commission. Section 501 of Executive Order 12919, as amended, delegated this authority of the President to the Secretary of Transportation (Secretary), among others. By DOT Order 1900.9, the Secretary delegated to the Maritime Administrator the authority under which the VISA is sponsored. Through advance arrangements in joint planning, it is intended that participants in VISA will provide capacity to support a significant portion of surge and sustainment requirements in the deployment of U.S. military forces during war or other national emergency.

The information requested is needed by the Maritime Administration (MARAD) and the Department of Defense (DoD), including representatives from U.S. Transportation Command and its components, to assess respondents’ eligibility for participation in the VISA program.

Respondent companies submit specific information regarding the U.S.-flag fleet assets under control through either ownership or bareboat charter. MARAD also requests pertinent data on business operations as well as the citizenship status of each respondent. MARAD will maintain all submitted information and utilize it to determine a respondent’s eligibility for VISA. As necessary, this information will be provided to the U.S. Transportation Command and its components.

This information collection is in support of the Department of Transportation's strategic goal on Security, Preparedness and Response to balance transportation security requirements with the safety, mobility and economic needs of the Nation and be prepared to respond to emergencies that affect the viability of the transportation sector.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

The information received is used by MARAD personnel to evaluate the respondents' eligibility for the VISA program. This information will be used by MARAD, U.S. Transportation Command and its components to assure the continued availability of commercial sealift resources to meet the Department of Defense's military requirements.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology. Also describe any consideration of using information technology to reduce burden.

The principal collection of information will be through the U.S. Mail. MARAD has also posted the forms and other related information on MARAD's website (www.marad.dot.gov) to assist potential VISA applicants in completing the VISA application. While applicants may choose to submit electronic submissions for portions of the application worksheet to reduce the burden to applicants, MARAD requires original signatures and corporate seals for the "Application to Participate in the Voluntary Intermodal Sealift Agreement".

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in item 2 above.

An examination of the Catalog of Federal Domestic Assistance and the Catalog of Federal Paperwork Requirements did not reveal any similar information collections.

The requested data from each potential VISA applicant is unique and necessary in order to determine the applicant's qualification for VISA participation. The submitted data must be the most current available in order to meet Department of Defense requirements.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

Applicants normally do not meet the definition of small business. MARAD does not expect that the data submissions will impose any unnecessary burden on small businesses or small entities.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical

or legal obstacles to reducing burden.

MARAD and the U.S. Transportation Command have determined that the enrollment process for VISA should be conducted on an annual basis. Due to the changing environment of the U.S. shipping industry, this determination was made in order to maintain an adequate commercial sealift base to meet national defense requirements.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- **requiring respondents to report information to the agency more often than quarterly;**
- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **requiring respondents to submit more than an original and two copies of any document;**
- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
- **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing data with other agencies for compatible confidential use; or**
- **requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

With respect to the above, MARAD holds an open season once a year for respondents to submit applications for participation in the VISA program. MARAD requires that two original VISA applications be submitted. In order to validate a company’s participation in VISA, it is necessary that the company and MARAD each have an original. The original applications contain signatures and seals of the applicant as well as MARAD officials.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice required by 5 CFR 1320.8(d), soliciting

comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.
Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every three years - even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

The Maritime Administration published a 60-day notice and request for comments on this information collection in the Federal Register (79 FR 892, No. 4, January 7, 2014); indicating comments should be submitted on or before March 10, 2014. No comments were received.

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

No payments or gifts are provided to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

All data collected from individual companies will be maintained and treated by MARAD as confidential and will not be released to the general public.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

Not applicable. There are no questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information. The statement should:

- o **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than**

10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated burden and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.

- o **If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in item 13 of OMB Form 83-I.**

- **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in item** 14.

Number of Respondents		Responses Per Respondent		Total Responses Annually		Hours Per Response		Total Hours Annually
40	x	1	=	40	x	5	=	200

A determination of the estimated number of hours required per response was made after consultation with several respondents.

It is estimated that the respondents spend 5 hours of their time collecting and assimilating the information submitted with each response. Therefore, given an average salary of $ 27 per hour for each of the employees, the cost per response per year to each respondent is estimated as follows:

Number of Respondents		Per Respondent		Cost Per Hour		Number of Hours		Hours Cost Annually		Other Cost Annually		Total Cost Annually
40	x	1	x	$27	x	5	=	$5,400	+	$0	=	$5,400

Materials and Postage Costs for Return Mailing of Applications to the Maritime Administration:

40 applications x $24.00 (materials & postage) = $960.00.

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in items 12 and 14).

- o **The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life); and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating,**

maintaining and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.

- **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**

- **Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.**

(a) Total Capital and Start-Up Costs Estimate: There are no capital or start-up costs associated with this information collection.

(b) Total Operation and Maintenance and Purchase of Services Estimate:

Not applicable.

14. Provide estimates of annualized cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from items 12, 13, and 14 in a single table.

The total annual cost to the Federal Government for processing the collection is estimated as follows:

One-time Costs: $0
Annual Costs: $78,440.00
It is estimated that 4 employees are assigned specific tasks related to the VISA program enrollment. These tasks include the preparation of materials to be mailed to potential VISA applicants, receiving incoming information from the VISA applicants, analysis of

the information (ensuring that each potential VISA applicant has submitted all requested data), follow-up communication with the applicants where applicable, and the preparation of material to be sent to applicants that are approved for the VISA . The total time each employee dedicates to the VISA program enrollment process varies according to the assigned task. However the total combined time is approximately 5 hours per respondent at an hourly rate of $53.00.

Number of Employees		Hourly Wage		Project Time		Cost Per Application
4	x	$53.00	x	5 hours	=	$ 1,060.00
Overhead at 85%					=	$ 901.00
Sub-total					=	$ 1,961.00
Times 40 responses per year					=	$ 78,440.00

Maximum Total Annual Cost to Federal Government: $78,440.00

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

No program changes or adjustments were reported.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates and other actions.

The results of this information collection will not be published.

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.

Not applicable, we are not seeking approval to not display the expiration date of this information collection.

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

There are no exceptions to the certificate statement.