

**SUPPORTING STATEMENT FOR
CONSOLIDATED LABELLING REQUIREMENTS FOR 49 CFR 565 and 567
OMB CONTROL NUMBER 2127-0510**

A. JUSTIFICATION:

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.

49 CFR Part 565

The National Highway Traffic Safety Administration's (NHTSA's) regulations in 49 CFR Part 565 *Vehicle Identification Number Requirements* specify the format, contents, and physical requirements for a vehicle identification number (VIN) system and its installation to simplify vehicle identification information retrieval and to increase the accuracy and efficiency of vehicle recall campaigns.

The regulations require each vehicle manufactured in one stage to have a VIN that is assigned by the vehicle's manufacturer. Each vehicle manufactured in more than one stage is to have a VIN assigned by the incomplete vehicle manufacturer. Each VIN must consist of 17 characters, including a check digit, in the ninth position, whose purpose is to verify the accuracy of any VIN transcription. The VIN must also incorporate the world manufacturer identifier or WMI assigned to the manufacturer by the competent authority in the country where the manufacturer is located. The WMI occupies the first three characters of the VIN for manufacturers that produce 1,000 or more vehicles of a specified type within a model year and positions 1, 2, 3, 12, 13, and 14 of VINs assigned by manufacturers that produce less than 1,000 vehicles of a specified type per model year. The remaining characters of the VIN describe various vehicle attributes, such as make, model, and type, which vary depending on the vehicle's type classification (i.e. passenger car, multipurpose passenger vehicle, truck, bus, trailer, motorcycle, low-speed vehicle), and identify the vehicle's model year, plant code, and sequential production number.

NHTSA has contracted with SAE International of Warrendale, Pennsylvania, to coordinate the assignment of WMIs to manufacturers in the United States. Each manufacturer of vehicles subject to the requirements of Part 565 must submit, either directly or through an agent, the unique identifier for each make and type of vehicle it manufactures at least 60 days before affixing the first VIN using the identifier.

Manufacturers are also required to submit to NHTSA information necessary to decipher the characters contained in their VINs, including amendments to that information, at least 60 days prior to offering for sale the first vehicle identified by a VIN containing that information or if information concerning vehicle characteristics sufficient to specify the VIN code is unavailable to the manufacturer by that date, then within one week after that information first becomes available.

Sample tables that can be used to submit VIN deciphering information to NHTSA, as well as sample letters that can be used to forward that information to the agency, are included on pages 38 through 45 of a handbook entitled *Requirements for Manufacturers of Motor Vehicles and Motor Vehicle Equipment* that can be accessed on the agency's website at www.nhtsa.gov/cars/rules/maninfo. A description of how to configure a VIN is found on pages 9 through 20 of the handbook and a description of how to report VIN deciphering information to NHTSA is found on page 21 of the handbook.

49 CFR Part 567

The regulations in 49 CFR Part 567 *Certification* specify the contents and location of, and other requirements for, the certification label to be affixed to a motor vehicle, as required by the National Traffic and Motor Vehicle Safety Act, as amended (the Vehicle Safety Act)(49 U.S.C. 30115) and the Motor Vehicle Information and Cost Savings Act, as amended (the Cost Savings Act)(49 U.S.C. 30254 and 33109). The purpose of the regulations is to address certification-related duties and liabilities of the manufacturer, and to provide the consumer with information to assist in determining which of the Federal Motor Vehicle Safety Standards (as found in 49 CFR Part 567), Bumper Standards (as found in 49 CFR Part 581, and Federal Theft Prevention Standards (as found in 49 CFR Part 541) are applicable to the vehicle.

The regulations pertain to manufacturers of motor vehicles to which one or more standards are applicable, including persons who alter such vehicles prior to their first retail sale, and to Registered Importers of vehicles not originally manufactured to comply with all applicable Federal motor vehicle safety standards that are determined eligible for importation by NHTSA, based on the vehicles' capability of being modified to conform to those standards.

The regulations require each manufacturer to affix to each vehicle, in a prescribed location, a label that, among other things, identifies the vehicle's manufacturer (defined as the person who actually assembles the vehicle), the vehicle's date of manufacture, and the statement that the vehicle complies with all applicable Federal motor vehicle safety standards and, where applicable, Bumper and Theft Prevention Standards in effect on the date of manufacture. The label must also include the vehicle's gross vehicle and gross axle weight ratings (GVWR and GAWRs), vehicle identification number, and vehicle type classification (i.e., passenger car, multipurpose passenger vehicle, truck, bus, trailer, motorcycle, low-speed vehicle).

The regulations specify other labelling requirements for incomplete vehicle, intermediate, and final-stage manufacturers of vehicles built in two or more stages, such as commercial trucks that are built by adding work performing components, such as a cargo box or cement mixer, to a previously manufactured chassis or chassis-cab., and to persons who alter previously certified vehicles, other than by the addition, substitution, or removal of readily attachable components such as mirrors or tire and rim assemblies,

or minor finishing operation such as painting, before the first purchase of the vehicle for purposes other than resale.

Information on how to complete and affix a vehicle certification label is included on pages 22 to 24 of the requirements handbook at www.nhtsa.gov/cars/rules/maninfo. Sample certification labels that can be used as guidance for manufacturers of the various types of vehicles that must be certified to the standards are included on pages 54 and 55. This information collection supports the Department's strategic goal of safety.

2. Indicate how, by whom, and for what purpose the information is used. Indicate actual use of information received from the current collection.

49 CFR Part 565

NHTSA requires vehicle manufacturers to obtain a world manufacturer identifier to incorporate into the VINs they assign to the vehicles they manufacture for sale in the United States, and to submit that identifier to NHTSA, so that the agency can identify the responsible manufacturer in the event that the vehicle is suspected of containing a defect related to motor vehicle safety or a noncompliance with an applicable Federal motor vehicle safety standard. If such a defect or noncompliance is found to exist in the vehicle, the manufacturer has an obligation to furnish NHTSA and vehicle owners with notification of the defect or noncompliance and to remedy the defect or noncompliance without charge.

The VIN-deciphering information that NHTSA receives from manufacturers under 49 CFR Part 565 is published on the agency's website at www.nhtsa.gov/cars/rules/manufacture. In this manner, it is available to State Departments of Motor Vehicles, Customs officers, and law enforcement personnel who have an interest in whether a motor vehicle presented for registration, for importation, or for operation on public roads has been manufactured by a company that is properly registered with NHTSA. These officials use the contents of the VIN-deciphering tables submitted by manufacturers to identify the attributes of the vehicle and determine whether it can be lawfully registered, imported, or licensed for on-road use in their jurisdiction.

Manufacturers use the vehicle identification number to identify vehicles that are subject to recall to remedy a safety-related defect or noncompliance and NHTSA uses this information to monitor the success of these recall campaigns. The agency also uses VINs to calculate motor vehicle theft rates by model year/calendar year as required by Chapter 331 of Title 49, United States Code.

49 CFR Part 567

Under 49 U.S.C. § 30115, a manufacturer or distributor of a motor vehicle must certify to the distributor or dealer at delivery that the vehicle complies with applicable Federal motor vehicle safety standards. The statute requires that the certification be provided in

the form of a tag or label that is permanently affixed to the vehicle by the time of its delivery to a dealer or distributor. Manufacturers are not required to apprise NHTSA of the specific vehicles that they manufacture to the standards and, as a rule, manufacturers do not supply that information to the agency. The presence of the certification label is therefore the only means for NHTSA, State Departments of Motor Vehicles, Customs officials, and law enforcement personnel to know whether a particular vehicle was originally manufactured to meet the Federal motor vehicle safety standards and the Bumper and Theft Prevention standards, to the extent they are applicable. The label contains critical information on the vehicle's gross vehicle and gross axle weight rating that is important for operators to use in determining the extent to which the vehicle can be safely loaded or its capacity for towing another vehicle.

The labels affixed by manufacturers of vehicles built in two or more stages contain information needed by subsequent stage manufacturers in completing the vehicle so that, as finally assembled, it complies with all applicable Federal motor vehicle safety standards. The labels affixed by vehicle alterers assure that the vehicle, as altered, remains in compliance with all applicable standards and identify the responsible party in the event that a safety-related defect or noncompliance is introduced into the vehicle as a result of those alterations. The labels affixed by Registered Importers assure that a vehicle that was not originally manufactured to comply with all applicable Federal motor vehicle safety and bumper standards has been brought into compliance with those standards and identify the responsible party for providing notification and remedy in the event that the vehicle is found to contain a safety-related defect or noncompliance.

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

49 CFR Part 565

The regulations in Part 565 do not mandate that VIN-deciphering information be submitted to NHTSA in a paper format. Some manufacturers fax the information to the agency or submit scanned images by e-mail. The majority do choose, however, to submit the information on paper. No more than five percent of the submissions, on average, are made by other means. NHTSA is exploring ways to permit the electronic submission of VIN-deciphering information in an effort to improve the accuracy of the submissions, to reduce the volume of paperwork needed to correct inaccurate or incomplete submissions, and to reduce the human resources needed to process the existing paper submissions.

49 CFR Part 567

The regulations in Part 567 require a manufacturer to affix a certification label to each motor vehicle it manufactures for sale in the United States, but do not require manufacturers to submit any information to NHTSA. The use of information technology is therefore not pertinent to this collection.

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

49 CFR Part 565

To ensure that motor vehicle manufacturers do not submit duplicate “unique” motor vehicle identifiers, the agency has a contract with the SAE International (SAE), to be the sole source assigner of the world manufacturer identifier (WMI) portion of the VIN. NHTSA retains final authority over the assignment process. SAE Recommended Practice J1044a, World Manufacturer Identifiers, is used in the assignment of the WMI. The agency receives a copy of the numbers assigned by SAE. Since only the SAE has procedures to assign the WMI portion of the VIN, there is no similar information that can be used.

Manufacturers are required to submit VIN-deciphering information to NHTSA at least 60 days prior to offering for sale the first vehicle identified by a VIN containing that information or if information concerning vehicle characteristics sufficient to specify the VIN code is unavailable to the manufacturer by that date, then within one week after that information first becomes available. After that initial submission, manufacturers are not required to submit any additional VIN-deciphering identifying information unless a change occurs in the information already on file with the agency. It is necessary that this information be furnished by the manufacturer so that NHTSA has accurate VIN-deciphering information to use in the event that a safety-related defect or noncompliance should be suspected or found to exist in one of the manufacturer’s products. Manufacturers are not required to submit VIN deciphering information under any other regulation administered by NHTSA. As a consequence, there is no risk for duplication of effort on the manufacturer’s part.

49 CFR Part 567

The certification label is affixed to the vehicle by the manufacturer only once. This is generally done at the place of main assembly after all manufacturing operations have been completed on the vehicle. By regulation, the manufacturer is obligated to permanently affix the certification label, so that it is defaced or destroyed if any effort is made to remove the label. As such, there can be no duplication of effort on the manufacturer’s part with respect to the application of those labels.

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

49 CFR Parts 565 and 567

The labeling requirements of Parts 565 and 567 apply to all manufacturers of motor vehicles subject to those regulations, including passenger cars, multipurpose passenger vehicles, trucks, buses, trailers, motorcycles, and low speed vehicles. This includes both major manufacturers and smaller companies that undoubtedly qualify as small businesses or entities. There is no way to minimize the burdens associated with the labelling

requirements for the small manufacturer or entity as all motor vehicles covered by the regulations must have labels affixed in a prescribed location that display the vehicle's VIN and provide the other information required by 49 CFR 567.4.

The amount of time necessary to comply with the requirement for submission of VIN-deciphering information to NHTSA varies with the amount of material submitted, which is a product of the number of makes and models of vehicles a company produces. Therefore, a small company with a limited production of motor vehicles will incur relatively little burden.

6. Describe the consequence to Federal Program or policy activities if the information is not collected or collected less frequently.

49 CFR Parts 565 and 567

If vehicle identification numbers were not assigned to motor vehicles, and inscribed on the certification labels affixed to those vehicles, there would be no way to identify particular vehicles that contain safety-related defects or do not comply with applicable Federal motor vehicle safety standards, and are therefore subject to safety recall campaigns. NHTSA and vehicle manufacturers would also be unable to identify current owners of vehicles to advise them of safety recall campaigns. Continuing to drive vehicles with safety-related problems could endanger vehicle owners and other motorists and highway users. The absence of a VIN would also impair the ability of State Departments of Motor Vehicles to register vehicles for use on public roads. It would also impair the ability of law enforcement personnel to investigate vehicle theft and the trafficking in stolen vehicle parts, as well as the ability of automotive insurance companies to provide coverage to vehicle owners.

The world manufacturer identifier portion of the VIN identifies the vehicle's manufacturer. If that information is not supplied to NHTSA, it would impair the agency's ability to notify the responsible manufacturer in the event that the agency should suspect or find a motor vehicle to contain a safety-related defect or a noncompliance with a safety standard.

The information on the certification label is collected once, when the label is affixed to the vehicle. Manufacturers are under no obligation to resubmit VIN deciphering information to NHTSA unless there has been a change to the information on file with the agency.

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 information collection is fully consistent with the guidelines set forth in 5 CFR 1320.6

8. Provide a copy of the FEDERAL REGISTER document soliciting comments on the conduct of the collection of information, a summary of all public comments responding to the notice, and a description of the agency's actions in response to the comments. Describe efforts to consult with persons outside the agency to obtain their views.

NHTSA solicited public comments on the extension of this information collection by notice published on September 26, 2014 at 79 FR 187. No comments were received in response to the notice and no additional efforts were made to consult with persons outside the agency to obtain their views.

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 provided to any respondent.

10. Describe any assurance of confidentiality provided to respondents.

No assurance of confidentiality is given for the information collected under 49 CFR Part 567. That information is not submitted to NHTSA, but is instead inscribed on the certification labels affixed to motor vehicle in accordance with the requirements of the regulations in that part. Manufacturers can request confidentiality for VIN deciphering information submitted to the agency under 49 CFR Part 565. Requests for confidentiality are made in accordance with the agency's regulations at 49 CFR Part 512 *Confidential Business Information*. If such a request is granted, the contents of the Part 565 submission will not be published to the agency's website at www.nhtsa.gov/cars/rules/manufacture until the information ceases to be commercially sensitive.

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

No other questions on matters that are commonly considered sensitive are involved in these information collections.

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

The agency estimates that it will receive new submissions of VIN deciphering information under Part 565 from approximately 542 manufacturers of motor vehicles per year. The manufacturers need only submit the required information on a one-time basis, with the proviso that they notify the agency of any changes in the information on file within 30 days from the date that any change in that information occurs. In addition, the agency estimates that approximately 15,000 manufacturers of motor vehicles of all types, including manufacturers of passenger cars, multipurpose passenger vehicles, trucks, buses, trailers, motorcycles and low-speed vehicles, as well as incomplete vehicle

manufacturers, intermediate and final stage manufacturers of vehicles built in two or more stages, and vehicle alterers, will need to comply with the certification labeling requirements of Part 567. The agency estimates that it will take 542 hours for supplying required VIN-deciphering information to NHTSA under Part 565 and 60,000 hours for meeting the labeling requirements of Part 567. Total burden hours 60,542.

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

NHTSA estimates that it will cost all vehicle manufacturers \$16,260 to comply with the requirements to submit VIN-deciphering information to the agency under Part 565 and \$12,000,000 to comply with the certification labeling requirements of Part 567. Totaling 12,016,260.00.

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

NHTSA has one GS-12, Step 6 Program Analyst who devotes approximately one-third of her time to processing manufacturer's submissions under 49 CFR Part 565. This employee receives an annual salary of \$87,350. No other staff time is used in the processing of these requests. The annualized cost to the Federal Government for processing the requests is therefore one-third of the Program Analyst's annual salary, or \$29,117.

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

When it last sought approval for this information collection, the agency projected that it would cost industry \$13,348,000 to comply with the labelling and reporting requirements of Parts 565 and 567. This was based on the assumption that it would take a manufacturer one minute to affix the certification label to a vehicle and that there would be 14.2 million vehicles labelled in this fashion per year. We have adjusted the time needed to label each vehicle from one to three minutes to also account for the time needed to assemble the information to be included on the label and to print the label before it is affixed to the vehicle. Additionally, the vehicle count has been reduced to 12,000,000 vehicles per year to better reflect the actual sales figures for the U.S. portion of the North American market over the past three years.

In its last request for approval of this information collection, the agency also estimated that it would take a manufacturer 10 hours to assemble the VIN-deciphering information needed to be submitted under Part 565, and that such information would be submitted by 1,104 manufacturers per year. The current estimate is based on the assumption that it would take the typical manufacturer one hour to assemble the required information. This reduced estimate takes into account the fact that most manufacturers submitting VIN-deciphering information to the agency are small manufacturers of vehicles such as trailers, and that these manufacturers do not produce an extensive range of vehicles, as

the major automotive companies do. As a consequence, the prior estimate of the time that would need to be expended by the great majority of companies that submit Part 565 VIN-deciphering information to the agency was greatly in excess of what is estimated to be needed at the present time. In addition, the agency has prepared and disseminated comprehensive guidance to members of the industry on how to configure VINs and how to report VIN-deciphering information to the agency, reducing the time that would need to be expended in meeting the reporting requirement. Finally, the current estimate is based on the agency's assumption that it would receive 562 Part 565 submissions per year, as opposed to the 1,104 submission estimated in the prior request for approval. The current figure was reached by taking the average of the approximate number of Part 565 submissions made in each of the past three years (650 submission in 2011, 500 in 2012, and 475 in 2013; $650+500+475=1,625$; $1,625/3=542$).

The prior request for approval also stated that there is no annualized cost to the Federal Government for the information collections associated with Parts 565 and 567, as the labelling requirements are met by motor vehicle manufacturers and there is no exchange of correspondence, tabulation of data or response necessary from the agency. This failed to take account of the fact that manufacturers do submit VIN-deciphering information to the agency under Part 565, and the review and processing of that information does consume agency resources.

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

The information submitted under Part 565 is posted to the agency's website at www.nhtsa.gov/cars/rules/manufacture. It is not published in any other form.

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 does not seek such approval.

18. Explain each exception to 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.