

MISSION STATEMENT

The Department of Transportation (DOT) relies heavily on the financial data reported on Form 41 to fulfill its strategic plan. The Department needs to monitor and study the movement of aircraft and passengers in this new information age. DOT is committed to guide and oversee America's air transportation system today and into the future by taking note of statistical trends caused by globalization of the economy, the rise of the knowledge economy and the pervasive nature of the information revolution.

DOT is committed to developing transportation policies and programs that contribute to providing fast, safe, efficient and convenient transportation at the lowest cost. The Form 41 data are used in assessing long-term air traffic control and airport development needs. Economic growth prospers when the real economic cost of transportation is reduced. DOT will encourage new entry into airline markets and protect against anti-competitive behavior by incumbent air carriers. Competition, as opposed to regulation, is essential to the maintenance of low fares and high service quality. Also, DOT is working in cooperation with our domestic and international partners to open foreign markets to the competitive marketplace. Therefore, must be able to evaluate the economic impact of eliminating bilateral restrictions on aviation in international markets.

DOT performs an essential role as a catalyst for improving the quality of decisions affecting the transportation sector. In this role, DOT serves as a facilitator by providing better information to both the public and private sectors. Five economic trends impact transportation. They are globalization of commerce, growing attention to logistics in the production process, greater reliance on private investment in transportation industry and the rise of competing and complementary technologies. There will be accelerated application of advanced information technologies, competitive techniques, and traffic flow information systems within the air transportation industry. These information-related technologies will enable collection, management, integration, and distribution of more transportation information in less time with better accuracy and broader application. DOT's information systems are being integrated into agency activities, especially a coordinated effort by the Bureau of the Office of Secretary, the Federal Aviation Administration, the Bureau of Transportation Statistics (BTS), and the Inspector General Office to reduce airline delays.

BTS advanced the precepts of the Clinger-Cohen Act and the Paperwork Reduction Act by re-engineering its data processing. BTS migrated from a mainframe computer processing system to a more functional mid-tier data processing system. This migration streamlined data processing making it more effective and cost efficient. BTS is responsible for improving the way it plans and manages its IT investments. BTS is working with its transportation partners to ensure the successful transition of its IT

systems. BTS will improve the quality, reliability and accessibility of transportation related data. IT will be used to mitigate the paperwork burden imposed on the public.

SUPPORTING STATEMENT

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.

The Secretary of Transportation is required by 49 U.S.C. §329(b) (1) to collect and disseminate information on civil aeronautics, and to continue certain data collections activities of the former Civil Aeronautics Board. Other laws or acts which allow or require DOT to collect airline data to accomplish program or policy objectives are 49 U.S.C. §§ 1153, 41708, 41709, and 41738 and the International Air Transportation Competition Act of 1979. Also, the United States is obligated to provide certain aviation data to the International Civil Aviation Organization, an arm of the United Nations, to fulfill an international treaty obligation - Article 67 of the Chicago Convention.

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

14 CFR Part 241 requires large certificated air carriers to submit financial, traffic and statistical data to the Department. The following are the Form 41 Schedules:

- A *Certification*
- B-1 Balance Sheet
- B-1.1 Balance Sheet
- B-7 Airframe and Aircraft Engine Acquisitions and Retirements
- B-12 Statement of Changes in Financial Position
- B-43 Inventory of Airframes and Engines
- P-1.1 Statement of Operations
- P-1.2 Statement of Operations
- P-1(a) Interim Operations report
- P-2 Notes to BTS Form 41
- P-5.1 Aircraft Operating Expenses
- P-5.2 Aircraft Operating Expenses
- P-6 Operating Expenses by Objective Groupings
- P-7 Operating Expenses by Functional Groupings
- P-10 Employment Statistics by Labor Category

P-12(a) Fuel Consumption by Type of service and Entity
T-8 Report of All-cargo Operations

No one carrier would submit all of the reports listed above. Rather, the number of required reports that a carrier would be required to submit varies depending on the size of the carrier (annual revenues), the type of service (passenger vs. cargo and scheduled vs. non-scheduled) and geographic area of operations (domestic, international, Atlantic, Pacific and Latin America).

Provided below is an overview of Form 41 data users and the programs that rely on Form 41 data.

- *GAO - AD HOC DATA REQUESTS
- * U.S. CONGRESS - AD HOC DATA REQUESTS
- * TREASURY - U.S. CUSTOMS BUREAU - AIR PASSENGER USER FEE
- * AGRICULTURE - ANIMAL PLANT AND HEALTH INSPECTION SERVICE - COLLECTION OF AIR CARRIER FEES
- * DOD - MILITARY AIRLIFT COMMAND
- * DOD - AIR CARRIER ANALYSIS SUPPORT SYSTEM
- * DOD - WAR AIR SERVICE PROGRAM (WASP)
- * DOD - CIVIL RESERVE AIRCRAFT FLEET (CRAF)
- * COMMERCE - CENSUS BUREAU - CENSUS OF TRANSPORTATION
- * COMMERCE - BUR. OF ECONOMIC ANALYSIS - OFFICIAL ESTIMATES--GNP & BALANCE OF PAYMENTS
- * LABOR - BUREAU OF LABOR STATISTICS (BLS) INTERNATIONAL PRICE PROGRAMS
- * LABOR - BLS ANALYSIS OF COMPENSATION AND WORKING CONDITIONS
- * LABOR - BLS PRODUCER PRICE INDEX
- * LABOR - BLS LABOR PRODUCTIVITY MEASUREMENTS
- * LABOR - BLS CONSUMER PRICE INDEX
- * LABOR - BLS MID-TERM PROJECTIONS OF US ECONOMY
- * OST - AD HOC POLICY STUDIES
- * OST - INTERNATIONAL CARRIER/ROUTE SELECTION
- * OST - INTERNATIONAL ROUTE TRANSFERS
- * OST - U.S. CARRIER LICENSING
- * OST - FOREIGN AIR CARRIER EXEMPTION AUTHORITY TO OPERATE TO U.S.
- * OST - INTERNATIONAL NEGOTIATIONS
- * OST - AIRLINE COMPETITION AND STRUCTURE ANALYSIS
- * OST - AIRLINE INDUSTRY STATUS EVALUATIONS
- * OST - INTERNATIONAL FARES AND RATES

- * OST - ESSENTIAL AIR SERVICE
- * OST - AIR CARRIER FITNESS
- * OST & POSTAL SERVICE - INTERNATIONAL MAIL RATES AND INTRA-ALASKA MAINLINE MAIL RATES
- * OGC - CONSUMER AFFAIRS
- * BTS AND OST PUBLIC AFFAIRS DISSEMINATION OF PUBLIC INFORMATION
- * BTS - ICAO (SUBMISSION OF U.S. AIR CARRIER DATA - U.S. TREATY OBLIGATION)
- * FAA - INDUSTRY REPORTS BY AIRLINE
- * FAA - OFFICIAL AGENCY AIRCRAFT FLEET AND AIRLINE YIELD FORECASTS
- * FAA - CIVIL PENALTY AND BANKRUPTCY CASES
- * FAA - REGULATORY FLEXIBILITY DETERMINATIONS AND IMPACT ON SMALL ENTITIES
- * FAA - INTERNATIONAL TRADE IMPACT ASSESSMENTS
- * FAA - NATIONAL AVIATION SAFETY DATA CENTER
- * FAA - SAFETY INDICATORS PROGRAM
- * FAA - SAFETY PERFORMANCE ANALYSIS SYSTEM (SPAS)
- * FAA - AGING AIRCRAFT PROGRAM
- * FAA - AVIATION STATISTICS FORECASTING
- * FAA - FLIGHT STANDARDS
- * FAA - COLLECTION OF PASSENGER FACILITY CHARGES
- * FRA - POLICY STUDIES
- * TSA - COLLECTION OF AIRLINE PASSENGER SECURITY FEES (TRANSPORTATION SECURITY ADMIN.)
- * OIG - AD HOC DATA REQUESTS
- * DEPARTMENT OF JUSTICE - ANTITRUST ANALYSIS
- * DEPARTMENT OF ENERGY- MONITORING OF INDUSTRY FUEL CONSUMPTION FOR EMERGENCY PREPAREDNESS PLANNING
- * AIRPORTS COUNCIL INTERNATIONAL – MONITORING THE OVERALL STATE OF THE U.S. CARRIER INDUSTRY AND INDIVIDUAL U.S. CARRIERS.

PROGRAM USES

Mail Rates

Alaska Mainline and International mail rates are set and updated by DOT based on carrier expense, traffic, and operational data. Form 41 cost data, especially fuel costs, terminal expenses and line haul expenses are used in calculating rate levels. DOT revises the established rates based on the percentage of unit cost changes in the carriers' operations. These updating procedures have resulted in the carriers receiving rates of compensation that closely parallel their costs of providing mail service and contribute to the carriers' economic well-being.

Initial and Continuing Air Carrier Fitness

Fitness determinations are made for both new entrants and established U.S. domestic carriers proposing a substantial change in operations. Carriers must submit an operating plan for the first year and project revenues and expenses. The carrier's operating costs are compared against the cost data in the Form 41 data base. This review validates the reliability of the carrier's operating plan.

The quarterly financial submissions by are used in determining a carrier's continuing fitness to operate. DOT reviews three areas of a carrier's operation: (1) the qualifications of the management team, (2) the company's disposition to comply with laws and regulations, and (3) the company's financial posture. DOT must be able to determine that a carrier has sufficient financial resources to conduct its operations without imposing undue risk on the traveling public. Moreover, once a carrier is operating, DOT is required to monitor its continuing fitness.

Form 41 financial data are reviewed in connection with an air carrier's financial condition as evidenced by reported losses, consumer complaints about cancelled flights and problems in obtaining passenger refunds. Form 41 reports play a major role in the identification of problem carriers. Data comparisons are made between current and past periods in order to assess the current financial position of the carrier. Financial trend lines are extended into the future to analyze the continued viability of the carrier.

Airline Industry Status Evaluations

The Department apprises Congress, the Administration and others of the effect major changes or innovations are having on the air transportation industry. For this purpose,

current financial data are essential. These data must be timely and inclusive to be relevant for analyzing emerging issues and must be based upon uniform and reliable data submissions that are consistent with the Department's regulatory requirements.

Safety Analysis

The FAA uses traffic, operational, and financial data as important safety indicators and to prepare the air carrier traffic and operation forecasts that are used in developing its budget and staffing plans, facility and equipment funding levels, and environmental impact and policy studies. The FAA monitors changes in the number of air carrier operations as a way to allocate inspection resources and in making decisions as to increased safety surveillance.

Airport Improvement Program and Capacity Analysis

The mix of aircraft types are used in determining the practical annual capacity (PANCAP) at airports as prescribed in the FAA Advisory Circular *Airport Capacity Criteria Used in Preparing the National Airport Plan*. The PANCAP is a safety-related measure of the annual airport capacity or level of operations. It is a predictive measure which indicates potential capacity problems, delays, and possible airport expansions or runway construction needs. If the level of operations at an airport exceeds PANCAP significantly, the frequency and length of delays will increase, with a potential concurrent risk of accidents. Under this program, the FAA develops ways of increasing airport capacity at congested airports.

Systems Planning at Airports

The FAA is charged with administering a series of grants that are designed to accomplish the necessary airport planning for future development and growth. These grants are made to state metropolitan and regional aviation authorities to fund needed airport systems planning work. Individual airport activity statistics and market data are used to prepare airport activity level forecasts.

Traffic Forecasting

The FAA uses traffic, operational and capacity data as important safety indicators and to prepare the air carrier traffic and operation forecasts. These forecast as used by the FAA, airport managers, the airlines and others in the air travel industry as planning and budgeting tools.

International Negotiations

Air Services between the United States and most countries are governed by bilateral aviation agreements. Evaluation of existing agreements and proposed changes to such agreements are based on an analysis of traffic flying between the United States and foreign countries. Technical representatives from the Departments of Transportation and State and other agencies from the Executive Branch, depending on the issues, are involved in the negotiations. Uniform and current aviation data are critical to formulating the U.S. negotiation position.

Cost-base data by geographic area of operation are broken down by aircraft type, length of haul, and type of carrier to compute break-even load factors to forecast profit potential.

International Carrier Selection Cases

In carrier selection cases, the carriers include an operating plan containing proposed pricing and detailed costs. Current and historical Form 41 cost data for carriers with the same aircraft type, type of service, and length of haul are used to validate the plan. This review provides evidence of whether the proposed fare levels are credible. DOT places maximum reliance on competitive market forces and on actual and potential competition to provide the needed air transportation, to encourage efficient and well-managed carriers to earn adequate profits and attract capital to encourage innovation and low fares.

Standard Fare and Rates Levels

The Standard Foreign Fare Level (SFFL) is comprised of two parts. The base rates are the lowest unrestricted normal economy fare in effect on or after October 1, 1979. A cost adjustment factor is applied to the base rate. The adjustment factor is the change in unit cost per available seat mile in scheduled passenger service. Any international fare at or below this level is automatically approved. Separate fare levels are established for Canadian, Atlantic, Latin America, and Pacific areas. Domestic Form 41 data are used to establish the SFFL for Canadian operations while Atlantic, Latin America, and Pacific entity Form 41 reports are used to update the other regions. In addition, a separate Standard Foreign Rate Level (SFRL) is established for cargo rate levels.

Review of International Air Transport Association Agreements (IATA)

Each IATA agreement filed with DOT is assigned to a staff analyst who examines the agreement on a variety of criteria, including effect on competition; compliance with bilateral and multilateral aviation agreements; price levels vis-à-vis statutory and regulatory ceilings; carrier revenue need; reasonableness and nondiscriminatory application of proposed fares, rates, and rules; impact on consumers; and foreign policy

considerations.

The U.S. carrier members of IATA are required to submit detailed economic justification in support of all major IATA agreements in which they participate. Form 41 data are used to perform a return-on-investment analysis to determine revenue need and to resolve specific cost contentions and other issues raised by carriers, shippers or travelers.

Submission of U.S. Data to ICAO

Under Article 67 of the Chicago Convention, the United States is obligated to supply certain individual U.S. carrier operational and financial data to ICAO. The frequency and type of data required are dependent on the nature of the air carrier's operation. Over ninety-five percent of United States' ICAO submission is comprised of Form 41 data. The other data comes from supplemental data submissions imposed on the carriers.

FAA Air Carrier Certification

The FAA promotes aviation safety by establishing criteria for air carrier certification. The FAA analyzes proposals from companies applying for certification. These proposals are compared against the industry experience, the FAA knowledge of achieved safety levels, and various financial characteristics of carriers with similar operations.

Safety Forecasting and Regulatory Analysis

The FAA conducts cost benefit reviews to assure that the proposed safety regulations will be economically beneficial to society and to determine the impact on small businesses. Also, the FAA performs economic analysis necessary to implement and/or review the plans for NPIAS, the National Airspace Review, and the National Airspace System.

War Air Service Program (Emergency Preparedness)

Under the War Air Service Program (WASP), FAA develops an official airline guide to establish air carrier booking priorities in the event of a national emergency. The inventory of aircraft available for WASP equals the total aircraft fleet operated by certificated air carriers less the number of the largest wide-body aircraft which are allocated to the Civil Reserve Fleet Program. Air carrier aircraft acquisitions, retirements and inventory data are used to assess the air transportation capabilities of the U.S. airline industry. This assessment is used to help develop plans for emergency utilization of airline industry aircraft and resources in the event of a national emergency and/or mobilization.

Department of Commerce

The Bureau of Economic Analysis uses Form 41 data in preparing the input-output accounts which trace the purchases and sales amongst all industries in the economy and serve as the benchmark for the estimates of the gross domestic product.

Department of Justice

The Justice Department conducts antitrust analysis on airline mergers, acquisitions and agreements when the transaction has the potential to substantially reduce competition. Form 41 data financial data are used to review the current and potential levels of competition. Primary emphasis in such a review is placed upon promoting and maintaining competition within the airline industry. DOJ determines whether a merger, acquisition or agreement will allow carriers to raise prices above competitive levels by reducing output.

Department of Energy

DOE uses air carrier fuel data in monitoring industry fuel consumption for emergency preparedness.

Airports Council International – North America

ACI-NA uses Form 41 data to assist airports in responding to the interests of their communities, consumers and aviation partners.

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, e.g. permitting electronic submissions of responses, and the basis for the decision for adopting this means of collection. Also, describe any consideration of using information technology to reduce burden.

In developing the reporting requirements, we have attempted to ensure that the form and format of the data collection are designed to minimize the burden of the reporting carriers. We encourage carriers to submit floppy diskettes and other ADP-generated media or email their reports in lieu of hardcopy reports. Also, BTS supplies software to carriers that they may use at their discretion to submit Form 41 schedules. Carriers can submit 100 percent of their Form 41 data via electronic means.

We are in the process of converting to a web-based reporting system which will allow carriers to log on to our internet site and attach their electronic reports. Recently, the Volpe Center has assisted the Bureau of Transportation Statistics by reviewing our e-filing plans. We project to have a rule on filing at OMB in early January 2009.

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

The Securities and Exchange Commission (SEC) collects similar data from publicly held companies, but it does not duplicate the Form 41 report. The Office of Aviation Information has analyzed alternative data sources, such as, data collected at the air traffic controlled airports, by Arinc and SEC filings. These sources were deemed to be inadequate in providing sufficient and timely data that DOT needs to administer its aviation program responsibilities.

Data collected at controlled airports only reveal total number of flights at each airport without regard to aircraft type by airline operator or total number of passengers transported. Arinc collects data via electronic signals and computers on-board aircraft. Not all carriers use Arinc services. However some of the carriers that use Arinc services submit data generated by Arinc to meet certain DOT reporting requirements.

We have identified the following critical flaws in using SEC data as the sole source for DOT program decision making. (1) Reporting periods are not standard. SEC reports are based on fiscal accounting periods which may negate comparisons between carriers, groups of carriers, and total industry. This flaw is critical because of the seasonality of the airline business. (2) Filings are made for the holding company on a consolidated basis, which may include non-aviation operations such as hotel, rental cars, etc., along with the air transportation operations. The Form 41 report is designed to account for and measure airline operations. It would be difficult, if not impossible, to perform any meaningful economic analysis concerning air transportation when the numbers include other economic pursuits. (3) The reports do not disclose revenue and expenses data by entity of operation. This entity breakdown is crucial for establishing foreign fare levels for the Atlantic, Pacific and Latin America sectors. (4) Revenue and expenses data are reported in broad categories. DOT needs the breakout of expenses categories for ratemaking purposes. (5) Only publicly held companies report to SEC. Less than half of the airlines that report to DOT file reports with the SEC. Also, airline company that submit to SEC may be part of large holding companies, and the sister companies may obscure the relevant aviation financial data.

5. If the collection of information impacts small businesses or other small entities, describe efforts to minimize burden.

The Form 41 reporting system is a stratified system. There are three reporting groups. Group I is comprised of carriers that have less than \$100 million in annual operating revenues. Group II is comprised of carriers with annual revenues between \$100 million and \$1 billion. Group III is comprised of carriers with annual revenue of over \$1 billion. As carriers progress through the reporting groups, they are required to submit more detailed data. See question # 12 for the breakout of reporting burdens by reporting groups.

6. Describe the consequence to the Federal Program or policy activities if the collection were not collected or conducted less frequently.

Less frequent data collection would seriously erode DOT's ability to monitor the condition of the air transport industry. The timeliness and frequency of data collection are critical in evaluating trends as well as monitoring individual carrier operations. The filing frequencies were chosen after careful analysis which balanced the degree of reporting burden against DOT's need for current data to oversee the air transportation industry.

If Form 41 data were not collected:

- * The Department would lack data to make sound proposals when engaged in international negotiations.
- * There would be no comparable data to judge or analyze initial or continuing air carrier fitness determinations.
- * The Department would lack data to evaluate the status of the airline industry.
- * The FAA would lack data to conduct safety analyses.
- * The Department would not readily know the whereabouts of aircraft for the War Air Services Program (Emergency Preparedness).
- * DOT would have to collect ad hoc data to update the Intra-Alaska and International Mail Rates.
- * DOT would lack much of the data it uses in selecting carriers to serve international routes.
- * DOT would be required to collect additional ad hoc data to make environmental impact analyses.
- * DOT would lack the necessary data to conduct policy studies.
- * Additional data would be required for rate-making purposes for the Civil Reserve Fleet Program or change to a bid system.
- * DOT would lack the cost data for setting the Standard Foreign Fare Level and the Standard Foreign Rate Level.

- * DOT would lack data to submit to ICAO as required by a U.S. Treaty obligation and air carriers would to submit the required data.
- * The Department of Commerce would need additional data for the airline industry portion of the Gross Domestic Product.
- * The Department of Commerce would need additional data to analyze International Trade Accounts.
- * The Department of Labor would require additional data to produce its Productivity Studies and Indices.
- * Department of Energy would lack data to monitor the airline industry's fuel consumption for Emergency Preparedness Planning.
- * The Department of Justice would require additional data for antitrust analysis.

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, government contracts, grant-in-aid, or tax records for more than 3 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 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 of data with other agencies for compatible confidential use; or**
- **requiring respondents to submit proprietary trade secrets, 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.

Data are required to be submitted monthly for Schedules P-1(a) and P-12(a). These collections are necessary to enable DOT to adequately monitor individual carrier and industry performance in the competitive marketplace. Quarterly data submissions obscure monthly trends that would permit a timely assessment of the impact of management decisions on individual carrier operations. Monthly reporting allows DOT to keep abreast of the rapid changes taking place within the air transportation industry. Monthly reporting of fuel data enables DOT to continuously monitor the cost of fuel, which is a major component or approximately 25% of the industry's operating cost.

Because of the volatility of fuel cost, P-12(a) is required to be submitted 20 days after the end of the applicable month. This enables the Department to make timely ad hoc rate adjustments when there are wide swings in fuel prices.

Other than the above, there are no other special circumstances that require the collection to be conducted in a manner that is inconsistent with OMB guidelines.

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 the notice and describe actions taken by the agency in response to these comments.

The notice was published on March 19, 2008 in 73 FR 14872. There were no public comments sent to the docket.

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

No payment or gift of any kind is being made to any respondents.

10. Describe any assurances of confidentiality provided to respondents.

Data reported on Schedule P-1(a) Interim Operations Report and Schedule P-12(a) Fuel Consumption by Type of Service and Specific Operational Markets are withheld from public release until quarterly or semiannual Form 41 schedules for the calendar period to which the monthly schedules relate are due at DOT. Confidential treatment for Schedules P-1(a) and P-12(a) is contained in 14 CFR Part 241 sections 22(b) (3) and 23, respectively. DOT may make determinations on the early release of Schedule P-1(a) data and the Assistant Director of Airline Information, BTS may grant or deny requests for early release of Schedule P-12(a), in circumstances where the Director finds that the public interest so requires. DOT may publish aggregate data compiled from these schedules in a form which does not identify individual carrier data. Also, DOT has

granted ad hoc requests for confidentiality when the carrier has shown the potential for substantial competitive harm by release of the data. Such requests are reviewed under Freedom of Information Act exemptions. The Department originally granted confidential treatment of the financial portions of Schedules B-7 and B-43 (inventories of airframe and aircraft engines for a period of 10 years, but extended the period after the carriers petitioned to extend the confidentiality period

11. Are there any questions of a sensitive nature?

There are no questions of a sensitive nature.

12. Provide estimates of reporting burden.

At the present time, 82 certificated air carriers are submitting Form 41 data. Since BTS published its 60-day notice seeking comments on the continuing need to collect Form 41 data, we have been notified that 5 carriers have ceased operations and one carrier has converted to small-aircraft operations.

Carriers are divided into three reporting groups with Group I subdivided into two reporting classes. These divisions are based on total annual operating revenues. Reports are either monthly, quarterly, semi-annually or annually. Some reports are required to be filed by geographic operating entity. Previously, a representative sample of carriers from each group was contacted to determine their estimate for preparing Form 41 reports.

We estimate 360 annual burden hours per carrier or 29,520 annual hours for the industry.

13. Provide an estimate of cost to the respondents. Do not include the cost of any hour burden shown in items 12 and 14. General estimates should not include purchase of equipment or services or portions thereof made prior to October, 1995.

We estimated that the ADP costs to industry to be \$150,000.

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

Federal Costs

Manpower	\$450,000
ADP Resources	<u>\$ 75,000</u>
Total Government Cost	\$525,000

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

The industry annual burden hours decreased 1,500 hours because of the decrease in the reporting universe.

16. Is the information received published?

The Department publishes the *Air Carrier Financial Statistics - Large Certificated Air Carriers, Quarterly*, *Air Carrier Financial Statistics - Small Certificated Air Carriers, Semiannually*. Other data are available on the web at www.bts.gov and www.transtats.bts.gov. Quarterly press releases concerning airline financial data are available, see for example [Third-Quarter 2007 System Airline Financial Data: Passenger Airlines Report Most Profitable Third Quarter Since 1999](#).

17. Is the agency seeking approval not to display the expiration date for OMB approval?

No.

B. Collection of Information Employing Statistical Methods

Statistical sampling methods are not used in this data collection.