

**Department of Transportation
Office of the Chief Information Officer**

**SUPPORTING STATEMENT
Licensing Applications for Motor Carrier Operating Authority**

Introduction: This supporting statement is submitted to request the Office of Management and Budget's (OMB) approval for revision of the OMB Control Number 2126-0016 titled, "Licensing Applications for Motor Carrier Operating Authority," information collection request (ICR), which is due to expire on October 31, 2015. This ICR is being revised due to a Final Rule titled, "Unified Registration System (URS)," (78 FR 52608) dated August 23, 2013 (Attachment A). The rule will incorporate all registration form requirements included in the ICR, except those in Form OP-1(MX), into new Form MCSA-1 in the OMB Control Number 2126-0051 titled, "FMCSA Registration/Updates," ICR effective October 23, 2015.

Part A. Justification.

1. Circumstances that make collection of information necessary:

The FMCSA registers certain for-hire Mexico-domiciled motor carriers under 49 U.S.C. § 13902(c) (Attachment B). These motor carriers may conduct transportation services in the United States only if they are registered with the FMCSA. Each registration is effective from the date specified and remains in effect for such period as the Secretary of Transportation (Secretary) determines by regulations. The ICC Termination Act of 1995 (ICCTA), Public Law No. 104-88, 109 Stat. 803 (December 29, 1995) (Attachment C), transferred this registration authority from the former Interstate Commerce Commission (ICC) to the Secretary who subsequently delegated the registration function to the Federal Highway Administration (FHWA) (FMCSA's predecessor agency), then to the FMCSA at the time that agency was created.

The Final Rule titled, "Unified Registration System," (Attachment A) implements statutory provisions in the ICCTA (Attachment C) and the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, 2005 (SAFETEA-LU). The URS will streamline the registration process and serve as a clearinghouse and repository of information on, and identification of, motor carriers, brokers, freight forwarders, intermodal equipment providers (IEPs), hazardous materials safety permit (HMSP) applicants, and cargo tank facilities required to register with FMCSA. This ICR previously covered registration requirements non-exempt for-hire carriers, freight forwarders, and property brokers. Under the URS, all forms, except the OP-1 (MX), in this ICR are folded into the Form MCSA-1 in the OMB Control Number 2126-0051 titled, "FMCSA Registration/Updates," ICR. The Form OP-1(MX) will be retained for the small number of Mexico-domiciled carriers that seek authority to operate beyond the United States municipalities on the United States-Mexico border and their commercial zones because they are not included within the scope of the URS rule.

On March 19, 2002, the FMCSA published an interim final rule (IFR) at 67 FR 12702 (Attachment D) which proposed to amend 49 CFR part 365 and revise Form OP-1(MX). Under

the amended regulations, Mexico-domiciled long-haul motor carriers seeking to operate within the United States beyond the commercial border zones, including carriers that previously filed pending Form OP-1(MX) applications, would be required to submit the revised Form OP-1(MX). Under the revised Form OP-1(MX), the FMCSA would collect more detailed information on an applicant motor carrier's size, operations and history than could be collected previously by using the existing form.

This information collection supports the DOT's Strategic Goals of Safety and Economic Growth and Trade by allowing foreign motor carriers to conduct operations in the United States pursuant to the North American Free Trade Agreement and Central American Free Trade Agreement, but requiring foreign (Mexico- and non-North America-domiciled) motor carriers to comply with similar registration procedures as U.S. motor carriers to ensure safety on our Nation's highways.

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

Data contained on the completed Form OP-1(MX) provides information to the FMCSA on the type of surface transportation operations which the registration applicant proposes to conduct. In addition, the form will enable FMCSA staff to make a determination concerning the level of insurance coverage which the applicant will be required to obtain to maintain its registration, the applicant's familiarity with relevant safety requirements and its willingness to comply with those requirements during its operations, and applicant's ability to meet any specific statutory and regulatory requirements applicable to its particular proposed operations.

Information on the form is also used to prepare a notice of the registration application, which is published in the "FMCSA Register." For Form OP-1(MX) applications, such FMCSA publication will occur only after the motor carrier successfully completes the Pre-authorization Safety Audit (PASA) and FMCSA approves the application. Such publication of a summary of the application as a preliminary grant of authority in the FMCSA Register is not an issuance of registration authority, but notice to the public to permit interested parties wishing to oppose the authority to submit a protest to FMCSA. A preliminary grant of authority cannot become effective as an active operating authority for a minimum of 10 days after publication.

3. Extent of automated information collections:

The Form OP-1(MX) calls for a limited amount of information to identify the applicant and the nature and scope of its proposed operations. It includes narrative descriptions of the applicant's safety policies and procedures and information regarding the drivers and vehicles it plans to use in the U.S. operations. Currently, the Form OP-1(MX) can only be filed by using the paper format due to the very small number of motor carrier applications the Agency anticipates it will receive each year.

4. Efforts to identify duplication:

There are no similar filings made with any other Federal agency or within the Department of Transportation that would result in duplication of this information.

5. Efforts to minimize the burden on small businesses:

The paperwork burdens associated with completing the Form OP-1(MX) are minimal for small businesses, as the form is easy to understand and complete. Most applicants are required only to check appropriate boxes on the forms and to fill in blank spaces with information on their identity and on the nature of the transportation operations and/or services they propose to register. This information is readily available to the applicants and is the minimum necessary to accomplish the purpose of the filing. Mexico-domiciled applicants, however, are required to provide additional safety information and certifications of compliance to demonstrate their willingness and ability to comply with applicable safety regulations. The requested information cannot be obtained from any other source since all Mexico-domiciled applicants will be located outside of the United States, and we are requesting no more information than is absolutely necessary to ensure compliance with applicable safety regulations.

6. Impact of less frequent collection of information:

There is no requirement that the Form OP-1(MX) be filed on a periodic basis. This form is filed on an “as needed” and usually one-time basis. The purpose of this form, which is to allow transportation entities to meet statutory registration requirements, would be defeated if the information was collected less frequently.

When Mexico-domiciled motor carriers who have previously filed an OP-1(MX) application form are required to comply with the registration provisions, they may do so by completing a one-time, re-filing of the revised form. There will be no \$300 filing fee required for this one-time re-filing of the Form OP-1(MX). All Mexico-domiciled carriers will be required to report changes in basic identifying information, such as addresses and telephone numbers, through supplemental filings as the changes occur. The FMCSA does not require Mexico-domiciled registrants to re-file the entire form in these circumstances. A new application form is currently required only if the Mexico-domiciled carrier wishes to extend the scope of its authority or is applying for new authority. Under this proposal, where a Mexico-domiciled carrier wishes to expand its authority, it must make an “initial filing” of the Form OP-1(MX) and go through the full application process to obtain the additional authority.

7. Special circumstances:

There are no special circumstances associated with this information collection.

8. Compliance with 5 CFR § 1320.8:

On April 3, 2015, FMCSA published a notice in the Federal Register (80 FR 18278) (Attachment E) to announce its intent to revise this ICR. The agency received no comment in response to this notice.

On June 26, 2015, FMCSA published a notice in the Federal Register (80 FR 36894) (Attachment F) with a 30-day comment period that announced that FMCSA was sending this ICR to OMB for

approval.

9. Payments or gifts to respondents:

Respondents are not provided with any payment or gift for this information collection.

10. Assurance of confidentiality:

There is no assurance of confidentiality. The OP-1(MX) form call for information identifying the applicant and the scope of its proposed operations. All registration applications filed with the FMCSA become part of a public docket and are open to the public for inspection and review.

11. Justification for collection of sensitive information:

The information requested and collected is not of a sensitive nature.

12. Estimate of burden hours for information requested:

This ICR currently comprises the Form OP-1(MX). The Form OP-1(MX) is estimated to take 4 hours to complete. FMCSA anticipates that 12 respondents will submit 12 Form OP-1(MX) responses annually. Table 1 shows the annual responses for the Form OP-1(MX) and the total annual burden for the ICR.

Table 1: Annual Burden for OP-1 (MX) Form			
	Annual Responses	Hours per Response	Annual Burden Hours
IC- 1: OP-1(MX)	12	4	48
Total for ICR	12	4	48

Estimated Total Number of Annual Respondents and Responses: 12 (12 IC-1: OP-1(MX) responses)

Estimated Total Annual Burden Hours for ICR: 48 hours (12 estimated annual Form OP-1(MX) responses x 4 hours to complete the Form OP-1(MX) = 48).

13. Estimate of total annual costs to respondents:

The OP-1 (MX) applicants are required to pay a \$300 filing fee.

Estimated Total Annual Cost to Respondents: \$3,600 (\$300 per Form OP-1(MX) × 12 respondents = \$3,600)

14. Estimate of cost to the Federal government:

The OP-1(MX) forms are processed by Grade 9 Transportation Specialists at the Trans-Border Office. The labor cost of this activity is estimated to be \$36 per hour, comprising wages of \$23.36 per hour¹, employee benefits equal to 36.45 percent of wages,² and overhead expenses equal to 12 percent of wages and benefits³ ($\$35.70 = \$23.36 \times (1 + 0.3645) \times (1 + 0.12)$). Processing an OP-1(MX) form is estimated to take 8.5 hours. As shown in table 2, the total cost to the Federal government of collecting and processing the OP-1 (MX) form is about \$3,672 per year.

As discussed in item 13 above, \$3,600 of that cost is recouped via fees charged to applicants.

Table 2: Cost to U. S. Government for OP-1 (MX) Form					
	Responses	Cost per Hour	Hours per Response	Cost per Response	Annual Cost
IC 1: OP-1(MX)	12	\$36	8.5	\$306	\$3,672
Total for ICR					\$3,672
Previously Approved for Former OP-1 Series Forms					\$11,200,000

Estimated Total Annual Cost to the Federal Government: \$72 [\$3,672 cost to process forms - \$3,600 cost recouped via fees charged to applicants = \$72.00]

15. Explanation of program changes or adjustments:

The program change decrease of – 74,368 annual burden hours [74,416 currently approved burden hours for the former OP-1 series of forms - 48 proposed burden hours for the OP-1(MX) form] are due to the transfer of the previously estimated annual burden hours for the Forms OP-1, OP-1(P), OP-1(FF), and OP-1(NNA) to the Form MCSA-1 in the OMB Control Number 2126-0051 ICR and the program change decrease in the estimated number of ICR responses. FMCSA now estimates a – 37,192 decrease in number of annual ICR responses [37,204 approved number of annual responses for the former OP-1 series of forms - 12 proposed number of annual responses for the OP-1 (MX) form]. The program change decrease of \$11,296,400 million in estimated annual costs to respondent [\$11,200,000 currently approved estimated annual costs to respondents - \$3,600 proposed estimated annual costs to respondents] is due primarily to a change in the number of responses from 37,204 to 12.

1 See <https://www.federalpay.org/gs/2015/GS-9>.

2 See <http://www.whitehouse.gov/omb/memoranda/fy2007/m07-02.pdf>.

3 See http://www.whitehouse.gov/omb/circulars/a076/a76_incl_tech_correction.html.

16. Publication of results of data collection:

The results of this ICR will not be published or tabulated.

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

The FMCSA is not seeking approval to not display the expiration date of OMB approval of the information collection.

18. Exceptions to certification statement:

The FMCSA is claiming no exception to any element of the certification statement identified in Item 19 of OMB Form 83I.