

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

**SUPPORTING STATEMENT FOR
PUBLIC CHARTERS UNDER TITLE 14 CFR Part 380**

INTRODUCTION

This is to request the Office of Management and Budget's (OMB) renewed three-year approved clearance for the information collection entitled, "PUBLIC CHARTERS" (OMB Control No. 2106-0005, which expired on 03/31/2016).

Part A.

This justification supports the request to collect public charter information under Title 14 CFR Part 380, which is consolidated into a charter prospectus using the following OST Forms: 4532, 4533, 4534, and 4535. The collection information is necessary in order to protect the participants and their funds.

1. Circumstances that make the collection of information necessary.

Title 14 CFR Part 380 grants U.S. and foreign charter operators an exemption from certain provisions of *Subtitle VII Part A Chapters 411 and 413 of Title 49* of the U.S. Code in order that they may arrange and sell public charter flights on aircraft chartered from direct air carriers. This exemption is conditioned with the stipulation that the operators comply with the requirements of Part 380. One of the requirements of Part 380 is that the operators file a charter prospectus with the Department prior to marketing the charter flights. The information required by the regulation to be included in the prospectus is the submission of Forms 4532, 4533, 4534. The information requested on Form 4535 is required to be included in the prospectus *if* the direct air carrier involved substitutes its own security agreement and/or depository arrangements for those required by the charter operator. This collection supports the DOT's performance goals concerning *National Security and Aviation Safety*, which is intended to ensure that no terrorist or other individual is successful in causing harm or significant disruption to the aviation system.

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

14 CFR Part 380 requires a charter operator or foreign charter operator who wishes to operate a public charter to enter into a binding contract with a direct air carrier to provide the air transportation. The operator must also enter into financial agreements for the protection of the participants' funds. Prior to advertising, selling or operating the public charter, the operator must file a prospectus with the Department, as explained in item 1. Information collected is done by filling out the forms and 25% of filings are done electronically. The

information in the prospectus, which is retained by the Department, certifies that these contracts and agreements exist. If the prospectus information were not collected it would be extremely difficult to assure compliance with agency rules and to assure that public security and other consumer protection requirements were in place for the traveling public.

3. Extent of automated information collection.

We are improving information technology for the collection of information required by the forms named in item 1. As a first step in the process, we have made all of our Public Charter forms available on the internet, in addition to the procedures on how to electronically file the required forms and the operators background documents (such as Operator/Participant contracts, depository accounts and surety instruments to protect the passengers funds). The forms are not burdensome to complete. In the case of the charter prospectus, the information requested is limited to general information and certification that the required air transportation and financial protection of the charter participants' funds have been arranged for the charter program. Information collected is done by filling out the forms and 25% of filings are done electronically. Filers normally contact the OST Special Authorities Division via email and/or phone for instructions; they can also find helpful information on our webpage: <https://www.transportation.gov/office-policy/aviation-policy/procedure-filing-and-reviewing-charter-prospectuses>. The screenshot and attachment of "Procedure for Filing and Reviewing Charter Prospectuses" taken from the website are enclosed. The website has been upgraded to include all of the required forms and the forms are user friendly and can be filed electronically. We encourage filers to submit their prospectuses electronically via email.

We are currently seeking the capabilities to install e-signature mechanisms needed for application approvals, without sacrificing passenger protections for which our rules were established.

In the 60 day Notice, we confirmed that the Department's Office of Aviation Enforcement and Proceedings has the authority to pursue or not to pursue enforcement action against airlines or other sellers of air transportation with respect to air travel consumer protection. As a matter of enforcement policy, the Office of Aviation Enforcement and Proceedings will not take action against Public Charter applicants (including public charter operators, direct air carriers and securers) that do not submit an original and two copies of a charter prospectus so long as (1) the Public Charter applicant submits fully completed and signed electronic copies of the original documents of OST Forms 4532, 4533, 4534, and, if applicable, 4535 (including signatures); and (2) the Public Charter applicant continues to submit original financial documents such as Letters of Credit, Surety Trust Agreements, and Surety Bonds.

4. Describe efforts to identify duplication.

The filing of public charter prospectuses is not required by any other agency or organization. There is no duplication.

5. Efforts to minimize the burden on small businesses.

Completion of all forms in a prospectus can be accomplished in approximately one hour and a half. The forms are simplified and request only basic information about the proposed program and charter operator. An operator can submit a filing for up to one year and include as many flights as it desires, in most cases. The operator is then required to file only revisions to the original prospectus as necessary.

6. Impact of less frequent collection of information.

If the collection is not conducted, the Department could not enforce its regulations and protect the payments and expectations of the traveling public. The frequency of the collection is not an issue since *filings are generated by the charter operators*.

7. Special Circumstances. N/A

8. Compliance with 5 CFR 1320.8(d). An electronic copy of the published 60-day "Federal Register Notice" is attached. It was published in the Federal Register March 24, 2016 (81 FR 15787). **No comments have been received.** An electronic copy of the published 30-day "Federal Register Notice" is attached. It was published in the Federal Register on June 28, 2016 (81 FR 42057).

9. Payment or gifts to respondents. There are no payments or gifts made to respondents.

10. Assurance of confidentiality. The information collected is available for public inspection. Part 380 does not provide any assurances of confidentiality.

11. Justification for collection of sensitive information. No private information is requested on Forms 4532, 4533, 4534, or 4535.

12. Estimate of burden hours for information requested: We surveyed air carriers and indirect air carriers or operators to establish the estimated time it takes to process the information required by Part 380 then multiplied the estimated hours:

Number of Respondents: 245.

Number of Responses: 1,782.

Frequency of Responses:

245 (respondents) × 4 = 980.

401 (amendments *from the same respondents*) × 2 = 802.

Total estimated responses: 980 + 802 = 1,782.

The frequency of response is dependent upon whether the operator is requesting a new program or amending an existing prospectus. Variations occur due to the respondents' criteria. On average four responses (forms 4532, 4533, 4534 and/or 4535) are required for filing new prospectuses and two of the responses (forms) are required for amendments. The separate hour burden estimate is as follows:

Total Annual Burden:

Approximately 1,782 (responses) × 0.50 (per form) = 891 hours

13. Estimate of the total annual costs burden. N/A

14. Estimates of costs to the Federal Government. The estimated cost is \$3120.00.

60 hours × \$52.00 = \$3120.00.

15. Explain reasons for any adjustment or program change. N/A

16. Publication of results of data collection. The information contained on the forms are not intended to be published for reporting or statistical use.

17. Approval for not displaying the expiration date of OMB approval. N/A

18. Exceptions to the certification statement. N/A