

Department of Transportation

SUPPORTING STATEMENT

Request for Waiver of Service Obligation, Request for Deferment of Service Obligation, Application for Review

INTRODUCTION

This is to request the Office of Management and Budget's (OMB) three-year approval clearance for the information collection entitled, Request for Waiver of Service Obligation, Request for Deferment of Service Obligation, Application for Review, OMB No. 2133-0510, which is currently due to expire on January 31, 2018.

Part A. Justification

- Circumstances that make collection of information necessary. 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.**

Information collection is essential for determining if a graduate of the United States Merchant Marine Academy (USMMA) or subsidized graduate of a State Maritime Academy (SMA) that was a participant of the Student Incentive Payment (SIP) Program has a valid circumstance preventing them from fulfilling the requirements of the service obligation contract signed at the time of their enrollment in a Federally subsidized maritime academy training program. It also permits the Maritime Administration (MARAD) to determine if a graduate, who wishes to defer the service obligation to attend graduate school, is eligible to receive a deferment. Their service obligation is required by law.

This information collected establishes overall compliance with the service obligation contract in support of the Economic Growth and Trade and National Security goals identified in the DOT Strategic Plan. The graduates are required to serve as commissioned officers in the U.S. Naval Reserve (or officer of the U.S. armed forces reserves) as an aspect of the service obligation they become the Navy's single largest source of naval reserve officers except for Naval R.O.T.C. In their civilian capacities, they are first required to sail on their professional merchant marine licenses, or work in the maritime industry ashore. This dual role makes the graduates especially valuable because national defense planning initiatives and the Nation's economic needs depend upon available, highly trained personnel.

- How, by whom, and for what purpose is the information used. 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.**

USMMA graduates and SMA SIP graduates use form MA-935 to request a waiver of their service obligation requirement, form MA-936 to request deferring their service obligation, or form MA-937 to request one final review of the MARAD decision made on these requests by the Maritime Administrator.

The information collected on these forms is then reviewed by the responsible government agencies (MARAD, DOD, Coast Guard and NOAA) as part of the service obligation compliance function. Failure to collect this information would make it difficult for MARAD to determine compliance with the obligation and the enabling statute.

Therefore, as previously stated, the information collected is used to determine if waivers and deferments may be granted.

Every student and graduate of the USMMA and each SMA SIP subsidized student and graduate of the State maritime academies incurs a mandatory service obligation as a participant in the Federal maritime academy program. This obligation consists of: (1) completing the academies course of instruction; (2) maintaining a license as an officer in the merchant marine of the United States for at least six years following graduation from a maritime academy; (3) serving as a commissioned officer in the U.S. Naval Reserve, the U.S. Coast Guard Reserve or any other reserve unit of an armed force of the United States for at least six years following graduation from a maritime academy; and (4) serving as a merchant marine officer on U.S.-flag vessels, as an employee in a U.S. maritime-related industry ashore or as a commissioned officer on active duty in an armed force of the United States or NOAA Corps. The employment service obligation is three years for SIP subsidized state maritime academy graduates and five years for U.S. Merchant Marine Academy graduates. The graduates of the USMMA and the SMA graduates provide an annual report to the USMMA or MARAD between January and March that provides service obligation compliance data for the previous year.

3. **Extent of automated information collection. 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 information is confidential and personal in nature. An electronic web-based internet submission and collection of annual reports is available, as well as the ability of USMMA graduates and SMA Student Incentive Payment (SIP) program graduates to request waivers for part or all of their service obligation or deferment of their service obligation.

4. **Efforts to identify duplication. 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.**

There is no duplication of information collection since the content of these forms is not required of the students and/or graduates in any other situation. There is no other agency collecting the forms for deferment or waiver information.

5. **Efforts to minimize the burden on small businesses. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

The requested information does not impact small businesses or other small entities. Respondents are individuals desiring a waiver or deferment of their service obligation. The burden to the applicant is as minimal as statutes and regulations permit.

6. **Impact of less frequent collection of information. 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.**

The intent of the statute is that waivers and deferments only be requested and granted in justifiable situations. The reporting burden is minimized because the applicant reports no

information until a waiver or deferment of the service obligation is desired. There would be no technical or legal obstacles if the use of improved information technology to reduce the burden were considered necessary.

7. Special circumstances. 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.

There are no special circumstances that require the collection of information to be conducted in any manner described above.

8. Compliance with 5 CFR 1320.8: Provide an electronic copy and identify the date, volume number and page number of the publication in the Federal Register of the agency's notice (for a 60-day and a 30-day 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 those 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 3 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 on September 11, 2017 (F.R. 42717, Vol. 82, No. 174) and comments were due by November 13, 2017. No comments were received. In addition, a 30-day notice and request for comments was published in the Federal Register on December 5, 2017 (F.R. 57521, Vol. 82, No. 232).

46 CFR Part 310 authorizes the Maritime Administrator to grant waivers in cases where there would be undue hardship or impossibility of performance of the provisions of the agreement, due to accident, illness or other justifiable reason. The regulation also allows for deferments in exceptional cases for entry into a maritime-related graduate course of study. MARAD is cognizant of the obligation of graduates as we review waiver and deferral requests. In 2016, MARAD granted two (2) Deferment requests for USMMA Graduates and one (1) request for an SMA graduate to defer their service obligation while attending graduate school in a maritime-related course of study. In 2016 MARAD graduated two (2) Waiver requests for USMMA Graduates.

Respondents have not indicated any dissatisfaction with the content of the forms or the requirements for completion.

9. **Payments or gifts to respondents. 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. **Assurance of confidentiality: Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

A Privacy Act Notice is contained in the Service Obligation Contract that each student signs. This notice states that any information provided by the student/graduate will not be divulged, without prior written authorization, to anyone other than persons directly involved in monitoring the service obligation (e.g., school officials, employers, DOD, U.S. Coast Guard and NOAA). Further, the only information released is that which is specific to the request.

11. **Justification for collection of sensitive information: 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.**

There are no questions on the forms that the agency considers to be of a sensitive nature.

12. Estimate of burden hours for information requested: **Provide estimates of the hour burden of the collection of information. The statement should:**

- **Indicate the number of respondents, frequency of response, calculation for the individual burdens and for the total annual hour burden, and an explanation of how the burden was estimated. Unless directed to do, 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 hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices. 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 hourly 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.**

The time required for the 11 respondents to submit and forward each one-time request to MARAD is approximately 30 minutes.

<u>Number of Respondents</u>	<u>Responses Per Respondent</u>	<u>Total Responses Annually</u>	<u>Hours Per Response</u>	<u>Total Hours Annually</u>
<i>Request for Waiver of Services Obligation</i>	5	1	.5	2.5
<i>Request for Deferment Of Service Obligation</i>	5	1	.5	2.5
<i>Application for Review Of Waiver/Deferment Decision</i>	1	1	.5	.5
Total:	11	x	1 = 11 x 30 minutes	= 5.30 hours

*Assigning respondents an opportunity cost of time of \$17.90 (wage taken from the BLS wage table national median hourly wage for Secretary/Administrative Assistant), the cost of this time burden is \$17.90 x 5.30 hours = \$94.87 x 1.4 (benefits) = \$132.81.

Total burden cost - \$132.81

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

- **Include a breakdown for total capital/startup costs and operation/ maintenance. 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: The estimated annual cost of preparing and submitting requests is: Postage (\$0.49) plus envelope (\$0.15) equals \$.49 + .15 x 11 respondents equals \$7.04.

14. Estimate of cost to the Federal government. **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 annual cost to the Federal Government is estimated as follows:

Compliance Specialist (GS-12 step 10 = \$49.66 per hr.)	
One specialist to review requests	
(\$49.66 per hour x 11 requests x one hour each request) =	\$546.26
Sub-Total	\$546.26
Benefits (\$546.26 x 1.4)	\$764.76

Total cost to Government \$764.76

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

The adjustment reported in items 13 of OMB Form 83-I is the actual time that the respondents spent to complete their form(s). The burden hours recorded in the previously approved collection was incorrect. After review of the current approved burden hours in the ROCIS burden table, it was discovered that the burden hours were recorded incorrectly. The burden hours for the currently approved collection was recorded in ROCIS as 0.30 and it should have been recorded as 30 minutes. Therefore, given the burden of 30 minutes per respondent, the total number of hours spent by the respondents is 5.50. The burden hours increase reflects the actual time the respondents spent completing and submitting their application.

16. Publication of results of data collection. **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 information collected is intended for internal use only. There are no plans to publish any information collected for statistical use.

17. Approval for not displaying the expiration date of OMB approval. **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. MARAD is not seeking such approval.

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

Not applicable. There are no exceptions to the certificate statement.