SUPPORTING STATEMENT FOR INFORMATION COLLECTION SUBMISSION 9000-0055, FREIGHT CLASSIFICATION DESCRIPTION

FAR section affected: 52.247-53

A. Justification.

1. Circumstances that make the collection of information necessary. When the Government purchases supplies that are new to the supply system, nonstandard, or modifications of previously shipped items, and different freight classifications may apply, offerors are requested to indicate the full uniform freight classification or national motor freight classification per FAR 47.305-9. The provision 52.247-53, Freight Classification Description, is inserted in solicitations when the requirements of FAR 47.305-9 have to be met by contractors.

2. **Uses of information**. The information is used to determine the proper freight rate for the supplies.

3. **Consideration of information technology**. We use improved information technology to the maximum extent practicable. Where both the Government agency and contractors are capable of electronic interchange, the contractors may submit this information collection requirement electronically.

4. **Efforts to identify duplication**. This requirement is being issued under the Federal Acquisition Regulation (FAR) which has been developed to standardize Federal procurement practices and eliminate unnecessary duplication.

5. **If the collection of information impacts small businesses or other entities, describe methods used to minimize burden.** The burden applied to small businesses is the minimum consistent with applicable laws, Executive orders, regulations, and prudent business practices.

6. **Describe consequence to Federal activities if the collection is not conducted or is conducted less frequently.** Collection of information on a basis other than solicitation-by-solicitation is not practical.

7. **Special circumstances for collection.** Collection is consistent with guidelines in 5 CFR 1320.6.

8. Efforts to consult with persons outside the agency.

A. A 60-day notice was published in the *Federal Register* at 84 FR 28814 on June 20, 2019. No comments were received.

B. A 30-day notice was published in the Federal Register at 84 FR 44896, on August 27, 2019.

9. Explanation of any decision to provide any payment or gift to respondents, other than remuneration of contractors or guarantees. Not applicable.

10. **Describe assurance of confidentiality provided to respondents.** This information is disclosed only to the extent consistent with prudent business practices and current regulations.

11. **Additional justification for questions of a sensitive nature.** No sensitive questions are involved.

12 & 13. **Estimated total annual public hour and cost burden.** Transportation management specialists indicate that there is no centralized database system that maintains statistics on the number of contractors that supply the Government with information regarding the freight classification description. They estimate that 3,000 contractors a year submit the required information. Subject matter experts estimate that it takes approximately 10 minutes for each contractor to read and prepare the information needed for the classification description. We also estimate that each respondent submits three responses each year.

Estimated respondents/yr	3,000
Responses annuallyx	
Total annual responses	9,000
Estimated hrs/responsex	.167
Estimated total burden/hrs	1,503
Cost per hour x_	<u>\$62.00</u> *
Estimated cost to public	\$93,186

The estimated cost per response is \$10.35.

* Based on the salary table for GS-12/step 5 salary (\$45.29 an hour) plus 36.25 percent burden, rounded to the nearest dollar, or \$62 an hour. The burden rate used is that mandated by OMB memorandum M-08-13 for use in public-private competition, as updated by OMB for the current year. Reference Salary Table 2019-GS, Effective January 2019, found at <u>www.opm.gov</u>).

14. **Estimated cost to the Government**. Time required for Governmentwide review is estimated at .5 hours per response.

Annual Reporting Burden and Cost

Reviewing time/hr	.5
Responses/yrx_	
Review time/yr	4,500
Average wages/hrx_	\$62.00*
Total Government cost	\$279,000

* Based on the salary table for GS-12/step 5 salary (\$45.29 an hour) plus 36.25 percent burden, rounded to the nearest dollar, or \$62 an hour. The burden rate used is that mandated by OMB memorandum M-08-13 for use in public-private competition, as updated by OMB for the current year. Reference Salary Table 2019-GS, Effective January 2019, found at <u>www.opm.gov</u>).

15. Explain reasons for program changes or adjustments reported in Item 13 or 14.

This submission requests an extension of OMB approval of an information collection requirement in the Federal Acquisition Regulation (FAR). The estimated cost to the public has increased, due to greater wage compensation in FY 2019 vs FY 2015; however, the total burden hours to public has not changed from the prior collection.

16. **Outline plans for published results of information collections**. Results will not be tabulated or published.

17. Approval not to display expiration date. Not applicable.

18. Explanation of exception to certification statement. Not applicable.

B. Collections of Information Employing Statistical Methods. Statistical methods are not used in this information collection.