

**Department of Transportation
Federal Motor Carrier Safety Administration**

SUPPORTING STATEMENT

**Designation of Agents, Motor Carriers, Brokers and Freight Forwarders
2126-0015**

Introduction: This supporting statement is submitted to request the Office of Management and Budget’s (OMB) approval for the renewal of the OMB Control Number 2126-0015 titled, “Designation of Agents, Motor Carriers, Brokers and Freight Forwarders,” information collection request (ICR), which is due to expire on January 31, 2020.

Part A. Justification

1. Circumstances that make collection of information necessary:

Registered motor carriers, brokers and freight forwarders subject to 49 U.S.C. § 13901 must designate an agent upon whom service of notices in proceedings before the Secretary of Transportation (Secretary) may be made (49 U.S.C. § 13303, see Attachment A). A similar requirement applies to motor private carriers (49 U.S.C. § 503, see Attachment B). Motor carriers subject to 49 U.S.C. § 13901 must also designate agents upon whom process issued by a court may be served for every State in which they operate (49 U.S.C. § 13304, see Attachment C). Regulations governing the designation of process agents are found at 49 CFR part 366 (see Attachment D). These regulations do not apply to motor private carriers or for-hire carriers exempt from the § 13901 registration requirements. A designation of process agents is filed with FMCSA on Form BOC-3 entitled “Designation of Agents, Motor Carriers, Brokers and Freight Forwarders” (see Attachment E).

The ICC Termination Act of 1995 (ICCTA) enacted 49 U.S.C. 13908 (see Attachment F), which required the Secretary to propose regulations to replace four current identification and registration systems with a single, online, Federal system—the Unified Registration System (URS). The Unified Carrier Registration Act of 2005, subtitle C of title IV of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) [Pub. L. 109-59, 119 Stat. 1714, August 10, 2005] (see Attachment G) modified the requirements for a unified registration system by amending § 13908. In particular, SAFETEA-LU added the service of process agents’ systems under 49 U.S.C. §§ 503 and 13304 within the new URS.

This information collection supports DOT’s Strategic Goal of Safety by providing motor carriers a means to register and comply with the statutory registration requirements pertaining to motor carriers, freight forwarders and brokers and by facilitating recovery, in their own jurisdictions, of damages suffered by third parties resulting from the operations of these transportation entities.

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

Currently, information contained on the completed Form BOC-3 identifies a process agent for each State in which the motor carrier, freight forwarder, or broker will operate. These process agents are authorized by the transportation entity to accept, on its behalf, legal process or notice in Agency and court proceedings. Persons considering bringing legal actions against a carrier, broker, or freight forwarder may obtain the name of its process agent in a particular State by contacting FMCSA.

3. Extent of automated information collections:

The Government Paperwork Elimination Act (GPEA) (Pub. L. 105-277, Oct. 21, 1998) requires agencies to provide for the option of electronic submission of information and the use of electronic signatures, when practicable. Today, a majority of the Form BOC-3s filed with FMCSA are submitted electronically by “blanket” companies who are associations or corporations that provide FMCSA with a list of process agents for each State. These companies provide process agents nationally to motor carriers for a fee. There is no separate fee for filing Form BOC-3 with FMCSA. The cost of filing, estimated in Section 12 below, is included in the fee paid to the process agent company. “Blanket” companies have 100 percent capability to file their information electronically with FMCSA.

4. Efforts to identify duplication:

There is no similar filing made with any other Federal agency that will result in duplication of this information.

5. Efforts to minimize the burden on small businesses:

The FMCSA registration application package includes an explanation of the process agent requirement and a list of blanket agent filing companies. Any small business applicant who designates its own individual process agent on Form BOC-3 is only required to submit a limited amount of information. This information includes the motor carrier identification number, date, name and address of the carrier, broker, freight forwarder, title and signature of the authorized filer, and identification of its process agent. This is the minimum information necessary to meet the statutory requirements relating to the designation of process agents.

6. Impact of less frequent collection of information:

Form BOC-3 is submitted by registration applicants to meet a statutory requirement to designate agents for service of process. It is filed on an “as-needed” basis and cannot be done less frequently.

7. Special circumstances:

There are no special circumstances related to this information collection.

8. Compliance with 5 CFR 1320.8:

This ICR will expire on January 31, 2020. FMCSA published a notice in the Federal Register (84 FR 36653) on July 29, 2019, (Attachment H) with a 60-day comment period announcing its intention to seek OMB review and approval to renew this ICR. No comments were received.

9. Payments or gifts to respondents:

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

10. Assurance of confidentiality:

There is no assurance of confidentiality. The form calls for information identifying process agents in all States in which a motor carrier, freight forwarder or broker operates.

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:

FMCSA estimates the burden to file Form BOC-3 is 10 minutes per new applicant. The form requires very limited information that is readily available to the filer. Based on three-year averages obtained from the Motor Carrier Management Information System (MCMIS), FMCSA estimates it will receive approximately 28,601¹ new carrier applicants each year and 10,446 other refiles. Table 1 presents the number of responses for each year covered by this information collection and the burden hours by year.

Table 1. Estimated annualized burden hours and burden cost to respondents for the collections of information.

All New Carriers	Other Refiles	Total Responses	Hours Per Response	Total Burden Hours	Loaded Hourly Wage	Total Burden Hour Cost
28,601	10,446	39,047	0.167	6,508	\$30.12	\$196,021

Almost all forms are submitted by blanket process agent companies. The Agency assumes an individual equivalent to an Insurance Claims and Policy Processing Clerk in the Insurance Carriers industry will complete tasks associated with the information collection, at an hourly wage of \$19.79.² To estimate the cost to respondents, the Agency multiplies the median

¹ Motor Carrier Management Information System (MCMIS) obtained May 2019.

² Bureau of Labor Statistics. "May 2018 National Industry-Specific Occupational Employment and Wage Estimates, NAICS 524100 - Insurance Carriers." Available at www.bls.gov/oes/current/naics4_524100.htm. Accessed April 16, 2019.

hourly wage by a load factor of 1.522³ resulting in a loaded hourly wage of \$30.12. Multiplying the loaded hourly wage by the total burden hours results in an estimated total annual cost of \$196,021 ($\$30.12 \times 6,508$ hours).

Estimate of Annual Respondents: 39,047.

Estimate of Annual Burden Hours: 6,508. [39,047 respondents \times 10 minutes per response \div 60 minutes per hour].

13. Estimate of total annual costs to respondents:

As noted above, most forms are filed by blanket companies on behalf of carriers. It is not possible to determine what costs are associated with these filings as the costs are incorporated in the fee paid to the blanket company. Some associations provide this service as a benefit for members; the cost of filing, in these cases, is some fraction of the membership fee.

14. Estimate of cost to the federal government:

FMCSA does not assume that it will incur any costs for these electronic filings.

15. Explanation of program changes or adjustments:

The program adjustment decrease in annual burden hours from 18,395 to 6,508 is due to a revised estimate of the number of respondents and responses. Previous estimates were based on 2014 data. Current estimates are based on May 2019 MCMIS and Safety Management System snapshots.

16. Publication of results of data collection:

The information collected is not intended for publication for statistical purposes.

17. Approval for not displaying the expiration date of OMB approval:

FMCSA is seeking approval not to display the expiration date of OMB approval of the information collection on the Form BOC-3. It would be inappropriate to display the OMB approval expiration date since the forms are expected to be in use for numbers of years and, generally, large numbers of the forms are printed and widely distributed.

18. Exceptions to certification Statement:

There are no exceptions to the certification statement.

³ The load factor is estimated by dividing the total cost of compensation for private industry workers of the insurance carriers and related activities series (\$51.19) by the average cost of hourly wages and salaries (\$33.64) as reported by the Bureau of Labor Statistics. Bureau of Labor Statistics. "Table 10. Employer costs per hour worked for employee compensation and costs as a percentage of total compensation: private industry workers, by industry group, June 2018." Available at https://www.bls.gov/news.release/archives/eccec_09182018.pdf. Accessed April 16, 2019.

ATTACHMENTS:

- Attachment A: 49 U.S.C. § 13303
- Attachment B: 49 U.S.C. § 503
- Attachment C: 49 U.S.C. § 13304
- Attachment D: 49 CFR part 366
- Attachment E: Form BOC-3 entitled; “Designation of Agents, Motor Carriers, Brokers and Freight Forwarders
- Attachment F: 49 U.S.C. 13908
- Attachment G: The Unified Carrier Registration Act of 2005, subtitle C of title IV of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) [Pub. L. 109-59, 119 Stat. 1714, August 10, 2005]
- Attachment H: Federal Register Notice requesting comments on “Designation of Agents, Motor Carriers, Brokers, and Freight Forwarders” Information Collection Request OMB Control Number 2126-0015 (84 FR 36653, dated July 29, 2019).