

**SUPPORTING STATEMENT FOR  
CONSOLIDATED LABELLING REQUIREMENTS FOR 49 CFR 565 and 567  
OMB CONTROL NO. 2127-0510**

**INTRODUCTION:**

1. Responding to this collection is mandatory and required by 49 CFR Part 565 and Part 567.
2. Manufacturers of motor vehicles must comply with the information collection.
3. Part 565 requires an information submission to NHTSA and requires the manufacturers of a motor vehicle to assign an affix vehicle identification numbers to their vehicles that conform with the requirements of Part 565. Part 567 requires manufacturers to affix certification labels.
4. The VIN assignment and certification labeling requires are required, as-needed and the submission of VIN-deciphering information is required when a manufacturer creates a new VIN-deciphering scheme.
5. Under Part 565, NHTSA requires manufacturers to ensure that the VIN of a vehicle uniquely identifies the vehicle and identity of the manufacturer. The VIN must also contain information about certain characteristics of the vehicle. Part 567 is a certification requirement that requires the manufacturer to identify itself and the certify that the vehicle complies with the Federal motor vehicle safety standards.
6. NHTSA will receive the VIN-deciphering information. The VIN provides information to dealers, consumers, and State titling and registration authorities. The certification label is the only means for NHTSA, State Departments of Motor Vehicles, Customs officials, and law enforcement personnel to know whether a particular vehicle was originally manufactured to meet the FMVSS and the Bumper and Theft Prevention standards to the extent they are applicable.
7. The purpose of the collection is to assist NHTSA's enforcement efforts. The VIN allows NHTSA to identify the responsible manufacturer vehicle contains a defect related to motor vehicle safety or a noncompliance with an applicable FMVSS. As required by 49 U.S.C. § 30115, a manufacturer or distributor of a motor vehicle must certify to the distributor or dealer at delivery that the vehicle complies with applicable FMVSS.
8. When NHTSA last sought approval for this information collection, it estimated that it would cost industry \$1,781,990 to comply with the labelling and reporting requirements of Parts 565 and 567. This assumption did not account for the cost to print the labels and was based on receiving 733 submissions. NHTSA's records show that 1,239 Part 565 submissions were received in 2017. To account for new replica vehicle manufacturer submissions, NHTSA estimates that in each of the next three years, will receive 1,254 Part 565 submissions. The new estimates also rely on more accurate wage data from the Bureau of Labor Statistics. NHTSA now estimates that the total cost of the information collection is \$9,100,557.66 annually. This is an increase of \$7,318,567.66.

**A. JUSTIFICATION:**

1. Explain the circumstances that make the collection of information necessary. Attach a copy of the appropriate statute or regulation mandating or authorizing the collection of information.

**49 CFR Part 565**

The National Highway Traffic Safety Administration's (NHTSA's) regulations in 49 CFR Part 565, "Vehicle Identification Number (VIN) Requirements," specify format, contents, and physical requirements for vehicle identification numbers (VIN) and their placement on motor vehicles to simplify vehicle identification information retrieval and increase the accuracy and efficiency of vehicle recall campaigns.

The regulations require each vehicle manufactured in one stage to have a VIN that is assigned by the vehicle's manufacturer. Each vehicle manufactured in more than one stage is to have a VIN assigned by the incomplete vehicle manufacturer. Each VIN must consist of 17 characters, including a check digit in the ninth position whose purpose is to verify the accuracy of any VIN transcription. The VIN must also incorporate a manufacturer identifier that is assigned to the manufacturer by the national organization responsible for assigning World Manufacturers Identifiers (WMI) in the country where the manufacturer is located. The manufacturer identifier occupies the first three characters of the VIN for manufacturers that produce 1,000 or more vehicles of a specified type per model year and positions 1, 2, 3, 12, 13, and 14 of VINs assigned by manufacturers that produce fewer than 1,000 vehicles of a specified type per model year. The remaining characters of the VIN describe various vehicle attributes, such as make, model, and type, which vary depending on the vehicle's type classification (i.e., passenger car, multipurpose passenger vehicle, truck, bus, trailer, motorcycle, low-speed vehicle, or replica vehicle), and identify the vehicle's model year, plant code, and sequential production number.

NHTSA has contracted with SAE International of Warrendale, Pennsylvania, to coordinate the assignment of manufacturer identifiers to manufacturers located in the United States. Each manufacturer of vehicles subject to the requirements of Part 565 must submit, either directly or through an agent, the unique identifier for each make and type of vehicle it manufactures at least 60 days before affixing the first VIN using the identifier.

Manufacturers are also required to submit to NHTSA information necessary to decipher the characters contained in their VINs, including amendments to that information, at least 60 days prior to offering for sale the first vehicle identified by a VIN containing that information. If information concerning vehicle characteristics sufficient to specify the VIN code is unavailable to the manufacturer 60 days prior to offering the vehicle sale, the information must be submitted within one week of the information becoming

available.

#### **49 CFR Part 567**

The regulations in 49 CFR Part 567, *Certification*, specify the contents and location of, and other requirements for, the certification label to be affixed to a motor vehicle, as required by the National Traffic and Motor Vehicle Safety Act, as amended (the Vehicle Safety Act) (49 U.S.C. 30115) and the Motor Vehicle Information and Cost Savings Act, as amended (the Cost Savings Act) (49 U.S.C. 30254 and 33109). The purpose of the regulations is to address certification-related duties and liabilities of the manufacturer, and to provide the consumer with information to assist in determining which of the Federal motor vehicle safety standards (as found in 49 CFR Part 571), Bumper Standards (as found in 49 CFR Part 581), and Federal Theft Prevention Standards (as found in 49 CFR Part 541) are applicable to the vehicle.

The regulations pertain to manufacturers of motor vehicles to which one or more standards are applicable, including persons who alter such vehicles prior to their first retail sale, and to Registered Importers of vehicles not originally manufactured to comply with all applicable Federal motor vehicle safety standards that are determined eligible for importation by NHTSA, based on the vehicles' capability of being modified to conform to those standards. As outlined in NHTSA's proposal on the implementation of an exemption program for replica vehicles, Part 567 will also specify permanent labeling requirements for replica vehicles.

The regulations require each manufacturer to affix to each vehicle, in a prescribed location, a label that, among other things, identifies the vehicle's manufacturer (defined as the person who actually assembles the vehicle), the vehicle's date of manufacture, and the statement that the vehicle complies with all applicable Federal motor vehicle safety standards and, where applicable, Bumper and Theft Prevention Standards in effect on the date of manufacture. The label must also include the vehicle's gross vehicle and gross axle weight ratings (GVWR and GAWRs), vehicle identification number, and vehicle type classification (i.e., passenger car, multipurpose passenger vehicle, truck, bus, trailer, motorcycle, low-speed vehicle, replica vehicle). In the case of replica vehicles, the label will provide a complete list of the FMVSS to which the vehicle does not comply and a statement that indicates that the vehicle is a replica motor vehicle and identification of the vehicle it replicates by make, model, and model year.

The regulations specify other labelling requirements for incomplete vehicle, intermediate, and final-stage manufacturers of vehicles built in two or more stages, such as commercial trucks that are built by adding work performing components, such as a cargo box or cement mixer, to a previously manufactured chassis or chassis-cab, and to persons who alter previously certified vehicles, other than by the addition, substitution, or removal of readily attachable components such as mirrors or tire and rim assemblies, or minor finishing operations such as painting, before the first purchase of the vehicle for purposes other than resale.

Information on how to complete and affix a vehicle certification label is included on pages 21 through 24 of the requirements handbook at [https://vpic.nhtsa.dot.gov/Manufacturer\\_Handbook\\_20161019\\_Edited.pdf](https://vpic.nhtsa.dot.gov/Manufacturer_Handbook_20161019_Edited.pdf). Sample certification labels that can be used as guidance for manufacturers of the various types of vehicles that must be certified to the standards are included on pages 43 through 46 of the handbook.

2. Indicate how, by whom, and for what purpose the information is used. Indicate actual use of information received from the current collection.

#### **49 CFR Part 565**

NHTSA requires vehicle manufacturers to obtain a world manufacturer identifier to incorporate into the VINs they assign to the vehicles they manufacture for sale in the United States and to submit that identifier to NHTSA so that the agency can identify the responsible manufacturer in the event that the vehicle is suspected of containing a defect related to motor vehicle safety or a noncompliance with an applicable FMVSS. If such a defect or noncompliance is found to exist in the vehicle, the manufacturer has an obligation to furnish NHTSA and vehicle owners with notification of the defect or noncompliance and to remedy the defect or noncompliance without charge.

The VIN-deciphering information that NHTSA receives from manufacturers under 49 CFR Part 565 is published on the agency's website at <http://vpic.nhtsa.dot.gov>. In this manner, it is available to State Departments of Motor Vehicles, Customs officers, and law enforcement personnel who have an interest in whether a motor vehicle presented for registration, for importation, or for operation on public roads has been manufactured by a company that is properly registered with NHTSA. These officials use the contents of the VIN-deciphering tables submitted by manufacturers to identify the attributes of the vehicle and to determine whether it can be lawfully registered, imported, or licensed for on-road use in their jurisdiction.

Manufacturers use the vehicle identification number to identify vehicles that are subject to recall to remedy a safety-related defect or noncompliance and NHTSA uses this information to monitor the success of these recall campaigns. The agency also uses VINs to calculate motor vehicle theft rates by model year/calendar year, as required by Chapter 331 of Title 49, United States Code.

#### **49 CFR Part 567**

Under 49 U.S.C. § 30115, a manufacturer or distributor of a motor vehicle must certify to the distributor or dealer at delivery that the vehicle complies with applicable FMVSS. The statute requires that the certification be provided in the form of a tag or label that is permanently affixed to the vehicle by the time of its delivery to a dealer or distributor. Manufacturers are not required to apprise NHTSA of the specific vehicles that they manufacture to which standards they comply and, as a rule, manufacturers do not supply that information to the agency. The presence of the certification label is therefore the

only means for NHTSA, State Departments of Motor Vehicles, Customs officials, and law enforcement personnel to know whether a particular vehicle was originally manufactured to meet the FMVSS and the Bumper and Theft Prevention standards to the extent they are applicable. The label contains critical information on the vehicle's gross vehicle and gross axle weight rating that is important for operators to use in determining the extent to which the vehicle can be safely loaded or its capacity for towing another vehicle.

The labels affixed by manufacturers of vehicles built in two or more stages contain information needed by subsequent stage manufacturers in completing the vehicle so that, as finally assembled, it complies with all applicable Federal motor vehicle safety standards. The labels affixed by vehicle alterers assure that the vehicle, as altered, remains in compliance with all applicable standards and identify the responsible party in the event that a safety-related defect or noncompliance is introduced into the vehicle as a result of those alterations. The labels affixed by Registered Importers assure that a vehicle that was not originally manufactured to comply with all applicable FMVSS and Bumper standards has been brought into compliance with those standards and identify the responsible party for providing notification and remedy in the event that the vehicle is found to contain a safety-related defect or noncompliance.

3. Describe whether the collection of information involves the use of technological collection techniques or other forms of information technology.

#### **49 CFR Part 565**

The regulations in Part 565 do not mandate that VIN-deciphering information be submitted to NHTSA in a paper format. The majority of manufacturers are now submitting the information to the agency electronically using the online portal at <https://vpic.nhtsa.dot.gov> or by email at [manufacturerinfo@dot.gov](mailto:manufacturerinfo@dot.gov). NHTSA provided this option in an effort to improve the accuracy of the submissions, to reduce the volume of paperwork needed to correct inaccurate or incomplete submissions, and to reduce the human resources needed to process the submissions made on paper.

#### **49 CFR Part 567**

The regulations in Part 567 require a manufacturer to affix a certification label to each motor vehicle it manufactures for sale in the United States, but do not require manufacturers to submit any information to NHTSA. The use of information technology is therefore not pertinent to this collection.

4. Describe efforts to identify duplication. Show specifically why similar information cannot be used.

#### **49 CFR Part 565**

Manufacturers are required to submit VIN-deciphering information to NHTSA at least 60

days prior to offering for sale the first vehicle identified by a VIN containing that information or if information concerning vehicle characteristics sufficient to specify the VIN code is unavailable to the manufacturer by that date, then within one week after that information first becomes available. After that initial submission, manufacturers are not required to submit any additional VIN-deciphering information unless a change occurs in the information already on file with the agency. It is necessary that this information be furnished by the manufacturer so that NHTSA has accurate VIN-deciphering information to use in the event that a safety-related defect or noncompliance should be suspected or found to exist in one of the manufacturer's products. Manufacturers are not required to submit VIN-deciphering information under any other regulation administered by NHTSA. As a consequence, there is no risk for duplication of effort on the manufacturer's part.

#### **49 CFR Part 567**

The certification label is affixed to the vehicle by the manufacturer only once. This is generally done at the place of main assembly after all manufacturing operations have been completed on the vehicle. By regulation, the manufacturer is obligated to permanently affix the certification label, so that it is defaced or destroyed if any effort is made to remove the label. As there are no other requirement that manufacturers provide this information on labels affixed to new motor vehicles, there is no duplication.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize the burdens.

#### **49 CFR Parts 565 and 567**

The labeling requirements of Parts 565 and 567 apply to all manufacturers of motor vehicles subject to those regulations, including passenger cars, multipurpose passenger vehicles, trucks, buses, trailers, motorcycles, and low speed vehicles. This includes both major manufacturers and smaller companies that undoubtedly qualify as small businesses or entities. There is no way to minimize the burdens associated with the labelling requirements for the small manufacturer or entity as all motor vehicles covered by the regulations must have labels affixed in a prescribed location that display the vehicle's VIN and provide the other information required by 49 CFR 567.4.

The amount of time necessary to comply with the requirement for submission of VIN-deciphering information to NHTSA varies with the amount of material submitted, which is a product of the number of makes and models of vehicles a company produces. Therefore, a small company with a limited production of motor vehicles will incur little burden.

Additionally, to reduce burden, NHTSA has provided sample tables that can be used to submit VIN deciphering information to NHTSA, as well as sample letters that can be used to forward that information to the agency are included on pages 35 through 42 of a document entitled *New Manufacturers Handbook* that can be accessed on the agency's

website at: [https://vpic.nhtsa.dot.gov/Manufacturer\\_Handbook\\_20161019\\_Edited.pdf](https://vpic.nhtsa.dot.gov/Manufacturer_Handbook_20161019_Edited.pdf). A description of how to configure a VIN can be found on pages 9 through 20 of the handbook and a description of how to report VIN deciphering information to NHTSA can be found on page 21 of the handbook.

6. Describe the consequence to Federal Program or policy activities if the information is not collected or collected less frequently.

#### **49 CFR Parts 565 and 567**

If vehicle identification numbers were not assigned to motor vehicles, and inscribed on the certification labels affixed to those vehicles, there would be no way to identify particular vehicles that contain safety-related defects or do not comply with applicable Federal motor vehicle safety standards, and are therefore subject to safety recall campaigns. NHTSA and vehicle manufacturers would also be unable to identify current owners of vehicles to advise them of safety recall campaigns. Continuing to drive vehicles with safety-related problems could endanger vehicle owners and other motorists and highway users. The absence of a VIN would also impair the ability of State Departments of Motor Vehicles to register vehicles for use on public roads. It would also impair the ability of law enforcement personnel to investigate vehicle theft and the trafficking in stolen vehicle parts, as well as the ability of automotive insurance companies to provide coverage to vehicle owners.

The manufacturer identifier portion of the VIN identifies the vehicle's manufacturer. If that information is not supplied to NHTSA, it would impair the agency's ability to notify the responsible manufacturer in the event that the agency should suspect or find a motor vehicle to contain a safety-related defect or a noncompliance with a safety standard.

The certification label is only affixed to new vehicles once and it serves as an assertion that the vehicle to which it is affixed complies with all applicable FMVSS in effect on its date of manufacture. The certification label also provides consumers with information to help them understand which FMVSS and Bumper Standards are applicable to the vehicle. If manufacturers do not provide the certification label, it will not satisfy the requirements of 49 U.S.C. 30115 and manufacturers will not be provided important information about their vehicle and the identification of the vehicle manufacturer.

7. Explain any special circumstances that require the information collection to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.6.

The information collection is fully consistent with the guidelines set forth in 5 CFR 1320.6.

8. Provide a copy of the FEDERAL REGISTER document soliciting comments on the conduct of the collection of information, a summary of all public comments responding to the notice, and a description of the agency's actions in response to

the comments. Describe efforts to consult with persons outside the agency to obtain their views.

A copy of NHTSA's NPRM 85 FR 792, January 7 2020 is included with this submission. NHTSA will address any responses to the NPRM for changes to this collection as a part of publishing the final rule.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

No payment or gift will be provided to any respondent.

10. Describe any assurance of confidentiality provided to respondents.

No assurance of confidentiality is given for the information collected under 49 CFR Part 567. That information is not submitted to NHTSA, but is instead inscribed on the certification labels affixed to motor vehicles in accordance with the requirements of the regulations in that part. Manufacturers can request confidentiality for VIN deciphering information submitted to the agency under 49 CFR Part 565. Requests for confidentiality are made in accordance with the agency's regulations at 49 CFR Part 512 *Confidential Business Information*. If such a request is granted, the contents of the Part 565 submission will not be published on the agency's website at <https://vpic.nhtsa.dot.gov/> until the information ceases to be commercially sensitive.

11. Provide additional justification for any questions on matters that are commonly considered sensitive.

No other questions on matters that are commonly considered sensitive are involved in these information collections.

12. Provide estimates of the hour burden of the collection of information on the respondents.

The agency received 1,239 new submissions of VIN deciphering information under Part 565 from approximately 629 manufacturers of motor vehicles in 2017. NHTSA is estimating that it will receive 15 additional submissions of VIN deciphering information from 15 replica vehicle manufacturers. Therefore, NHTSA estimates that it will receive 1,254 VIN submissions in each of the next three years. The manufacturers need only submit the required information on a one-time basis, with the proviso that they notify the agency of any changes in the information on file within 30 days from the date that any change in that information occurs. In addition, the agency estimates that approximately 629 manufacturers of motor vehicles of all types, including manufacturers of passenger cars, multipurpose passenger vehicles, trucks, buses, trailers, motorcycles and low-speed vehicles, as well as incomplete vehicle manufacturers, intermediate and final stage manufacturers of vehicles built in two or more stages, and vehicle alterers, will need to comply with the certification labeling requirements of Part 567. NHTSA estimates that



there will be approximately 17,600,000 new vehicles manufactured and sold in each of the next three years. Assuming that it will take an average of .005 hours to affix a certification label to each of the vehicles produced each year for sale in the United States, it will take approximately 88,000 hours to meet the labeling requirements of Part 567 (17,600,000 vehicles  $\times$  .005 hours). Therefore, the agency estimates that this information collection requires 89,254 burden hours.

NHTSA estimates the labor cost for compiling and submitting the required information to be \$33.98<sup>1</sup> per hour using the Bureau of Labor's mean hourly wage estimate for technical writers in the motor vehicle manufacturing industry (Standard Occupational Classification # 27-3042).<sup>2</sup> Assuming that it would take one hour to produce a VIN deciphering submission, at an average cost of \$33.98 per hour for preparing and reviewing the submission, NHTSA estimates that it will cost vehicle manufacturers \$42,610.92 to comply with the Part 565 requirements (1,254 submissions  $\times$  \$33.98 = \$42,610.92). NHTSA estimates that labeling vehicles will cost an average cost of \$22.94 per hour,<sup>3</sup> using the Bureau of Labor Statistic's mean hourly wage estimate for motor vehicle assemblers and fabricators (Standard Occupational Classification #51-2000).<sup>4</sup> Therefore, and NHTSA estimates that the total wage cost of labeling to be \$2,018,720 for labeling each of the 17,600,000 vehicles NHTSA estimates will be manufactured in each of the next three years (.005 hours  $\times$  17,600,000 vehicles = 88,000 hours, 88,000 hours  $\times$  \$22.94 per/hr = \$2,018,720.

The total hourly wage cost associated with this information collection is \$2,061,330.92. The Bureau of Labor Statistics estimates that for private industry workers, wages represent 70.1% of total compensation.<sup>5</sup> Therefore, the total cost associated with the hourly burden of this information collection is estimated to be \$2,940,557.66.

13. Provide estimates of the total annual cost to the respondents or record-keepers.

NHTSA estimates that approximately 17,600,000 vehicles will require Part 567 labeling in each of the next three years. NHTSA estimates that the cost to print each label is \$0.35. therefore, the total cost for printing labels is estimated to be \$6,160,000.

14. Provide estimates of the annualized cost to the Federal Government.

The agency expends \$118,508.93 on an annual basis for the maintenance of the website at <https://vpic.nhtsa.dot.gov/> that can be used by manufacturers to electronically submit VIN-deciphering information required under Part 565 and the databases used to house

<sup>1</sup> National Industry-Specific Occupational Employment and Wage Estimates NAICS 336100 - Motor Vehicle Manufacturing, May 2018, [https://www.bls.gov/oes/current/naics4\\_336100.htm#47-0000](https://www.bls.gov/oes/current/naics4_336100.htm#47-0000), last accessed July 1, 2019.

<sup>2</sup> US Office of Management and Budget. *Standard Occupation Classification Manual*, 2018.

<sup>3</sup> National Industry-Specific Occupational Employment and Wage Estimates NAICS 336100 - Motor Vehicle Manufacturing, May 2018, [https://www.bls.gov/oes/current/naics4\\_336100.htm#47-0000](https://www.bls.gov/oes/current/naics4_336100.htm#47-0000), last accessed July 1, 2019.

<sup>4</sup> US Office of Management and Budget. *Standard Occupation Classification Manual*, 2018.

<sup>5</sup> Employer Costs for Employee Compensation-March 2019, <https://www.bls.gov/news.release/pdf/ecec.pdf>, last accessed June 28, 2019.

that information and other related data. In addition, the agency expends \$43,144.10 per year on Federal salaries and contract support devoted to the review and processing of Part 565 submissions, and to provide a manufacturer's helpdesk to answer questions concerning manufacturer requirements under Part 565 and other related provisions. There is no annualized cost to the Federal Government for the information collections associated with Part 567.

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

When it last sought approval for this information collection, the agency projected that it would cost industry \$1,781,990 to comply with the labelling and reporting requirements of Parts 565 and 567. This assumption did not account for the cost to print the labels and was based on receiving 733 submissions. NHTSA's records show that 1,239 Part 565 submissions were received in 2017. To account for new replica vehicle manufacturer submissions, NHTSA estimates that in each of the next three years, will receive 1,254 Part 565 submissions. The new estimates also rely on more accurate wage data from the Bureau of Labor Statistics.

NHTSA now estimates that the total cost of the information collection is \$9,100,557.66 (6,160,000 + 2,940,557.66) annually. This is an increase of \$7,318,567.66.

16. For collections of information whose results will be published, outline plans for tabulation, and publication.

The information submitted under Part 565 is posted to the agency's website at <https://vpic.nhtsa.dot.gov/>. It is not published in any other form.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

Approval is not sought to not display the expiration date for OMB approval.

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

No exceptions to the certification statement are made.