

**DEPARTMENT OF TRANSPORTATION
FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION**

SUPPORTING STATEMENT

PRACTICES OF HOUSEHOLD GOODS BROKERS

Summary

- This is an ICR revision. FMCSA revises the total annual burden to 72,808 hours. This is a 2,723 annual burden hour increase from the currently approved 70,085 annual burden estimate.
- Section 15 explains this increase is due to: 1) the previous iteration did not account for the time brokers use to complete a “waiver” should shippers choose to waive their rights to a physical survey; 2) the previous iteration did not clarify a reproducible frequency formula used to calculate the number of times brokers collect information and submit information to shippers; and 3) the number of household goods brokers increased from 543 brokers to 652 brokers.
- The revised information collection consists of four ICs or “phases” of business interactions between brokers and shippers, as opposed to one IC in the previous ICR submittal. The First Phase, IC1, is “Prospecting.” The Second Phase, IC2, is “Contact.” The Third Phase, IC3, is “Estimate.” The Fourth Phase, IC4, is “Agreement.”

Introduction

The Federal Motor Carrier Safety Administration (FMCSA) submits to the Office of Management and Budget (OMB) its request to extend a currently approved information collection request (ICR) titled “*Practices of Household Goods Brokers*” (OMB Control No. 2126-0048). The currently approved ICR is due to expire on January 31, 2021, and applies to household goods (HHG) brokers who are procured by the public (HHG shippers) to arrange the transportation of the shipper’s household goods by HHG motor carriers. FMCSA is requesting the revised renewal of the information collections found in Title 49, Code of Federal Regulations (CFR), Sections 371.107, 371.109, 371.111, 371.113, 371.115, and 371.117, to be effective for the 3-year period covered by this ICR. These regulations require broker compliance, but are ultimately in place to protect HHG shippers.

Part A. Justification

1. Circumstances that Make the Collection of Information Necessary.

This ICR requirement is contained in 49 CFR part 371 (Attachment A) as provided in the final rule titled “Brokers of Household Goods Transportation by Motor Vehicle,” (RIN 2126-AA84) (75 FR 72987, November 29, 2010) (Attachment B). The final rule amended FMCSA’s existing regulations applicable to property brokers (49 CFR part 371) to require brokers who arrange for the transportation of household goods to comply with additional shipper protection requirements. This rulemaking was in response to Title IV, Subtitle B of the Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) (Pub. L.109-59) and a petition for rulemaking from the American Moving and Storage Association¹ (AMSA) (Attachment C). The amendments were added to protect shippers of household goods from the actions of unscrupulous brokers while not adding significantly to the costs of fair and honest brokers.

Section 4212 of SAFETEA-LU (Attachment D) directs the Department of Transportation (DOT) Secretary to require HHG brokers to provide shippers with information throughout the various stages of their interaction. Phases I through IV, below, outline the information collection requirements of the HHG broker at the various contractual stages, as provided in 49 CFR part 371.

I. First Phase: “Prospecting”

When an HHG shipper is looking to procure an HHG broker’s services, the broker must collect the following information and display it on its websites and solicitation materials:

- Its physical address (49 CFR 371.107(a));
- Its U.S. DOT number(s) and motor carrier (MC) number (49 CFR 371.107(b));
- A statement indicating it will not transport the shipper’s goods but will only arrange for goods to be transported by a registered motor carrier (49 CFR 371.107(c));
- If the broker chooses to publish rates on its website or solicitation materials, the broker must also publish a statement that the rates are based on a motor carrier’s publicly available rates (49 CFR 371.107(d));
- If the broker chooses to publish a list of motor carriers it works with, the list must be a list only of motor carriers with which brokers have agreements (49 CFR 371.107(e)); and
- Brokers must publish information regarding their cancellation policies, including information on deposits and refunds (49 CFR 371.117(a)).

For the exact text of regulations, see Section 12 part I of this document.

¹ As of August 8, 2020, the American Moving and Storage Association (AMSA) announced AMSA will join the American Trucking Associations (ATA) as the Moving & Storage Conference. Retrieved January 1, 2021 from: <https://www.moving.org/amsa-to-become-conference-of-american-trucking-associations/>.

II. Second Phase: “Contact”

When an HHG shipper makes a reasonable request seeking additional information about broker services, the HHG broker must collect the following information and distribute it to the HHG shipper:

- A list of motor carriers with which it has agreements (49 CFR 371.109(a)); and
- A statement indicating the broker is not a motor carrier and that the broker is only arranging transportation of the shipper’s goods (49 CFR 371.109(b)).

For the exact text of regulations see Section 12 part II.

III. Third Phase: “Estimate”

When an HHG shipper requests an estimate, the broker must collect the following information and provide it to the shipper:

- FMCSA’s published information material: (1) “*Ready to Move? Tips for a Successful Interstate Move*” and (2) “*Your Rights and Responsibilities When You Move (2013 Update)*” (49 CFR 371.111(a)(1), (a)(2), and (a)(3));
- A written estimate based on a physical survey of household items (49 CFR 371.113(a)) and published motor carrier rates (49 CFR 371.113(b)); and
- If applicable, a “Waiver” receipt showing shipper waived their right to a physical survey of their household items (49 CFR 371.113(b)).

The broker must obtain a signed document showing that the shipper received FMCSA’s published information material (49 CFR 371.111(c)). For the exact text of regulations see Section 12 part III.

IV. Fourth Phase: “Agreement”

Should the shipper find the estimate(s) and broker services reasonable and wish to book the broker’s services, the two parties must enter into an agreement. At this point it is standard practice for shippers to either pay a deposit or make full payment. Before any payment is collected, the broker must collect the following information and distribute it to the HHG shipper:

- An agreement document with required specifications as laid out by 49 CFR §371.115; and
- An agreement document which highlights the broker’s and/or motor carrier’s refund policy for cancelation of agreements (49 CFR 371.117(a)).

For the exact text of regulations see Section 12 part IV.

After the broker arranges the delivery of the household goods by the motor carrier, the next and final step for the broker is to store records of the transaction, including the name and address of the shipper and motor carrier, motor carrier registration number, bill of lading or freight bill number, compensation, a description of and any compensation for any non-brokerage services performed, the amount of any freight charges collected by the broker, and the date of payment to the motor carrier, as laid out by 49 CFR § 371.3. FMCSA finds that this is information the broker would ordinarily record for other standard business practices, such as tax purposes. For

this reason, FMCSA does not include the annual hourly burden associated with such record keeping. However, for completeness, it is important to reference in this ICR that brokers must keep records of their transactions.

The information provided in phases I, II, III, and IV supports the requirements of 49 CFR, part 371, and the Department's secondary mission to support HHG consumer protection.

2. How, by Whom, How Frequently, and for What Purpose the Information will be Used.

The information collection by HHG brokers assists HHG shippers who wish to hire a household broker to arrange to ship household items via a HHG motor carrier. The collection of information is used by prospective shippers to make informed decisions about contracts and services to be ordered, executed, and settled within this niche interstate motor carrier industry.

In many cases, the HHG broker is the earliest point of contact for a shipper looking to ship their household items. The regulations require brokers to obtain a signed and dated receipt from the individual shippers of the "*Ready to Move? Tips for a Successful Interstate Move*" brochure (Attachment E) and the "*Your Rights and Responsibilities When You Move*" pamphlet (Attachment F). This information summarizes the regulations found in 49 CFR parts 371 and 375, and helps enforcement personnel determine whether the individual shipper received compliance information from their broker. The applicable regulations summarized in the pamphlet materials are also provided in Section 1 under phases I to IV, and the regulation text is provided in a more complete description of phases I to IV in Section 12.

3. Extent of Automated Information Collection.

FMCSA estimates that more than 90 percent of the information will be disseminated electronically to the HHG shipper by the HHG broker. The FMCSA household goods program can, and is expected to, use modern automated information collection technology, which will reduce the burden of the program. The information collections can be transmitted by e-mail or other electronic method—the details being left to the discretion of the HHG shipper, HHG broker, and the HHG motor carrier. In addition, information is available online and complaints can be submitted via the internet. None of the information collected is submitted to FMCSA.

4. Efforts to Identify Duplication.

FMCSA is unaware of any other Federal rules that will duplicate, overlap, or conflict with this collection, except for certain provisions of the household goods shipper protection rules in 49 CFR part 375. 49 CFR part 375 applies only to household goods motor carriers, therefore it was necessary to establish separate rules applicable to household goods brokers (which this IC covers), even though the rules include some similarities. For example, SAFETEA-LU requires every shipper to receive the pamphlet "*Your Rights and Responsibilities When You Move*," and HHG motor carriers are already required to make this pamphlet available to every shipper. This rule requires household goods brokers to make the same pamphlet available to shippers. There is no practical way around the duplication because some shippers do not use a household goods broker, and those who do often lack direct contact with a household goods motor carrier early enough in the process to make effective use of the information in the pamphlet.

5. Efforts to Minimize the Burden on Small Businesses or Other Small Entities.

FMCSA believes its 2010 HHG Broker Rulemaking minimized the burden on small entities. Shippers who work through brokers receive only necessary information regarding the parties with which they are dealing to inform them of their rights and responsibilities relating to interstate HHG moves. It also helps to ensure that HHG brokers deal only with properly registered and insured motor carriers, and that estimates provided by HHG brokers are provided under specific circumstances chosen to protect the shippers against possible abuse. Finally, the rulemaking increased the level of financial responsibility required to ensure that HHG brokers perform their transportation contracts.²

For the purposes of estimating the impact on small businesses, FMCSA records indicate there are currently 581 active and registered HHG brokers. FMCSA also estimates there are approximately an additional 71 active but not registered HHG brokers³ for a total of 652 brokers.

FMCSA records also indicate almost all active HHG brokers are small entities per the definition in U.S. Small Business Administration (SBA) regulations (13 CFR part 121), which define a “small entity” in the North American Industrial Classification System (NAICS) Code 488510 “Freight Transportation Arrangement” industry by average annual receipts. The threshold is currently set at \$16.5 million⁴ per firm. The motor carriers with whom HHG brokers have an agreement may also be indirectly affected, but motor carriers are subject to separate regulations, as stated above in section 4.

6. Impact of Less Frequent Collection of Information.

The information collection covered by this request is collected at different phases, based on when shippers and brokers interact with each other. For example, the first phase requires brokers to place certain information on their websites and in their solicitation materials. This helps shippers when they are “prospecting” for broker services. The second phase requires brokers to send additional information to shippers, such as a list of motor carriers with whom brokers have agreements. The third phase requires brokers to submit a written estimate if one is requested. Phase three also requires a broker to provide FMCSA’s pamphlets containing tips for successful moves and shippers’ rights and responsibilities, and the brokers’ policies concerning deposits, cancellations, and refunds. The fourth phase is the agreement phase, when the broker must form an agreement through documentation with the shipper.

The regulations embed a frequency framework methodology based on brokers’ and shippers’ interactions with each other that allows brokers to collect and submit helpful information to the shipper as the shipper becomes more likely to contract the broker’s services. This “built-in” frequency is provided to avoid burdening the broker unnecessarily while protecting shippers from unscrupulous brokers. A less frequent collection methodology would provide less protection to shippers from unscrupulous brokers. A more frequent methodology would burden the broker unnecessarily and not provide additional protection gains to the shipper. The current

² FMCSA increased the financial responsibility requirement to \$75,000 for all brokers subject to its jurisdiction on October 1, 2013. 78 FR 60226.

³ A broker generally becomes inactive after registering with FMCSA when its surety bond or trust fund is cancelled.

⁴ U. S. Small Business Administration. Table of Small Business Size Standards Matched to North American Industry Classification System Codes. As modified by the Office of Management and Budget, effective January 1, 2017.

collection methodology frequency is based on the methodology that provides both parties the best outcome.

7. Special Circumstances.

Information collection is done at each phase as a shipper requests a service from an HHG broker, and thus the information collection is more often than quarterly. For example, when the HHG shipper requests an estimate the HHG broker must base its estimate on the motor carrier's physical survey and provide the estimate in writing. The purpose of the information collection is for HHG brokers to collect and provide information to HHG shippers to provide consumers with protection from unscrupulous brokers.

8. Compliance with 5 C.F.R. § 1320.8.

FMCSA published the 60-day notice on September 8, 2020 (85 FR 55571). There were no comments received from the public.

9. Payments or Gifts to Respondents.

There are no payments or gifts to respondents for this information collection.

10. Assurances of Confidentiality.

None of the information collected by HHG Brokers will be confidential.

11. Justification for Sensitive Information.

There are no questions of a sensitive nature.

12. Estimates of Burden Hours for Information Requested.

To estimate the annual burden hours for this revision information request, FMCSA makes the following assumptions:

For this revision, the annual burden hours and associated respondent cost is largely carried by the brokers, with the consumer benefit accruing to shippers. This information collection includes the hourly burden estimate that arises when brokers interact with shippers and motor carriers.

To estimate the hourly burden that arises when brokers interact with shippers, FMCSA reviewed Census Bureau household mobility data. According to the Census Bureau's mobility data, there are approximately 4,981,000 household,^{5,6} interstate moves per year. Of those 4,981,000 interstate moves, FMCSA estimates household goods brokers, a niche market of brokers, handle about 2 percent of these moves, or 100,000⁷ household moves per year.

⁵ U.S Census Bureau Current Population Survey, Annual Social and Economic Supplement years. See Table A-1. Annual Geographic Mobility Rates, By Type of Movement: 1948-2019.

<https://www.census.gov/topics/population/migration/guidance/user-notes.html>. Accessed April 7, 2020.

⁶ A total U.S. population of 326,637,521 divided by 4,980,667 interstate moves per year results in 1 in every 66 households moving to a different state each year. See footnote 4 for how the total population estimate of 326,637,521 is derived.

⁷ 2% of 4,981,000 is 99,620. FMCSA rounds upwards to 100,000. This estimate is consistent with the previous iteration of this ICR.

FMCSA records indicate that there are 581 registered HHG brokers. While HHG brokers must register with FMCSA to arrange the transportation of household goods on interstate roads, FMCSA assumes that there are unregistered brokers. FMCSA does not know the number of unregistered HHG brokers, but estimates the number of unregistered HHG brokers based on FMCSA's conversations with industry experts and information from broker websites. FMCSA continues to assume a conservative number of unregistered brokers to be 12.2 percent of the number of registered brokers. Per FMCSA records, if there are 581 registered brokers, then there are a total of 71 unregistered brokers ($581 \times 0.122 = 70.88$). Thus, the total amount of active HHG brokers is 652 ($581 + 71 = 652$).

If there are 100,000 brokered interstate moves per year and approximately 652 active household goods brokers,⁸ on average each broker completes approximately 154 household moves per year⁹ ($100,000 \div 652 = 154$)¹⁰. This estimate reflects the number of completed transactions between brokers and shippers.

To estimate the burden between brokers and motor carriers, FMCSA views the established contractual records of brokers and motor carriers. FMCSA records indicate brokers have an average of 31 contractual relationships with motor carriers. Based on conversations with industry stakeholders, FMCSA estimates these contracts are renewed approximately every 6 years. This means that brokers update approximately five contracts with motor carriers per year. This estimate reflects the number of completed transactions between brokers and motor carriers.

Thus, the total annual burden hours include applicable information collection between three parties: brokers, motor carriers, and shippers. While the previous iteration of this ICR included this 3-party relationship, the previous iteration did not clearly express a frequency methodology between brokers' and shippers' interactions, though it did include a frequency methodology between brokers and motor carriers.

As a result, for this revision the *Annual Hourly Burden* methodology is updated and applies the 49 CFR part 371 regulations in "phases" to capture broker and shipper interaction frequency per phase. To account for the number of shippers by stages, FMCSA works backwards. For example, if brokers complete 154 moves per year, then at the second phase, when the regulations stipulate brokers are required to send a "list of motor carriers" and a "statement of their role" to qualified shippers, then there are 308 qualified shippers at this stage. This is based on standard sales funnel models, in which 50 percent of shippers at the "contact" phase result in a final sale. Under this model, approximately 308 shippers would receive the information collection from the broker¹¹.

I. First Phase: "Prospecting"

When looking for HHG brokers, shippers usually start at solicitation materials and brokers' websites. At this phase, brokers must collect and provide the requirements listed in Figure 1 on their marketing material and/or internet website.

⁸ FMCSA records indicate there are, on average, 652 active household goods brokers on any given day.

⁹ Household goods brokers handle 100,000 household moves per year and, if there are 652 household goods brokers, each broker handles 154 household moves ($100,000 \div 652 = 153.4$). FMCSA rounds upwards to 154.

¹⁰ FMCSA rounds upwards to 154.

¹¹ $308 = 154 \times 2$.

Figure 1. First Phase: Information Collection Requirements for "Prospecting" Stage

Requirement Items	49 CFR
a. [Broker(s)] must prominently display on [their] advertisements and Internet Web homepage(s) the physical location(s) (street or highway address, city, and State) where [broker(s)] conducts business.	371.107(a)
b. [Broker(s)] must prominently display [their] U.S. DOT registration number(s) and MC [motor carrier] license number issued by the FMCSA in [broker(s)] advertisements and Internet Web homepage(s).	371.107(b)
c. [Broker(s)] must prominently display on [their] advertisements and Internet Web site(s) [their] status as a household goods broker and the statement that [broker(s)] will not transport an individual shipper's household goods, but that [they] will arrange for the transportation of the household goods by an FMCSA-authorized household goods motor carrier, whose charges will be determined by its published tariff.	371.107(c)
d. [Broker(s)] can provide estimates on any [motor] carrier's behalf pursuant to Section 371.113(b) ¹² , [broker(s)] must prominently display in your Internet Web site(s) that the estimate [is] based on the [motor] carrier's tariff and that the [motor] carrier is required to make its tariff available for public inspection upon a reasonable request.	371.107(d)
e. [Broker(s)] may only include in [their] advertisements or Internet Web site(s) the names or logos of FMCSA-authorized household goods motor carriers with whom [brokers] have a written agreement as specified in § 371.115.	371.107(e)
f. [Broker(s)] must disclose prominently on [their] Internet Web site and agreements with prospective shippers [their] cancellation policy, deposit policy, and policy for refunding deposited funds in the event the shipper cancels an order for service before the date an authorized household goods motor carrier has been scheduled to pick up the shipper's property.	371.117(a)

Regarding items (a) “physical address,” (b) “license numbers,” and (c) “statement” listed in Figure 1 above, brokers should have already collected this information and added it to their websites and solicitation materials after 2011, when the first information collection for this rulemaking was approved. For this revision, physical address, license numbers, and statements are not expected to be updated on a frequent basis. FMCSA therefore does not include these regulations in the annual hourly burden estimate.

FMCSA does expect requirements (d) “rates,” (e) “list of motor carriers,” and (f) “cancellation policies” as listed in Figure 1 to change frequently, and are included in the annual burden estimate. However, the rates and lists of motor carriers’ items are optional for brokers at this phase. Thus, at the “prospecting” stage, the only annual burden estimate is for requirement (f) “cancelation policies.”

¹² 49 CFR part 371.113(b) You must base your estimate upon the published tariffs of the authorized motor carrier who will transport the shipper's household goods.

As referenced at the beginning of this section, FMCSA estimates that brokers will enter into five new agreements with five unique HHG motor carrier firms per year. FMCSA anticipates that each broker will need to update its cancellation policies whenever entering into a new agreement to reflect each “new” motor carrier’s policy.

FMCSA estimates it will take a total of 30 minutes for respondents to update their cancellation policies on their website and solicitation materials as required by 49 CFR §371.117(a). FMCSA assumes the broker will create the content changes, and a web developer will update the website and solicitation material based on the content changes created by the broker.

FMCSA estimates 1,630 total annual burden hours for requirement (f) “cancellation policies” (652 brokers × 5 agreements × 30 minutes = 1,630 hours). Table 1 provides a summary of this calculation.

Table 1. Total Burden Hours for First Phase “Prospecting”

Year	Number of Respondents (a)	Number of Responses (a × 5 = b)	Average Burden Hours per Response (c)	Total Burden Hours (b × c = d)
2021	652	3,260	0.50	1,630
2022	652	3,260	0.50	1,630
2023	652	3,260	0.50	1,630
Total	1,956	9,780	1.50	4,890
<i>Annual (rounded)</i>	652	3,260	0.50	1,630

In conclusion, for the first phase (the Prospecting Phase) FMCSA estimates 1,630 annual burden hours for the regulations listed in Figure 1.

For an Annual table summary of the “Prospecting” Phase see Table 2.

Table 2. Annual Summary of “Prospecting” Phase

Phase I. “Prospecting”	No. of Respondents	No. of Responses	Burden Hours
Table 1	652	652 × 5 = 3,260	3,260 × 0.50 = 1,630
TOTALS	652	3,260	1,630

Changes from Previous ICR

For the previous ICR, the methodology used was: time spent by broker on all regulations listed in Figure 1 × the number of brokers, which, when applied, was 20 hours × 543 brokers, resulting in 10,860 annual hours.

The current methodology is revised to the following: time spent by broker to **revise**, collect, and upload their information to the broker’s website as required by the regulations listed in Figure 1 × the number of brokers. For this revision, only the broker’s cancellation policies on its website and solicitation material are expected to be updated. Thus, the total annual burden hours for brokers to update their websites and solicitation materials based on their agreements with motor carriers is 1,630 hours (652 brokers × 5 agreements × 30 minutes = 1,630 hours).

II. Second Phase: “Contact”

When HHG shippers make reasonable requests to HHG brokers for additional information regarding their services, brokers must collect the information referenced in Figure 2 and distribute it to shippers.

Figure 2. Second Phase: Information Collection Requirements for “Contact” Stage

Requirement Items	49 CFR
a. [Brokers(s)] must provide to each potential individual shipper who contacts the [broker] a list of all authorized household goods motor carriers [brokers] use, including their U.S. DOT registration number(s) and MC license numbers.	371.109(a)
b. [Broker(s)] must [also] provide each potential individual shipper who contacts a [broker(s)] a statement indicating that [they] are not a motor carrier authorized by the federal government to transport the individual shipper’s household goods, and [broker(s)] are only arranging for an authorized household goods motor carrier to perform the transportation services and, if applicable, additional services.	371.109(b)

The first part, the annual hourly burden calculation, consists of the hours associated with updating item (a) “list of motor carriers” and item (b) “statement of role” as listed in Figure 2 above. The second part consists of the hours to collect all the requirements and submit them to shippers. This is important because updates to the “list of motor carriers” for a broker are derived from interactions with motor carriers.

FMCSA assumes the first drafts for both (a) “list of motor carriers” and (b) “statement of role” were developed in 2011 during the initial information collection request. FMCSA estimates the “list of motor carriers” will need to be updated only as frequently as brokers enter into new agreements with motor carriers. The “statement of role” is not expected to be revised for this information collection request.

FMCSA estimates it will take approximately three minutes for brokers to update their “list of motor carriers” by agreement with a motor carrier. This breaks down as one minute for each list item: MC name, MC number and DOT number, and motor carrier firm physical address.

For the revisions to the “list of motor carriers,” FMCSA estimates an annual burden of 163 hours (652 brokers × 5 agreements × 3 minutes per agreement = 163 hours). Table 3 provides a summary of this calculation.

Table 3. Total Burden Hours for Second Phase “Contact,” Hours between Brokers and Motor Carriers (Part 1 of 2)

Year	Number of Respondents	Number of Responses	Average Burden Hours per Response	Total Burden Hours
	(a)	(a × 5 = b)	(c)	(b × c = d)

2021	652	3,260	0.050	163
2022	652	3,260	0.050	163
2023	652	3,260	0.050	163
Total	1,956	9,780	0.150	489
Annual (rounded)	652	3,260	0.050	163

For the second part, FMCSA anticipates the HHG broker will bundle the required information and send it electronically to the shipper. FMCSA estimates this will take one minute to collect the “list of motor carriers” and “statement of their role” and submit them to each shipper.

As stated previously, FMCSA estimates brokers have on average 154 moves per year. This means, on average, 154 moves per year is 100 percent of a broker’s moves per year or finalized sales per year. However, at the “contact” stage, based on industry sales funnel reports, only about 50 percent of the reasonable requests made by the shipper to the broker will turn into a final sale for the broker. Thus, we can assume brokers will collect the required information and send it to approximately 308 qualified shippers.¹³

For this portion of the “contact” phase, collecting items (a) “list of motor carriers” and (b) “statement of role” and submitting the information to HHG shippers, FMCSA estimates 3,414 annual burden hours ($652 \times 308 \times 1 \text{ minute} = 3,414 \text{ hours}$).¹⁴ provides a summary of this calculation.

Table 4. Total Burden Hours for Second Phase “Contact”, Hours between Brokers and Shippers (Part 2 of 2)

Year	Number of Respondents (a)	Number of Responses (a × 308= b)	Average Burden Hours per Response (c)	Total Burden Hours (b × c = d)
2021	652	200,816	0.017	3,414
2022	652	200,816	0.017	3,414
2023	652	200,816	0.017	3,414
Total	1,956	602,448	0.051	10,242
Annual (rounded)	652	200,816	0.017	3,414

In conclusion, for the second phase or the “contact” phase, FMCSA estimates 3,577 annual (163 hours + 3,414 hours = 3,577 hours) burden hours for regulations referenced in Figure 2.

For an annual table summary of the “Contact” Phase see Table 5.

Table 5. Summary of “Contact” Phase

Second Phase “Contact”	No. of Respondents	No. of Responses	Burden Hours
Table 3	652	$652 \times 5 \text{ (brokers} \times \text{ motor carriers)} = 3,260$	$3,260 \times 0.050 = 163$
Table 4	652	$652 \times 308 \text{ (brokers} \times \text{ shippers)} = 200,816$	$200,816 \times 0.017 = 3,414$
TOTALS	652	204,076	3,577

¹³ $154/.5=308$

¹⁴ 1 minute divided by 60 minutes per hour is rounded to 0.017 hours per response.

Changes from Previous ICR

For the previous ICR, the methodology consisted of creating the “list of motor carriers” at 10 hours × 543 brokers which resulted in 5,430 annual burden hours. For this revision, the new methodology includes the hours needed to update the “list of motor carriers,” which is 163 hours. In addition, this methodology adds the burden hours for a broker to collect the “list of motor carriers” and the “statement of role” and submit it to the shippers, which adds 3,347 annual hours. The previous information collection did not account for brokers’ need to collect and submit the information, and only included the burden hour estimate to create the “list of motor carriers.” A more precise total annual burden hours estimate allows for brokers to update their “list of motor carriers” and submit both the “list of motor carriers” and “statement of role” to shippers, which totals 3,577 hours.

III. Third Phase: “Estimate”

When an HHG shipper requests an estimate, the broker must collect the information provided in and distribute it to the shipper.

Figure 3. Third Phase: Information Collection Requirements for "Estimate" Stage

Requirement Items	49 CFR
<p>a. [Broker(s)] must provide potential individual shippers with Federal consumer protection information by one of the following three methods (1) [Broker(s)] provides a hyperlink on [broker'(s)] Internet Web site to the FMCSA Web site containing the information in FMCSA's publications "<i>Ready to Move? - Tips for a Successful Interstate Move</i>" and "<i>Your Rights and Responsibilities When You Move.</i>" (2) [Broker(s)] distributes to each shipper and potential shipper at the time it provides an estimate, copies of FMCSA's publications "<i>Ready to Move? - Tips for a Successful Interstate Move</i>" and "<i>Your Rights and Responsibilities When You Move.</i>"</p>	<p>371.111(a)(1), (a)(2), (a)(3)</p>
<p>b. b.[Broker(s)] must obtain a signed, dated paper receipt showing the individual shipper has received both booklets that includes, if applicable, verification of the shipper's agreement to access the Federal consumer protection information on the Internet.</p>	<p>371.111(c)</p>
<p>c. [Broker(s)] may provide each individual shipper with an estimate of transportation and accessorial charges. If [broker(s)] provide[s] an estimate, it must be in writing and must be based on a physical survey of the household goods conducted by the authorized motor carrier on whose behalf the estimate is provided if the goods are located within a 50-mile radius of the motor carrier's or its agent's location, whichever is closer. The estimate must be prepared in accordance with a signed, written agreement, as specified in Section 371.115 of this subpart.</p>	<p>371.113(a)</p>
<p>d. [Broker(s)] must base estimate upon the published tariffs of the authorized motor carrier who will transport the shipper's household goods.</p>	<p>371.113(b)</p>
<p>e. [Shipper(s)] may elect to waive the physical survey required in paragraph (a) of this section by written agreement signed by the shipper before the shipment is loaded. (2) The household goods broker[s] must explain the physical survey waiver agreement to the individual shipper in plain English. The physical survey waiver agreement must be printed on the written estimate and must be printed at no less than 7-point font size and with the font typeface Universe. (3) A copy of the waiver agreement must be retained as an addendum to the bill of lading and is subject to the same record inspection and preservation requirements as are applicable to bills of lading.</p>	<p>371.113(c)(1), (c)(2), (c)(3)</p>

Similar to the second phase, the third phase has an annual hourly burden calculation broken out into two parts. The first part is the annual hourly burden between brokers and motor carriers, and the second part is the annual hourly burden between brokers and shippers.

As noted in item (c) "estimate," in above, before a broker can provide estimates to shippers, brokers must have agreements in place with motor carriers. As stated previously, FMCSA continues to estimate that brokers have on average five new agreements with motor carriers per year. FMCSA also continues to estimate that each agreement takes four hours to complete. Thus,

the annual hourly burden estimate for brokers to enter into agreements with motor carriers is approximately 13,040 hours (652 × 5 agreements × 4 hours = 13,040 hours). A summary of this calculation is provided in Table 6.

Table 6. Total Burden Hours for Third Phase “Estimate,” Hours between Brokers and Motor Carriers (Part 1 of 3)

Year	Number of Respondents (a)	Number of Responses (a × 5 = b)	Average Burden Hours per Response (c)	Total Burden Hours (b × c = d)
2021	652	3,260	4.00	13,040
2022	652	3,260	4.00	13,040
2023	652	3,260	4.00	13,040
Total	1,956	9,780	12.00	39,120
Annual (rounded)	652	3,260	4.00	13,040

The second part of the annual hourly burden estimate is the time estimated as necessary to collect and submit the remaining requirements listed in items (a) through (e) in Figure 3. Not all these requirements apply to all shippers at this stage.

For item (a) “pamphlets,” the requirement stipulates brokers must provide FMCSA’s pamphlet materials to all shippers, and item (b) stipulates that brokers must collect a signed receipt indicating that shippers have received the material. The pamphlet material may be distributed earlier than the “estimate” phase, but the pamphlet receipt document must be collected by the broker before a broker may provide an estimate.

Because the pamphlets have already been created by FMCSA, the burden estimate includes only the time to collect and submit the information to shippers. FMCSA estimates items (a) and (b) together will take 1.5 minutes.

Item (c) “estimate” has a few components and do not apply to all shippers. First, the regulation stipulates that when a broker provides an estimate to the HHG shipper, the estimate must be in writing and be based on a physical survey of the shipper’s household items. Note that the survey is taken by the registered motor carrier and provided to the broker. The broker passes through the estimate in writing to the shipper.

The regulation does provide an optional “waiver” item (e), listed in , of the physical survey. This allows the shipper to waive its right to a physical survey. To “waive” the physical survey, the broker must explain the waiver and how this waiver will affect its written estimate. FMCSA continues to estimate that it will take five minutes to explain the waiver to each shipper and anticipates that all shippers at this phase will receive the explanation.

FMCSA does not know the number of physical surveys or physical survey waivers, but based on FMCSA’s conversations with industry experts, FMCSA estimates that 50 percent of shippers request physical surveys.

FMCSA estimates it will take 10 minutes¹⁵ to complete a “written estimate” based on the motor carrier’s physical survey or other non-physical inventory methods, and pass the estimate to the shipper.

For shippers who do not request a physical survey, then item (e) (the signature “waiver” document) applies. Only a portion of shippers waive their right to a physical survey.

Based on industry reports, about 80 percent of shippers at the “estimate” stage will move on to a final sale for the broker. If each broker averages 154 moves per year, which represents 100 percent of its total household move sales per year, then each broker will collect the required information for approximately 193 shippers¹⁶. This includes:

- +1.5 minutes per broker to collect and send FMCSA’s pamphlets and receive back a signature per shipper (items a and b)
 - +5 minutes per broker to explain waiver per shipper (item (e)(2))
 - +10 minutes per broker to develop a written estimate off of a motor carrier’s physical survey or other non-physical inventory method per shipper and submit written estimate to shipper (item c)
-
- = 16.5 minutes.

This portion of the estimate phase produces an annual burden of 34,605 hours (652 brokers × 193 shippers × 16.5 minutes = 34,605 hours). provides a summary of this calculation.

For the remaining part 371 requirements, 97 shippers would incur additional burden time (193 shippers × 50% = 97 shippers). These regulations include:

- +1.5 minutes per broker to send and collect signature for waiver document per shipper (item e.1)
- =1.5 minutes

This portion of the estimate phase produces an annual burden of 1,581 hours (652 brokers × 97 shippers × 1.5 minutes =1,581.10 hours). provides a summary of this calculation.

¹⁵ FMCSA does not know the amount of time brokers spend on average to develop an estimate, however based on FMCSA’s conversations with industry experts, FMCSA anticipates 10 minutes per estimate is a reasonable estimate.

¹⁶ 154/.80= 193

Table 7. Total Burden Hours for Third Phase “Estimate,” Hours between Brokers and Shippers, Applied to 193 shippers (part 2 of 3)

Year	Number of Respondents (a)	Number of Responses (a × 193 = b)	Average Burden Hours per Response ¹⁷ (c)	Total Burden Hours (b × c = d)
2021	652	125,836	0.275	34,605
2022	652	125,836	0.275	34,605
2023	652	125,836	0.275	34,605
Total	1,956	377,508	0.825	103,815
Annual (rounded)	652	125,836	0.275	34,605

Table 8 Total Burden Hours for Third Phase “Estimate,” Hours between Brokers and Shippers, Applied at 97 Shippers (part 3 of 3)

Year	Number of Respondents (a)	Number of Responses (a × 97 = b)	Average Burden Hours per Response ¹⁸ (c)	Total Burden Hours (b × c = d)
2021	652	63,244	0.025	1,581
2022	652	63,244	0.025	1,581
2023	652	63,244	0.025	1,581
Total	1,956	189,732	0.075	4,743
Annual (rounded)	652	63,244	0.025	1,581

The second part of the estimate produces a total of 36,186 (34,605 + 1,581) annual burden hours. In conclusion, the “estimate” phase results in an annual burden of 49,226 hours (13,040 + 36,186 = 49,226).

For an annual table summary of the “Estimate” Phase see Table 9.

Table 9. Summary of “Estimate” Phase

Third Phase “Estimate”	No. of Respondents	No. of Responses	Burden Hours
Table 6	652	652 × 5 (brokers × motor carriers) = 3,260	3,260 × 4.0 = 13,040
Table 7	652	652 × 193 (brokers × shippers) = 125,836	125,836 × 0.275 = 34,605
Table 8	652	652 × 97 (brokers × shippers) = 63,244	63,244 × 0.025 = 1,581
TOTALS	652	192,340	49,226

Changes from Previous ICR

For the previous information collection, the annual hourly burden methodology for agreements with motor carriers stayed the same at 4 hours per agreement × 5 agreements per year × number

¹⁷ 16.5 minutes divided by 60 minutes is equal to 0.275 hours per response.

¹⁸ 1.5 minutes divided by 60 minutes is equal to 0.025 minutes per hour.

of brokers, which resulted in 10,860 annual hours. For this revision, the number of brokers increased from 543 to 652 which resulted in an annual burden revision upwards to 13,040 hours.

In addition, for requirement 371.111, under which a broker is required to collect FMCSA's "pamphlet" information and provide it to the shipper, the previous ICR used the formula: time spent collecting information and providing information to shipper \times number of times per year brokers provide this information (frequency) \times number of brokers. The previous information collection request used: 30 minutes \times 12 times per year \times 543 brokers which resulted in 3,258 hours.

For this revision, the frequency of 12 times per month is changed based on a sales funnel probability that 80 percent of brokers at the "estimate" phase will result in a sale. With 154 broker sales per year, then at the "estimate" stage, shippers are likely to submit required information to approximately 193 shippers. In addition, the time to collect information is revised downward from 30 minutes to 1.5 minutes as information is expected to be submitted electronically. Thus, this estimate is revised slightly downward from 3,258 to 3,146 hours.

For requirement 371.113, "explanation of waiver," the previous ICR used the formula: amount of time for a broker to explain the waiver to a shipper \times number of explanations (frequency) per year. The previous information collection used 5 minutes per explanation \times 20,000 explanations which resulted in an annual burden of 1,667 hours.

For this iteration, the formula changes the frequency to 193 explanations per year, and adds the multiplication variable of the number of brokers \times the number of shippers. The updated formula is: amount of time for broker to explain the waiver to a shipper \times number of shippers per year \times number of brokers. This results in an upward revision from 1,667 to 10,444 hours (5 minutes \times 193 shippers \times 652 brokers = 10,444 hours).

In summary, for the "estimate" phase, the previous ICR recorded annual burden hours was 15,785. The methodology revisions explained above update the annual hourly burden to 26,630.

However, the previous ICR did not account for the time for the broker to develop a written estimate (49 CFR § 371.113(a)) based on the motor carrier's survey and the time to collect a signed "waiver" document from the shipper, as applicable (49 CFR §§ 371.113(c)(1), (c)(2), (c)(3)). For this revision, these regulations are added to the calculation which results in a more precise estimate of 49,226 annual burden hours. The missing annual burden for this regulation accounts for 22,595 annual hours (49,226 - 26,630 = 22,596).

IV. Fourth Phase: "Agreement"

As the HHG brokers and the HHG shippers prepare to enter into agreements, brokers must collect the information in and distribute it to HHG shippers.

Figure 4. Fourth Phase: Information Collection Requirements for "Agreement" Stage

Requirement Items	49 CFR
<p>a. In order to provide estimates of charges for the transportation of household goods, [brokers] must do so in accordance with the written agreement required by § 375.409 of this subchapter. [Broker's] written agreement with the motor carrier(s) must include the following items: 1) [Broker] name as shown on your FMCSA registration, [broker] physical address, and [broker] U.S. DOT registration number and MC license number; 2) The authorized motor carrier's name as shown on its FMCSA registration, its physical address, and its U.S. DOT registration number and MC license number; 3) A concise, easy to understand statement that [broker] written estimate to the individual shipper: 3i) Will be exclusively on behalf of the authorized household goods motor carrier; 3ii) Will be based on the authorized household goods motor carrier's published tariff; and 3iii) Will serve as the authorized household goods motor carrier's estimate for purposes of complying with the requirements of part 375 of this chapter, including the requirement that the authorized household goods motor carrier relinquishes possession of the shipment upon payment of no more than 110 percent of a non-binding estimate at the time of delivery; 4) [Broker's] owner's, corporate officer's, or corporate director's signature lawfully representing your household goods broker operation and the date; the signature of the authorized household goods motor carrier's owner, corporate officer, or corporate director lawfully representing the household goods motor carrier's operation and the date; and 5b) The signed written agreement required by this section is public information and you must produce it for review upon reasonable request by a member of the public.</p>	13. 371.115
<p>b. [Brokers] must maintain records showing each individual shipper's request to cancel a shipment and the disposition of each request for a period of three years after the date of a shipper's cancellation request. If you refunded a deposit, your records must include: (b1) Proof that the individual shipper cashed or deposited the check or money order, if the financial institution provides documentary evidence; or (b2) Proof that you delivered the refund check or money order to the individual shipper.</p>	14. 371.117(a)

The “agreements” requirement as listed above in item (a) of includes all the information that must be placed in an agreement document between broker and shipper including the “estimate” provided in the previous section. FMCSA anticipates that agreements are based on template document(s), including template text for the broker’s cancellation and refund policies. FMCSA anticipates that the broker will take approximately 10 minutes to organize and tailor each

agreement document between broker and shipper, and 1 minute to submit document(s) and receive a signed document from the motor carrier.

According to industry reports, approximately 99 percent of agreements made between brokers and shippers enter into the delivery/records stage, wherein a broker arranges transportation of shippers’ household goods and delivery is completed. The remaining 1 percent cancel their agreements and brokers do not arrange for delivery of the household goods.

FMCSA rounds the 99 percent to 100 percent, as agreement cancellations at the margin are too small a population to account for within this ICR. Thus, FMCSA slightly overestimates the number of agreements that enter into the delivery/records phase. As a result, FMCSA estimates HHG brokers will spend 18,074 annual burden hours on the “agreement” stage (652 brokers × 154 agreements × 11 minutes per agreement¹⁹ = 18,074 hours). Table 10 provides a summary of the calculations.

Table 10. Total Burden Hours for Fourth Phase “Agreement”

Year	Number of Respondents (a)	Number of Responses (a × 154 = b)	Average Burden Hours per Response (c)	Total Burden Hours (b × c = d)
2021	652	100,408	0.183	18,375
2022	652	100,408	0.183	18,375
2023	652	100,408	0.183	18,375
Total	1,956	301,224	0.549	55,125
<i>Annual (rounded)</i>	<i>652</i>	<i>100,408</i>	<i>0.183</i>	<i>18,375</i>

In conclusion, the “agreement” phase results in an annual burden of 18,375 hours.

For an annual table summary of the “agreement” phase see Table 11.

Table 11. Annual Summary of “Agreement” Phase

Fourth Phase “Agreement”	No. of Respondents	No. of Responses	Burden Hours
Table 10	652	652 × 154 (brokers × shippers)= 100,408	100,408 × 0.183 = 18,375
TOTALS	652	100,408	18,375

Changes from Previous ICR

The previous ICR used the formula: time to create an agreement × the number of brokers. The calculation was 10 hours × 543 brokers, which results in an annual burden of 5,430 hours. For this revision, the formula was changed to the following: time for agreement × number of brokers × the number of shippers. The new calculation is: 11 minutes × 652 brokers × 154 shippers, which resulted in an increase from 5,430 hours to 18,375 hours.

Section 12 Summary

¹⁹ 11 minutes is rounded to 0.18 hours

Below Error: Reference source not found provides a summary Table 2 Table 5 Table 9 and Table 11.

Table 12 Respondents, Responses and Burden Hours Summary

Phase		No. of Respondents	No. of Responses	Burden Hours
I	First Phase “Prospecting”	652	3,260	1,630
II	Second Phase “Contact”	652	204,076	3,577
III	Third Phase “Estimate”	652	192,340	49,226
IV	Fourth Phase “Agreement”	652	100,408	18,375
TOTAL		652*	500,084	72,808
*Number of respondents for all regulations is 652.				

The total number of respondents is 652.

The total number of responses is 500,084.

The total annual hourly burden estimate for this information collection request is **72,808** hours.

The information provided in phases I, II, III, and IV supports the requirements of 49 CFR part 371, Subpart B, and the Department’s secondary mission to support HHG consumer protection.

Note on Broker “Transaction Records”

After the delivery of the household goods by the motor carrier, the final step for the broker is to keep records of the transaction, including the name and address of the shipper and motor carrier, motor carrier registration number, bill of lading or freight bill number, compensation, a description of and any compensation for any non-brokerage services performed, the amount of any freight charges collected by the broker and the date of payment to the motor carrier as laid out by 49 CFR § 371.3. As referenced above, the annual hourly burden estimate for broker “transaction records” is removed from this ICR revision because the information collected is the type of information brokers ordinarily record for standard business practices such as tax purposes. As a result, the annual hourly burden associated with “transaction records” is 0 burden hours for this iteration.

Estimates Respondents Labor Costs for Information Requested

To estimate the *annual labor-related costs to respondents*, FMCSA makes all assumptions described above.

The “phases” account for how shippers, brokers, and motor carriers interact with one another as opposed to the 49 CFR part 371 numerical order. Because the requirements are summarized above, they are not repeated in this section.

I. First Phase: “Prospecting”

As established for the first phase, FMCSA estimates 1,630 annual burden hours. For the requirements of the regulations bearing on this section, see Figure 1.

For this revision, FMCSA assumes brokers and web developers/graphic designers will serve as the labor responsible for updating the information and making necessary changes to the brokers’

websites and solicitation materials. FMCSA estimates brokers will spend time making content changes required for their information websites and solicitation materials, while the manual changes will be made by the web developers/graphic designers. Based on conversations with industry experts, FMCSA assumes that, of the 1,630 hours, brokers will spend 815 hours and web designers will spend the remaining 815 hours. This is a change from the previous information collection methodology, which attributed all hours to web developers/graphic designers.

While the hours are split between two labor categories for this revision, FMCSA continues to use the Department of Labor's *Cargo and Freight Agent* labor category for the brokers' wage and salary estimate, which in 2019 reported a median hourly wage of \$21.03,²⁰ and the *Web Developers and Digital Interface Designers* labor category for web developers' and graphic designers' wages, which in 2019 reported a median hourly wage of \$35.46.²¹

In addition to the wage and salary cost, brokers also pay for benefits such as health insurance, vacation, and sick leave that contribute to both brokers' and the web designers'/graphic designers' total annual compensation. For this revision, as is the best practice for cost estimation methodology, FMCSA uses the total cost of compensation or the loaded salary and wage rate for all labor categories.

To develop the loaded wage rate for both *Web Developers and Digital Interface* and *Cargo and Freight Agent* labor categories, FMCSA uses the Department of Labor's *Employer Costs for Employee Compensation* December 2019 data table. FMCSA divides the total cost for employee compensation for private industry workers by the labor category's occupational and industry group by the proportion of compensation toward wages and salaries alone. For example, the *Web Developers and Digital Interface Designers* labor category's applicable total compensation for the occupational industry group (*Information* series), has a total compensation rate of \$56.37,²² and a wage and salary rate of \$38.17. This provides an applicable load factor of 1.48 ($\$56.37 \div \$38.17 = 1.48$).

Multiplying the load factor by the *Web Developers and Digital Interface Designers* median wage and salary rate of \$35.46 yields \$52.48 ($\$35.46 \times 1.48 = \52.48), which is the total cost of compensation for the web developers' hourly cost.

Using the same methodology described above for the *Cargo and Freight Agents* labor category, the load factor is 1.54 ($\$39.85 \div \$25.85 = 1.54$). Multiplying the load factor by the labor category's median wage and salary rate of \$21.03 results in a loaded labor wage rate of \$32.39 ($\$21.03 \times 1.54 = \32.39).

With a loaded hourly wage rate of \$52.48 for *Web Developers and Digital Interface Designers*, FMCSA estimates an annual total labor cost of \$42,771 ($\$52.48 \times 815 \text{ hours} = \$42,771$). Table 13 below summarizes the calculation for this labor category.

²⁰ Bureau of Labor Statistics. "Occupational Employment and Wages," May 2019, NAICS43-5011– Cargo and Freight Agents." DOL, 2020. <https://www.bls.gov/oes/current/oes435011.htm>. Accessed April 28, 2020.

²¹ Bureau of Labor Statistics. "Occupational Employment and Wages," May 2019, NAICS15-1257 Web Developers and Digital Interface Designers." DOL, 2020. <https://www.bls.gov/oes/current/oes151257.htm>. Accessed April 28, 2020.

²² Bureau of Labor Statistics. "Table 4, Employer Costs for Employee Compensation for private industry workers by occupational and industry group, December 2019." https://www.bls.gov/news.release/archives/ecec_03192020.pdf. Accessed December 15, 2020.

In addition, with a loaded hourly wage rate of \$32.39 for *Cargo and Freight Agents*, FMCSA estimates an annual total labor cost of \$26,398 ($\$32.39 \times 815 \text{ hours} = \$26,398$). Table 14 below summarizes the calculation for this labor category.

Table 13. Total Burden Costs for First Phase “Prospecting,” Costs Associated with Web Developers and Digital Interface Designers (Part 1 of 2)

Year	Number of Respondents (a)	Number of Responses (a × 5 = b)	Average Burden Hours per Response (c)	Total Burden Hours (b × c = d)	Loaded Hourly Wage (e)	Total Labor Costs (d × e)
2021	652	3,260	0.25	815	\$52.48	\$42,771
2022	652	3,260	0.25	815	\$52.48	\$42,771
2023	652	3,260	0.25	815	\$52.48	\$42,771
Total	1,956	9,780	0.75	2,445	—	\$128,313
<i>Annual (rounded)</i>	652	3,260	0.25	815	\$52.48	\$42,771

Table 14. Total Burden Costs for First Phase “Prospecting,” Costs Associated with Cargo and Freight Agents (Part 2 of 2)

Year	Number of Respondents (a)	Number of Responses (a × 5 = b)	Average Burden Hours per Response (c)	Total Burden Hours (b × c = d)	Loaded Hourly Wage (e)	Total Labor Costs (d × e)
2021	652	3,260	0.25	815	\$32.39	\$26,398
2022	652	3,260	0.25	815	\$32.39	\$26,398
2023	652	3,260	0.25	815	\$32.39	\$26,398
Total	1,956	9,780	0.75	2,445	—	\$79,194
<i>Annual (rounded)</i>	652	3,260	0.25	815	\$32.39	\$26,398

In conclusion, for the “prospecting” phase, FMCSA estimates a total annual burden cost of \$69,169 ($\$42,771 + \$26,398 = \$69,169$) for these requirements.

II. Second Phase: “Contact”

As established above, for the second phase, FMCSA estimates 3,577 annual burden hours.-

For the requirements of the regulations bearing on this section, see Figure 2.

For this revision, this estimation was broken up into two parts: hours between brokers and motor carriers, and hours between brokers and shippers. For brokers and motor carriers, FMCSA estimates 163 hours for the broker to revise their “list of motor carriers” based on when they update their agreements with motor carriers.²³ The second part is the estimate of time spent

²³ Note the actual time to complete one agreement between a motor carrier and a broker is estimated in the third phase.

between brokers and shippers, which is 3,347 hours. This includes the time for brokers to collect the revised list of motor carriers and the statement of role (which confirms that the broker is arranging rather than performing shipment) and to submit it to requesting shippers.

FMCSA anticipates the broker will be the person who updates the “list of motor carriers” and collects the “list of motor carriers” and statement and submits these items to shippers. With the broker’s loaded hourly wage rate of \$32.39 and 3,347 burden hours, FMCSA estimates an annual total labor cost of \$108,410. Consistent with Table 3 and , Table 15 and Table 16 provide summaries of the respondent cost calculation.

Table 15. Total Burden Costs for Second Phase “Contact,” Costs between Brokers and Motor Carriers (Part 1 of 2)

Year	Number of Respondents	Number of Responses	Average Burden Hours per Response	Total Burden Hours	Loaded Hourly Wage	Total Labor Costs
	(a)	(a × 5 = b)	(c)	(b × c = d)	(e)	(d × e)
2021	652	3,260	0.050	163	\$32.39	\$5,280
2022	652	3,260	0.050	163	\$32.39	\$5,280
2023	652	3,260	0.050	163	\$32.39	\$5,280
Total	1,956	9,780	0.150	489	—	\$15,840
<i>Annual (rounded)</i>	<i>652</i>	<i>3,260</i>	<i>0.050</i>	<i>163</i>	<i>\$32.39</i>	<i>\$5,280</i>

Table 16. Total Burden Costs for Second Phase “Contact,” Costs between Brokers and Shippers (Part 2 of 2)

Year	Number of Respondents	Number of Responses	Average Burden Hours per Response	Total Burden Hours	Loaded Hourly Wage	Total Labor Costs
	(a)	(a × 308= b)	(c)	(b × c = d)	(e)	(d × e)
2021	652	200,816	0.017	3,414	\$32.39	\$110,579
2022	652	200,816	0.017	3,414	\$32.39	\$110,579
2023	652	200,816	0.017	3,414	\$32.39	\$110,579
Total	1,956	602,448	0.051	10,242	—	\$331,737
<i>Annual (rounded)</i>	<i>652</i>	<i>200,816</i>	<i>0.017</i>	<i>3,414</i>	<i>\$32.39</i>	<i>\$110,579</i>

In conclusion, for the “contact” phase, FMCSA estimates a total annual burden cost of \$115,859 (\$5,280 + \$110,579 = \$115,859) for these requirements.

III. Third Phase: “Estimate”

As established above, the third phase estimates a total of 49,226 annual burden hours. For the exact requirements that comprise phase 3, see . This estimate is broken out into two parts: 13,040 hours for the broker to form agreements with motor carriers (hours between brokers and motor carriers), and 36,156 hours for brokers to collect remaining information and submit to shippers

(hours between brokers and shippers). FMCSA expects that the broker will be assuming all annual hours.

As established in section 12 phase I, a broker’s loaded hourly wage rate is \$32.39. With a total of 49,226 annual burden hours, FMCSA estimates an annual total labor cost of \$1,594,430 ($\$32.39 \times 49,226 = \$1,594,430$). To be consistent with Table 6, and Table 8, Table 17, Table 18, and Table 19 are provided to summarize the respondent cost calculations.

Table 17. Total Burden Cost for Third Phase “Estimate,” Costs between Brokers and Motor Carriers (part 1 of 3)

Year	Number of Respondents (a)	Number of Responses (a × 5 = b)	Average Burden Hours per Response (c)	Total Burden Hours (b × c = d)	Loaded Hourly Wage (e)	Total Labor Costs (d × e)
2021	652	3,260	4.00	13,040	\$32.39	\$422,366
2022	652	3,260	4.00	13,040	\$32.39	\$422,366
2023	652	3,260	4.00	13,040	\$32.39	\$422,366
Total	1,956	9,780	12.00	39,120	—	\$1,267,098
<i>Annual (rounded)</i>	<i>652</i>	<i>3,260</i>	<i>4.00</i>	<i>13,040</i>	<i>\$32.39</i>	<i>\$422,366</i>

Table 18. Total Burden Costs for Third Phase “Estimate,” Costs between Brokers and Shippers, Applied to 193 Shippers (part 2 of 3)

Year	Number of Respondents (a)	Number of Responses (a × 193 = b)	Average Burden Hours per Response (c)	Total Burden Hours (b × c = d)	Loaded Hourly Wage (e)	Total Labor Costs (d × e)
2021	652	125,836	0.275	34,605	\$32.39	\$1,120,856
2022	652	125,836	0.275	34,605	\$32.39	\$1,120,856
2023	652	125,836	0.275	34,605	\$32.39	\$1,120,856
Total	1,956	377,508	0.825	103,815	—	\$3,362,568
<i>Annual (rounded)</i>	<i>652</i>	<i>125,836</i>	<i>0.275</i>	<i>34,605</i>	<i>\$32.39</i>	<i>\$1,120,856</i>

Table 19. Total Burden Costs for Third Phase “Estimate,” Costs between Brokers and Shippers, Applies to 97 Shippers (part 3 of 3)

Year	Number of Respondents (a)	Number of Responses (a × 97 = b)	Average Burden Hours per Response (c)	Total Burden Hours (b × c = d)	Loaded Hourly Wage (e)	Total Labor Costs (d × e)
2021	652	63,244	0.025	1,581	\$32.39	\$51,209
2022	652	63,244	0.025	1,581	\$32.39	\$51,209

2023	652	63,244	0.025	1,581	\$32.39	\$51,209
Total	1,956	189,732	0.075	4,743	—	\$153,627,
<i>Annual (rounded)</i>	652	63,244	0.025	1,581	\$32.39	\$51,209

In conclusion, for the “estimate” phase, FMCSA estimates a total annual respondent cost of \$1,594,431 (\$422,366 + \$1,120,856 + \$51,209 = \$1,594,431) for these requirements.

IV. Fourth Phase: “Agreement”

The fourth phase estimates a total of 18,074 annual burden hours. These hours concern engagement between brokers and shippers. For the exact requirements that comprise phase 4, see . FMCSA assumes the broker will undertake all the associated burden hours. With a broker’s loaded hourly wage rate of \$32.39 and 18,074 hours, FMCSA estimates a respondent cost of \$585,417 ($32.39 \times 18,074 = 585,417$). Table 20 provides a summary for this calculation.

Table 20. Total Burden Costs for Fourth Phase “Agreement”

Year	Number of Respondents	Number of Responses	Average Burden Hours per Response	Total Burden Hours	Loaded Hourly Wage	Total Labor Costs
	(a)	(a × 154 = b)	(c)	(b × c = d)	(e)	(d × e)
2021	652	100,408	0.183	18,375	\$32.39	\$595,166
2022	652	100,408	0.183	18,375	\$32.39	\$595,166
2023	652	100,408	0.183	18,375	\$32.39	\$595,166
Total	1,956	301,224	0.549	55,125	—	\$1,785,498
<i>Annual (rounded)</i>	652	100,408	0.183	18,375	\$32.39	\$585,166

In conclusion, for the “agreement” phase, FMCSA estimates \$585,166 annual burden cost for these requirements.

For the *Annual Burden Cost Estimate*, the breakout is as follows:

- + \$69,169 First Phase “Prospecting”;
 - + \$115,859 Second Phase “Contact”;
 - + \$1,594,431 Third Phase “Estimate”;
 - + \$585,166 Fourth Phase “Agreement”;
- = \$2,364,625 total Annual Burden Cost Estimate.

The total annual burden cost estimate for this information collection request is \$2,364,625.

13. Estimates of Total Annual Costs to Respondents.

There are no non-labor costs to the respondents, such as start-up costs or operation/maintenance costs, to be reported. FMCSA does not separately account for start-up costs,

operation/maintenance and record keeping costs within this ICR because these costs do not exceed routine broker business practices.

14. Estimate of Annual Costs to the Federal Government.

Household goods brokers are required to provide information and make information available to shippers, but the federal government does not routinely collect information for this burden. Therefore, this IC does not impose costs on the federal government.

15. Explanation of Program Changes or Adjustments.

FMCSA revises the total annual burden to 72,808 hours. This is a 2,723 annual burden hour increase from the currently approved 70,085 annual burden estimate. This increase is due to the following: 1) the previous iteration did not account for the time brokers use to complete a “waiver” should shippers choose to waive their rights to a physical survey, if applicable to a shipper, as required by 49 CFR sections 371.113(c)(1), (c)(2), and (c)(3); 2) the previous iteration did not clarify a reproducible frequency formula used to calculate the number of times brokers collect information and submit information to shippers. Therefore, to produce a reproducible frequency formula, the updated information collection introduced the concept of “phases,” which created a frequency number based on business interactions between brokers and shippers; and 3) FMCSA’s records indicate the number of household goods brokers increased from 543 brokers to 652 brokers.

In addition to the above, an adjustment was made to this ICR revision from the previous ICR renewal in regard to the annual hourly burden estimate for broker “transaction records” (49 CFR 371.3). FMCSA removed the accounting for this annual hourly burden from this ICR revision because the burden is the type of information the broker would ordinarily record for other standard business practices such as tax purposes. As a result, the associated annual hourly burden estimate is removed. The previous ICR accounted 32,580 annual burden hours²⁴ for “transaction records,” while this iteration revises the annual burden to 0 hours.

As a result of these adjustments, the estimate of annual costs to respondents is revised upward from **\$1.677 million to \$2.365 million**, an increase of \$0.688 million. In addition to the issues stated above, which directly impact the cost revision, the previous information collection labor cost estimates did not apply a load factor methodology, which is necessary to be consistent with best practices and other information collection requests made by FMCSA. For this revision, the estimate was updated to reflect a consistent load factor methodology.

16. Approval for not Displaying the Expiration Date of OMB Approval.

The FMCSA is not seeking approval to not display the expiration date of OMB approval of the information collection.

17. Exceptions to Certification Statement.

There are no exceptions to the certification statement.

²⁴ FMCSA derived the previous burden by applying the following formula: time spent on shipper transaction record keeping per day × number of work days × the number of brokers. The calculation was 15 minutes per day × 240 workdays × 543 brokers, which resulted in an annual burden of 32,580 hours.

Attachments

Attachment A – 49 CFR part 371

Attachment B – Brokers of HHG Final Rule (75 FR 72987), November 29, 2010.

Attachment C – Petition for Rulemaking, American Moving and Storage Association (AMSA)

Attachment D – Section 4212 of SAFETEA-LU

Attachment E – “Ready to Move” Brochure, April 14, 2006.

Attachment F – “Your Rights and Responsibilities When You Move” Pamphlet, Original published, Update published 2013.

Attachment G – 60-day FR Notice (85 FR 55571), September 8, 2020.

Attachment H – 30-day FR Notice (xx FR xxxxx), February 1, 2021.