

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

**SUPPORTING STATEMENT
Motor Carrier Records Change Form**

SUMMARY

- This is a request for an ICR revision. There is one IC, the form MCSA 5889, for which the number of respondents and burden hours decreased, as explained in section 15.
- This ICR is a revision because FMCSA: added a Yes/No question; added the Applicant's Oath; removed one question asking whether the applicant or its representative completed the form; and removed three questions pertaining to name, title, and signature.

INTRODUCTION

This is to request the Office of Management and Budget's (OMB) approval of a revision to an information collection request (ICR) titled, "Motor Carrier Records Change Form" (Form MCSA-5889). This form collects information required by the Federal Motor Carrier Safety Administration (FMCSA) to process name changes, address changes, and reinstatements of operating authority for motor carriers, freight forwarders, and brokers.

Part A. Justification

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

FMCSA registers for-hire motor carriers under 49 U.S.C. § 13902 (see Attachment A), surface freight forwarders under 49 U.S.C. 13903 (see Attachment B), and property brokers under 49 U.S.C. § 13904 (Attachment C). Each registration is effective from the date specified under 49 U.S.C. § 13905(c) (See Attachment D).

This form will be needed until motor carriers, brokers, and freight forwarders are required to make these updates using Form MCSA-1 in the OMB Control Number 2126-0051, "FMCSA Registration/Update(s)," ICR associated with the Unified Registration System; Final Rule (78 FR 526078), August 28, 2013.

This information collection supports FMCSA's Strategic Goal of Safety by providing motor carriers, freight forwarders, and brokers a means to more efficiently provide the necessary information required to process name and address changes and reinstatements of operating authority requests.

2. HOW, BY WHOM, AND FOR WHAT PURPOSE IS THE INFORMATION USED

Under 49 CFR Part 365.413, for-hire motor carriers, brokers, and freight forwarders are required to notify the Office of Registration (MC-RS) when they change the name or address of the company. These entities can also use the form to request reinstatement of a revoked operating authority. Respondents can submit the form online through the Licensing and Insurance (L&I) website, by fax, or by mail.

Form MCSA-5889 enables FMCSA to maintain up-to-date records so that the Agency can

recognize the entity in question in case of enforcement actions or other procedures required to ensure that the carrier is fit, willing and able to provide for-hire transportation services, and so that entities whose operating authority has been revoked can resume operation if they are not otherwise blocked from doing so. This multi-purpose form simplifies the process of gathering the information needed to process the entities' requests in a timely manner, with the least amount of effort for all parties involved.

This ICR has one information collection (IC) described as follows:

IC-1, Form MCSA-5889, Motor Carrier Records Change Form. This form is used by motor carriers, brokers, and freight forwarders to request name changes, address changes, and reinstatements of operating authority.

3. EXTENT OF AUTOMATED INFORMATION COLLECTION

This multi-purpose form, available on FMCSA's website, is filed by registrants on a voluntary, as-needed basis. Entities may file the address change, name change, or reinstatement requests by fax, mail, or online through the L&I web site.

Between 2017 and 2019, approximately 1 percent of forms were submitted by mail; 32 percent were submitted by fax; and 67 percent were submitted online. The information collected is then entered in the L&I database by FMCSA staff.

4. EFFORTS TO IDENTIFY DUPLICATION

There are no similar filings made with any other Federal agency or within the Department of Transportation which would result in duplication of this information.

5. EFFORTS TO MINIMIZE THE BURDEN ON SMALL BUSINESSES

Paperwork burdens have been minimized for small businesses. This form is completed by filling in blank spaces with limited information to identify the registrant and its operations, and in the case of the name changes and reinstatements, provide credit card information for payment of the required fees. The information collected is the minimum necessary to accomplish the purpose of the filing, and simplifies the process and reduces the labor required of the small business.

6. IMPACT OF LESS FREQUENT COLLECTION OF INFORMATION

Form MCSA-5889 is submitted to FMCSA on an "as-needed" basis. As outlined in Part A, Question 1 above, it cannot be done less frequently per registration requirements.

7. SPECIAL CIRCUMSTANCES

There are no special circumstances related to this information collection.

8. COMPLIANCE WITH 5 CFR 1320.8:

FMCSA published a 60-day notice in the Federal Register on November 25, 2020, (85 FR 75402), announcing the Agency's intent to submit the *Motor Carrier Records Change Form* to OMB for approval, and requesting comments from the public. No comments were received.

FMCSA conferenced with a major stakeholder in October 2020 to discuss registration inquiries. In FMCSA's effort to inform our customer of new updates, the change to the

MCSA-5889 which requires registrants to disclose any affiliations with other carriers in Section A of the MCSA-5889, was discussed. This change aligns with FMCSA’s requirement that all applicants must disclose pertinent information concerning any relationships or affiliations which the applicant has had with other entities registered with FMCSA or its predecessor agencies. Applicants must indicate whether these entities have been disqualified from operating commercial motor vehicles anywhere in the United States. There was no objection to this requirement from the stakeholder as this is considered a part of FMCSA’s business practice.

9. PAYMENTS OR GIFTS TO RESPONDENTS

Respondents are not provided with any payments or gifts for this information collection.

10. ASSURANCE OF CONFIDENTIALITY

This collection of information will be kept confidential to the extent allowed by law.

11. JUSTIFICATION FOR COLLECTION OF SENSITIVE INFORMATION

The collection of credit card information is used to pay the fees required to process the name change or reinstatement of an entities operating authority. Under 49 CFR 365.413, for-hire motor carriers, brokers, and freight forwarders are required to notify the Office of Registration (MC-RS) when they change the name of the company or when entities request reinstatement of a revoked operating authority. The credit card information is stored in an encrypted form in FMCSA’s system only during the processing of the operating authority application fee. Except for the last four digits of the card number, the credit card number is deleted after the operating authority transaction payment process has been completed. The last four digits of the credit card are stored to provide FMCSA a means to trace un-authorized or suspicious transactions.

12. ESTIMATE OF BURDEN HOURS FOR INFORMATION REQUESTED

FMCSA estimates that motor carriers, brokers, and freight forwarders will file Form MCSA-5889 approximately 27,122 times annually for each of the three years covered by this ICR. This figure is based on the average annual number of requests FMCSA received by mail, fax, and web from 2017 to 2019.¹

Note that Form MCSA-5889 is submitted as needed; a respondent may submit more than one Form MCSA-5889 per year. In addition, a respondent may request a name change, an address change, and reinstatement using a single copy of Form MCSA-5889. For the purposes of this ICR, FMCSA assumes an entity will submit one type of request (name change, address change, or reinstatement) per form. Therefore, the 27,122 figures may be a slight overestimate of the number of respondents and responses received. Table 1 provides the average annual estimated number of filings by method of submission.

Table 1. Estimated annualized number of respondents by type of request and method of submission.

Submission Method	Name Changes (a)	Address Changes (b)	Reinstatement (c)	Total (d = a + b + c)
Mail	63	96	66	225

¹ L&I snapshot as of May 29, 2020, and contractor data.

Fax	2,344	3,150	3,276	8,770
Web	6,120	4,474	7,533	18,127
Total	8,527	7,720	10,875	27,122

Labor Cost

Form MCSA-5889 asks for limited information which is readily available to the filer. FMCSA assumes that a motor carrier, freight forwarder, or broker employee equivalent to a General and Operations Managers (BLS Occupation Code 43-9021) in the Truck Transportation industry (North American Industry Classification System [NAICS] code 484000) will complete the form in approximately 15 minutes.

The median hourly wage of a General and Operations Manager (BLS Occupation Code 11-1021) in the Truck Transportation industry (North American Industry Classification System [NAICS] code 484000) is \$40.61.² To arrive at a loaded wage, FMCSA first estimates a load factor of 1.559 by dividing the total cost of compensation for private industry workers of the trade, transportation, and utilities industry (\$39.66) by the average cost of hourly wages and salaries (\$25.44), as reported by the Bureau of Labor Statistics in its Employer Costs for Employee Compensation for June 2019.³ Multiplying the median hourly wage by the load factor results in a loaded hourly wage of \$63.31 ($\40.61×1.559).

As shown in Table 2, the total annual labor cost for this ICR is approximately \$429,305.

Table 2. Estimated annualized burden hours and burden hour cost.

Form	Respondents	Responses	Hours Per Response⁴	Total Burden Hours	Total Burden Hour Cost
	(a)	(b = a × 1)	(c)	(d = b × c)	(e = d × \$63.31)
MCSA-5889	27,122	27,122	0.25	6,781	\$429,305

Estimated Annual Number of Responses: 27,122 [8,527 name changes + 7,720 address changes + 10,875 reinstatements = 27,122].

Estimated Annual Number of Respondents: 27,122 [27,122 respondents × 1 response per respondent = 27,122 responses].

Estimated Total Annual Burden: 6,781 hours [27,122 responses × 0.25 hours per response].

13. ESTIMATE OF TOTAL ANNUAL COSTS TO RESPONDENTS

In addition, to the labor costs to complete the form. There is an associated filing fee and

² U.S. Bureau of Labor Statistics (BLS). Occupational Employment Statistics, May 2019 National Industry-Specific Occupational Employment and Wage Estimates: NAICS 484000 - Truck Transportation. Available at https://www.bls.gov/oes/current/naics3_484000.htm. Accessed July 2, 2020.

³ BLS. Employer Costs for Employee Compensation – June 2019. Table 4. Employer Costs for Employee Compensation for private industry workers by occupational and industry group. Available at https://www.bls.gov/news.release/archives/ecec_09172019.pdf. Accessed July 2, 2020.

⁴ Fifteen (15) minutes divided by 60 minutes is equal to .25 hours.

mailing costs. For filing costs, there is a \$14 filing fee for a name change request, an \$80 filing fee for a reinstatement, and \$0 filing fee for an address change request.

The total fees associated with this ICR is \$997,098. Table 3 summarizes this calculation.

Table 3. Estimated annualized number of respondents by type of request and method of submission.

Submission	Name Change × Fee	Address Changes × Fee	Reinstatement × Fee	Total Fees
	(a)	(b)	(c)	(a + b + c = d)
Mail	63 × \$14 = \$882	96 × \$0 = \$96	66 × \$80 = \$5,280	\$6,258
Fax	2,344 × \$14 = \$32,816	3,150 × \$0 = \$3,150	3,276 × \$80 = \$262,080	\$298,046
Web	6,120 × \$14 = \$85,680	4,474 × \$0 = \$4,474	7,533 × \$80 = \$602,640	\$692,794
Total	\$119,378	\$7,720	\$870,000	\$997,098

In addition to filing costs, there is the cost to mail forms. FMCSA estimates respondents will file approximately 225 forms annually by mail. This estimate is based on the average annual number of forms received by mail from 2017 to 2019. Assuming a flat cost of \$1.00 for an envelope and postage, the total annual cost to respondents who choose to mail their Motor Carrier Records Change Form is approximately \$225 (\$1.00 × 225 forms). As noted above, FMCSA assumes the number of forms received by mail will continue to decrease and, therefore, assumes this cost is likely an overestimate.

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.

In conclusion, non-labor costs are \$997,323 (\$997,098 total filing fees + \$225 mail cost = \$997,323).

Total cost to respondents is \$1,426,628 (\$429,305 labor cost + \$997,323 non-labor cost = \$1,426,628).

14. ESTIMATE OF COST TO THE FEDERAL GOVERNMENT

The Motor Carrier Records Change Form will be processed by a Grade 7 Transportation Assistant or a data entry contractor.⁵ The labor cost of this activity is estimated to be \$32.68 per hour, comprising wages of \$25.53 per hour and 28% in benefits (\$25.53 × 1.28). FMCSA estimates that processing each form takes approximately 15 minutes, or 0.25 hours. The estimated total annual cost to Federal Government is \$221,587 (\$32.68 per hour × 27,122 forms × 0.25 hours per form).

15. EXPLANATION OF PROGRAM CHANGES OR ADJUSTMENTS

⁵ U.S. Office of Personnel Management. 2019 General Schedule (GS) Locality Pay Tables for Washington-Baltimore-Arlington, DC-MD-VA-WV-PA. Available at https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2019/DCB_h.pdf. Accessed August 4, 2020.

Program Changes: To reduce burden on respondents, increase consistency among FMCSA forms, and close disclosure loopholes, FMCSA removed and added the following questions:

- Added a Yes/No question: Do you currently have, or have you had within the last three years of the date of this application, relationships involving common stock, common ownership, common management, common control or familial relationships with any FMCSA-regulated entities?
Purpose: to close the affiliation disclosure loophole. If the respondent answers “Yes”, they must then report the affiliate’s USDOT number, MC/FF/MX number, legal name, doing business as name (if applicable), and current safety rating.
- Added the Applicant’s Oath. The applicant must read the oath, print their name and title, and sign the form.
Purpose: to increase accountability and make Form MCSA-5889 consistent with similar FMCSA forms.
- Removed one question asking whether the applicant or its representative completed the form.
Purpose: the information is not necessary.
- Removed three questions: name, title, and signature.
Purpose: with the addition of the Applicant’s Oath, these questions became redundant.

These program changes—the addition and removal of questions—are estimated to make a negligible impact on burden hours required to complete the form.

Adjustments: FMCSA adjusted its calculations based on more recently available information. These adjustments result in a reduction of estimated respondents by 17,778 (44,900 currently approved – 27,122 proposed), a reduction of the estimated number of responses by 17,778 (44,900 currently approved – 27,122 proposed), a reduction in the number of burden hours by 4,444 (11,225 currently approved – 6,781 proposed), a reduction of \$225,562 in labor costs (\$654,867 currently approved - \$429,305 proposed), a reduction in annual capital costs to respondents by \$17,275 (\$17,500 currently approved - \$225 proposed), and a reduction in the annual cost to the Federal government by \$111,908 (\$333,495 currently approved - \$221,587).

16. PUBLICATION OF RESULTS OF DATA COLLECTION

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

17. APPROVAL FOR NOT DISPLAYING THE EXPIRATION DATE OF OMB APPROVAL

FMCSA is not seeking approval to not display the expiration date of OMB’s approval of the information.

18. EXCEPTIONS TO CERTIFICATION STATEMENT

No exceptions to the certification statement are requested.

ATTACHMENTS:

Attachment A: 49 U.S.C. § 13902 Registration of Motor Carriers

Attachment B: 49 U.S.C. 13903, Registration of Freight Forwarders
Attachment C: 49 U.S.C. § 13904, Registration of Brokers
Attachment D: 49 U.S.C. § 13905(c), Effective Periods of Registration
Attachment E: 60-day Federal Register Notice, October 31, 2017