

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

**SUPPORTING STATEMENT
Lease and Interchange of Vehicles**

SUMMARY

- This is a request for approval for the renewal of the currently approved information collection request.
- There is an annual burden of 212,256 hours. See section 12 for the burden hour calculation and section 15 for details on the increase in burden hours.
- The total average annual wage-related burden hour cost to respondents is estimated as \$8,959,148, as seen in section 12. The total annual cost burden to respondents is estimated as \$ 552,290, as seen in section 13.
- There are 5 ICS as follows:
 - IC1: Property-Carrying CMVs Lease Negotiation;
 - IC2: Property-Carrying CMVs Preparing and Signing Written Lease Document;
 - IC3: Passenger-Carrying CMVs One-Time Lease Negotiation;
 - IC4: Passenger-Carrying CMVs Lease Documentation; and
 - IC5: Passenger-Carrying CMVs Lease Copying.

INTRODUCTION

Federal Motor Carrier Safety Administration (FMCSA) vehicle leasing and interchange regulations in 49 CFR part 376 and part 390 ensure that commercial motor carriers that transport property or passengers (respectively) in interstate commerce are identified (and in some cases protected) when they agree to lease their equipment and drivers to other carriers. These regulations also ensure that the government and members of the public can determine who is responsible for a commercial motor vehicle. These vehicle leasing and interchange regulations result in activities that constitute a collection of information under the Paperwork Reduction Act (PRA), FMCSA has in place a currently approved collection of information with Office of Management and Budget (OMB) Control Number 2126-0056 titled “Lease and Interchange of Vehicles” which was most recently approved, without change, on October 1, 2019, and which has an expiration date of October 31, 2022.

The FMCSA published the final rule titled “Lease and Interchange of Vehicles; Motor Carriers of Passengers” on August 14, 2019¹. The Agency requests OMB approval of this renewal of the existing currently approved collection of information with OMB Control Number 2126-0056 titled “Lease and Interchange of Vehicles.”

¹ United States, Federal Motor Carrier Safety Administration, “Lease and Interchange of Vehicles; Motor Carriers of Passengers” 84 Fed. 40272 (August 14, 2019).

Part A. Justification

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

The vehicle leasing and interchange regulations were adopted to ensure that commercial motor carriers that transport property or passengers in interstate commerce are identified (and in some cases protected) when they agree to lease their equipment and drivers to other carriers. These regulations also ensure that the government and members of the public can determine who is responsible for a commercial motor vehicle (CMV). Prior to the regulations, some equipment was leased without written agreements, leading to disputes and confusion over which party to the lease was responsible for charges and actions and, at times, who was legally responsible for the vehicle.

These recordkeeping requirements are consistent with the provisions of the Motor Carrier Safety Act of 1984 for for-hire and private passenger carriers that operate CMVs, in order to enable the general public and investigators to identify the passenger carrier responsible for safety. Also, under 49 U.S.C. 14102(a) (Attachment A), FMCSA “may require a motor carrier providing transportation subject to jurisdiction under subchapter I of chapter 135 that uses motor vehicles not owned by it to transport property under an arrangement with another party to-

- (1) make the arrangement in writing signed by the parties specifying its duration and the compensation to be paid by the motor carrier;
- (2) carry a copy of the arrangement in each motor vehicle to which it applies during the period the arrangement is in effect;
- (3) inspect the motor vehicles and obtain liability and cargo insurance on them; and
- (4) have control of and be responsible for operating those motor vehicles in compliance with requirements prescribed by the Secretary on safety of operations and equipment, and with other applicable law as if the motor vehicles were owned by the motor carrier.”

The Secretary has delegated authority pertaining to leased motor vehicles to FMCSA pursuant to 49 CFR part 1.87(a)(6) and (f) (Attachment B). The Agency’s regulations governing leased motor vehicles are at 49 CFR Part 376 Lease and Interchange of Vehicles (property-carrying motor vehicles) and 49 CFR Part 390, Subpart G—Lease and Interchange of Passenger-Carrying Commercial Motor Vehicles.²

The vehicle leasing and interchange regulations specify what must be covered in the lease, and to some degree, the responsibilities of the motor carrier. The parties to the lease determine much of the details between themselves. FMCSA needs to revise the annual burden for this ICR due to updated data regarding the estimated number of lease or interchange agreements.

²The final rule titled “Lease and Interchange of Vehicles; Motor Carriers of Passengers” that this supporting statement accompanies moved the regulations regarding the lease and interchange of passenger-carrying commercial motor vehicles from Subpart F to Subpart G of 49 CFR part 390.

This ICR supports the Department of Transportation's strategic safety goal by ensuring that FMCSA, our State partners, and the National Transportation Safety Board (NTSB) are better able to identify the responsible motor carrier and therefore correctly assign regulatory violations to the appropriate carrier during inspections, investigations, compliance reviews, and crash studies.

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

The leases and other agreements are developed and held by the lessor (e.g., the party granting the use of equipment) and lessee (e.g., the party acquiring the use of equipment). The government generally collects little information with this ICR. The leases are used to assign duties and responsibilities. The information may also be used by law enforcement to determine legal responsibility in the event that a leased vehicle is in violation of the regulations or is involved in an accident.

3. EXTENT OF AUTOMATED INFORMATION COLLECTION

Leases may be created and maintained electronically. FMCSA estimates that 50% of the leases are electronic.

4. EFFORTS TO IDENTIFY DUPLICATION

FMCSA knows of no duplicative regulations or any similar information already available that could be used or modified for the purposes described in Section 2 above.

5. EFFORTS TO MINIMIZE THE BURDEN ON SMALL BUSINESSES

The Agency's vehicle leasing and interchange regulations help to protect small businesses by ensuring that the terms under which they lease their equipment to other motor carriers are specified in a legal document. Relatively few small trucking firms (less than 4 percent) lease vehicles from other carriers.

Among passenger carriers, the overall frequency of leasing and interchange of vehicles is mostly unknown, although anecdotal information and opinions of industry experts suggest that frequency of leasing and interchange of vehicles among the private passenger carrier segment of the industry is low. The current vehicle leasing and interchange regulations minimize the burden on motor carriers of passengers, many of which are small businesses. For example, the vast majority of motor carriers of passengers are not subject to these regulations by not engaging in the leasing and interchange of vehicles.

6. IMPACT OF LESS FREQUENT COLLECTION OF INFORMATION

If this information collection were conducted less frequently, the Agency's vehicle leasing and interchange regulations could not be fully met, and information necessary for properly assigning duties and responsibilities of carriers operating as a lessor or lessee would not be available (e.g., if a leased vehicle is in violation of an FMCSA regulation or is involved in an accident).

7. SPECIAL CIRCUMSTANCES

There are no special circumstances associated with this information collection.

8. COMPLIANCE WITH 5 CFR 1320.8

A 60-day Federal Register notice was published on July 13, 2022 (87 FR 41853). It announced FMCSA's intent to submit this information collection renewal request to OMB for approval and requested comments from the public for 60 days. FMCSA received no comments in response to the 60-day Federal Register notice. A 30-day Federal Register notice published on October 11, 2022 (87 FR 61429).

9. PAYMENTS OR GIFTS TO RESPONDENTS

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

10. ASSURANCE OF CONFIDENTIALITY

There are no confidential reporting requirements associated with this information collection. The leases and other agreements are developed and held by the lessor and lessee.

11. JUSTIFICATION FOR COLLECTION OF SENSITIVE INFORMATION

The information requested and collected is not of a sensitive nature.

12. ESTIMATE OF BURDEN HOURS FOR INFORMATION REQUESTED

IC-1 and IC-2: Part 376, Property-Carrying Commercial Motor Vehicles

Part 376 applies only to certain property-carrying motor carriers operating in interstate commerce, and only to certain leasing situations. The rules cover leasing between a for-hire carrier that does not hold an operating authority and another for-hire carrier that does hold operating authority.

To estimate the number of property-carrying motor carriers affected by the vehicle leasing and interchange regulations in 49 CFR part 376, FMCSA used current data from its Motor Carrier Management Information System (MCMIS) database. Because straight trucks generally operate locally, FMCSA focused on carriers that lease CMVs that pull one or more

trailers. Because household goods carriers have relatively low mileage per CMV (20,000 to 35,000 miles/year), FMCSA included in its estimate all carriers that term-lease CMVs and that average more than 20,000 miles per CMV. This approach is conservative because it is likely that many of the leased vehicles/drivers are being leased from carriers that hold their own operating authority. Given these criteria, MCMIS data indicate that there are 45,536 for-hire property carrying carriers that lease 880,322 CMVs, as of a November 26, 2021, snapshot.

Section 376.11 requires a for-hire carrier to do the following when the carrier (lessee) leases equipment from another carrier (lessor) that does not hold its own operating authority and that is not a private carrier:

- The lessor and lessee enter into a formal lease that specifies the terms and conditions (49 CFR § 376.12).
- The lessee provides the lessor with receipts specifying the equipment being leased at the beginning of the lease and at the end of the lease if required by the lease.
- The lessee shall ensure that either a copy of the lease or a statement certifying its use is on each piece of leased equipment.
- The lessee shall prepare and keep documents for each trip for each piece of leased equipment. It should also carry papers on the equipment documenting each trip and retain the records; master lease and freight documents can replace these records.

Most authorized carriers that lease equipment lease both power units and drivers, often from a (lessor) driver who owns a single CMV, and sometimes from many such drivers. The leasing carrier, or lessee, is assumed to have a master lease that it uses for all lessors rather than negotiating the terms with each lessor. Given this standardization, FMCSA assumes that time the lessor spends reviewing the lease is negligible in the trucking context. The lease or statement to be carried in the tractor will be a standard document that, once created, imposes no additional burden. Because trip records can be met by freight records, which are generated in the ordinary course of business, they impose no additional burden. Similarly, receipts for the possession of the equipment are necessary documents that would be generated to establish legal responsibility at specific points in time. Therefore, the burden associated with § 376.11 is the following:

- The creation of master leases by for-hire carriers that lease equipment and drivers from carriers without operating authority.
- Creation of a statement or copy of the lease to be carried in each leased tractor/truck.

The analysis assumes that all affected carriers will engage in lease negotiation leading to a 'master lease' or repeat leases. The Agency believes this impact is minimal because several leases can be combined and negotiated as one (master) lease and many lease forms are available online and do not require legal assistance. Lease negotiation and documentation are assumed to be a burden of 30 minutes (0.5 hours) of a transportation manager's time. This burden is applied to both the lessee and the lessor.

The number of statements issued to lessors annually is uncertain because some leases may be open-ended or self-renewing. Therefore, the burden of issuing copies of leases would be less for a motor carrier with a large percentage of owner-operators who automatically stay longer than one year. Conversely, the trucking industry regularly reports annual driver turnover rates around the 100 percent mark for large truckload fleets, which may lead to a greater number of leases per year, thus, lease statements. With many trucking carriers automatically renewing annual leases and many new lessors joining the industry, the Agency assumes that these two effects equally offset each other. For the purpose of this analysis, each lease has a term of 1 year, so that a new statement is issued annually, on average. A standard leasing statement will incur the burden of preparing the written documentation of the requisite information and signature of the lease agreement, which is estimated to be undertaken in 5 minutes (0.083 hours). This burden is applied to both the lessee and the lessor.

Given the assumptions noted above regarding the burden impact of the requirements in § 376.11, the Agency estimates the following burden for property-carrying commercial motor carriers and CMVs:

- The creation of master leases is estimated to result in 45,536 annual burden hours (45,536 carriers × 0.5 hours × 2 entities = 45,536).
- The creation of a statement or copy of the lease to be carried in each leased tractor/truck is estimated to result in 73,067 annual burden hours (880,322 power units × 0.083 hours x 1 entity = 73,067).

These results are presented in Table 2. In total, the annual burden is 118,603 hours (45,536 hours + 73,067 hours) for property-carrying commercial motor carriers and CMVs.

Table 1. Estimated Annualized Burden for Property-Carrying Commercial Motor Carriers and CMVs (IC1 and IC2)

Carriers and CMVs (IC1 and IC2)	Number of Property-Carrying Motor Carriers	Number of Property-Carrying Motor Vehicles (CMVs)	Number of Entities per Activity (Lessee and Lessor)	Estimated Annual Number of Respondents	Estimated Annual Number of Responses	Hours per Task	Annual Burden Hours
IC1: Lease Negotiation	45,536	(not applicable)	2	45,536	91,072	0.5	45,536
IC2: Preparing and Signing Written Lease Document	(not applicable)	880,322	1	45,536	880,322	0.083	73,067
Totals					971,394	-	118,603

We assume that respondent occupations correspond to Business Operations Specialists, Standard Occupational Classification (SOC) Code 13-1000. The median hourly wage of Business Operations Specialists (SOC Code 13-1000) in the Truck Transportation industry (NAICS Code 484000) is \$28.31.³

³ U.S. Department of Labor (DOL), Bureau of Labor Statistics (BLS). "Occupational Employment Statistics (OES). National. May 2020. National Industry-Specific Occupational Employment and Wage Estimates. NAICS 484000

To arrive at a loaded wage, FMCSA takes the cost of *total compensation* (\$32.10) per hour and divides by the cost of only *wages and salary* per hour (\$21.75) in the *Transportation and Material Moving Employer Costs for Employee Compensation (ECEC)* September 2021 data release⁴. This results in a load rate of 1.476 ($\$32.10 / \$21.75 = 1.476$). The loaded hourly rate for this analysis is \$41.79 ($\$28.31 \times 1.476 = \41.79).

Given that the annual burden is estimated at 118,603 hours (45,536 hours + 73,067 hours) for property-carrying commercial motor carriers, as noted earlier, applying the fully loaded hourly wage of \$41.79 described above results in an estimated annual cost to respondents of \$4,956,419 (118,603 hours \times \$41.79 per hour).

Section 376.12 enumerates specific and detailed requirements regarding the provisions of contracts between carriers and owner-operators. When taken as a whole, the main thrust of § 376.12 is to achieve specificity and transparency in lease contracts and transactions governed by those contracts. These rules require that all relevant terms of the arrangement be made clear to lessors and that lessors be given sufficient information so that they can determine whether carriers are complying with contracts. The information burden associated with this section is that leases must specify that an authorized carrier must provide the lessor a copy of the freight bill upon request in circumstances where a lessor's revenue is based on a percentage of gross revenue for a shipment (49 CFR § 376.12(g)). FMCSA has no basis for estimating how often such requests occur. Many long-haul drivers are paid by distance traveled and not by value of a shipment. For lessors paid a percentage of shipping charge, it is likely that the lessee would routinely provide documentation on the charges. FMCSA, therefore, has not estimated a burden for this requirement.

Section 376.22 requires that a for-hire carrier with operating authority or a private carrier leasing equipment to a for-hire carrier with operating authority have a written agreement between the parties that specifies which carrier is in control of the vehicle. A copy is carried on the equipment. The burden associated with this section is the creation of a copy to be carried in the vehicle. FMCSA has not estimated a burden for these copies because it is assumed to be included in the burden associated with the lease agreement, as that covers all term-leased CMVs estimated to be operating outside of commercial zones.

IC-1 and IC-2 Summary

Estimated Annual Burden Hours: 118,603.

Estimated Annual Number of Respondents: 45,536.

Estimated Annual Number of Responses: 971,394.

Estimated Annual Burden Hour Cost to Respondents: \$4,956,419.

(Truck Transportation).” Available at: https://www.bls.gov/oes/2020/may/naics3_484000.htm (accessed January 10, 2022).

⁴ Bureau of Labor Statistics (BLS), *Employer Costs for Employee Compensation (ECEC)*, June 2021. Table 4. Employer Costs for Employee Compensation for private industry workers by occupational and industry group, <https://www.bls.gov/news.release/pdf/ecec.pdf> (accessed 10/18/2021).

IC-3, IC-4, IC-5: Part 390, Subpart G Passenger-Carrying Commercial Motor Vehicles

The existing vehicle leasing and interchange regulations in 49 CFR part 390 have provisions that result in three separate information-collection activities for passenger carriers:

- (1) One-time lease negotiation
- (2) Lease documentation
- (3) Lease copying

To estimate the number of passenger carriers affected by the vehicle leasing and interchange regulations, the Agency first estimated the number of passenger carriers that are affected by the existing lease and interchange requirements. Recent data from the FMCSA MCMIS database and the FMCSA Licensing and Insurance (L&I) system was used to develop a new baseline value for the reported number of all active interstate passenger carriers operating in the U.S. as of the end of calendar year 2021.⁵ Based on this information, there were a total of 5,487 passenger carriers operating in the U.S. in the final quarter of calendar year 2021.

Of this total population of 5,487 passenger carriers in the U.S. in 2021, the Agency estimates 1,255 of these passenger carriers are affected by the vehicle leasing and interchange regulations in 49 CFR part 390. This estimate is based on the assumption that under the existing vehicle leasing and interchange regulations in 49 CFR part 390, 25% of authorized for-hire passenger carriers, 25% of exempt for-hire passenger carriers, and 10% of private passenger carriers would be subject to the existing lease and interchange requirements.⁶ For the purposes of this revised ICR, we base our estimates on the population of 1,255 passenger-carrying motor carriers that are affected by the vehicle leasing and interchange regulations. This consists of 2,230 interstate authorized for-hire passenger carriers (lessees and lessors) + 124 interstate exempt for-hire passenger carriers (lessees and lessors) + 156 interstate private motor carriers of passengers (lessees and lessors)], which is a total of 2,510 passenger-carrying motor carriers (lessees and lessors).

The Agency assumes that the average passenger carrier will engage in an average of 64 lease agreements per year. This estimate consists of 8 leases per peak month (the months of April, May, October, and November) and 4 leases per off-peak month (the months of January, February, March, June, July, August, September, and December). The Agency estimates that approximately 80,320 passenger-carrying CMV trips would be affected by the vehicle leasing and interchange regulations, including the three information collections outlined below.

We assume that respondent occupations correspond to Business Operations Specialists, SOC Code 13-1000. The median hourly wage of Business Operations Specialists (SOC Code 13-

⁵ U.S. Department of Transportation (DOT), Federal Motor Carrier Safety Administration (FMCSA). Motor Carrier Management Information System (MCMIS), and Licensing and Insurance (L&I) system. Snapshots as of October 29, 2021 (DART request ID # 38883).

⁶ U.S. Department of Transportation (DOT), Federal Motor Carrier Safety Administration (FMCSA). "Lease and Interchange of Vehicles, Motor Carriers of Passengers, 2019 Final Rule Regulatory Evaluation." Pages 9-12. Available at: <https://www.regulations.gov/document/FMCSA-2012-0103-0170> (accessed January 11, 2022).

1000) in the Interurban and Rural Bus Transportation industry (NAICS Code 485200) is \$28.96.⁷

To arrive at a loaded wage, FMCSA takes the cost of *total compensation* (\$32.10) per hour and divides by the cost of only *wages and salary* per hour (\$21.75) in the *Transportation and Material Moving Employer Costs for Employee Compensation (ECEC)* September 2021 data release⁸. This results in a load rate of 1.476 ($\$32.10 / \$21.75 = 1.476$). The loaded hourly rate for this analysis is \$42.74 ($\$28.96 \times 1.476 = \42.74).

One-Time Lease Negotiation

The Agency estimates the burden resulting from the negotiation of lease agreements based on the number of affected passenger-carrying CMV trips, and the time expended by passenger carrier employees in negotiating the lease and developing the lease document.

The total number of passenger carriers affected by the vehicle leasing and interchange regulations is estimated to be 1,255. Similarly, the total number of affected passenger-carrying CMV trips (and thus one-time lease negotiations) is estimated to be 80,320. The Agency assumes 30 minutes (0.5 hours) of negotiation time per lease agreement and that there are 2 parties per lease agreement (the lessor and the lessee). This results in an annual burden of 80,320 hours (80,320 lease agreements \times 0.5 hours per lease agreement \times 2 parties per lease agreement).

To estimate the annual number of respondents, we multiply the annual number of 1,255 affected passenger carriers by two to account for the burden incurred by both the lessee and the lessor. This results in an annual number of respondents of 2,510 ($1,255 \times 2$). The estimated number of responses is 80,320 (80,320 passenger-carrying CMVs \times 1 lease per trip). We then divide the total annual burden hours by the annual number of respondents to obtain an annual burden hours per respondent of 32 hours ($80,320 \text{ hours} \div 2,510 \text{ respondents}$). The Agency then multiplies the annual burden hours per respondent (32 hours) by the median loaded hourly wage rate (\$42.74) to obtain an annualized cost to respondents of \$1,368 ($32 \text{ hours} \times \42.74) per respondent. Lastly, multiplying the annual burden hours (80,320) by the median loaded hourly wage rate (\$42.74) results in an annual cost to respondents of \$3,432,877 ($80,320 \times \42.74).

7 U.S. Department of Labor (DOL), Bureau of Labor Statistics (BLS). "Occupational Employment Statistics (OES). National. May 2020. National Industry-Specific Occupational Employment and Wage Estimates. NAICS 484000 (Truck Transportation)." Available at: https://www.bls.gov/oes/current/naics4_485200.htm#13-0000 (accessed May 9, 2022).

8 Bureau of Labor Statistics (BLS), *Employer Costs for Employee Compensation (ECEC)*, June 2021. Table 4. Employer Costs for Employee Compensation for private industry workers by occupational and industry group, <https://www.bls.gov/news.release/pdf/ecec.pdf> (accessed 10/18/2021).

Lease Documentation

The agency estimates the burden resulting from lease documentation based on the number of affected passenger-carrying CMV trips, and the time expended by passenger carrier employees in verifying the information on the lease and signing the lease.

The annual number of passenger carriers affected by vehicle leasing and interchange regulations as amended by the current final rule for the three-year period covered by this ICR is estimated to be 1,255. Similarly, the annual number of affected passenger-carrying CMV trips is estimated to be 80,320. The Agency assumes 5 minutes (0.083 hours) of documentation time per lease agreement and that there are 2 parties per lease agreement (the lessor and the lessee). This results in an annual burden of 13,333 hours (80,320 lease agreements \times 0.083 hours per lease agreement \times 2 parties per lease agreement).

To estimate the annual number of respondents, we multiply the annual number of 1,255 affected passenger carriers by two to account for the burden incurred by both the lessee and the lessor. This results in an annual number of respondents of 2,510 (1,255 \times 2). The estimated number of responses is 80,320 (80,320 passenger-carrying CMVs \times 1 lease per trip). We then divide the total annual burden by the annual number of respondents to obtain an annual burden hours per respondent of 5.3 (13,333 hours \div 2,510 respondents). The Agency then multiplies the annual burden hours per respondent (5.3 hours) by the median loaded hourly wage rate (\$42.74) to obtain an annualized cost to respondents of \$227 (5.3 hours \times \$42.74) per respondent. Lastly, multiplying the annual burden hours (13,333) by the median loaded hourly wage rate (\$42.74) results in an annualized cost to respondents of \$569,852 (13,333 \times \$42.74).

Lease Copying

The currently approved burden hour estimate for the lease copying provision assumes there are *de minimis* hours required to copy leases, and therefore there is no burden hours or cost to respondents under the currently approved information collection. Because of this, there is no change in burden hours or cost to respondents estimated for this burden. There is, however, a modest amount of cost burden associated with this burden category, which is described and estimated later in Section 13 of this Supporting Statement.

To estimate the annual number of respondents, we multiply the annual estimate of 1,225 affected passenger carriers by two to account for the burden incurred by both the lessee and the lessor. This results in an annual number of respondents of 2,510 (1,255 \times 2). The estimated number of responses is 80,320 (80,320 passenger-carrying CMVs \times 1 lease per trip).

Table 4 presents in detail the calculation of each component of the IC-3, IC-4, and IC-5 burden for all of the individual tasks necessary to comply with the passenger vehicle leasing and interchange regulations. We estimate the affected passenger carrier industry will incur 93,653 annual burden hours, with a corresponding cost to respondents of \$4,002,729 (93,653 hours \times \$42.74 per hour).

Table 2. Estimated Annualized Burden for Passenger-Carrying Commercial Motor Carriers and CMVs (IC-3, IC-4, IC-5)

Burden Category	Estimated Annual Number of Respondents	Estimated Annual Number of Responses	Estimated Total Annual Burden Hours	Hourly Wage Rate	Estimated Annual Cost Burden
IC-3: One-Time Lease Negotiation	2,510	80,320	80,320	42.74	\$3,432,877
IC-4: Lease Documentation	2,510	80,320	13,333	42.74	\$569,852
IC-5: Lease Copying	2,510	80,320	0		
TOTALS		240,960	93,653		\$4,002,729

IC-3, IC-4, and IC-5 Summary

Estimated Annual Burden Hours: 93,653.

Estimated Annual Number of Respondents: 2,510.

Estimated Annual Number of Responses: 240,960.

Estimated Annual Burden Hour Cost to Respondents: \$4,002,729.

Total for all ICs

Estimated Annual Burden Hours: 212,256 (118,603 + 93,653).

Estimated Annual Number of Respondents: 48,046 (45,536 + 2,510).

Estimated Annual Number of Responses: 1,212,354 (971,394+ 240,960).

Estimated Annual Burden Hour Cost to Respondents: \$8,959,148 (\$4,956,419 + \$4,002,729).

13. ESTIMATE OF TOTAL ANNUAL COST BURDEN

IC-1 and IC2: Part 376, Property-Carrying Commercial Motor Vehicles

Capital and Startup Costs:

Lease Copying and Lease Receipt Copying

The Agency concludes that property-carrying commercial motor vehicle operators have access to basic office equipment such as a computer, a printer and/or a copying machine necessary to complete these tasks. These are standard pieces of office equipment and respondents face no added cost burden in this regard.

Operation and Maintenance Costs:

Lease Copying

Lease copying costs under the vehicle leasing and interchange regulations in 49 CFR part 376 are calculated based on the number of affected property-carrying motor vehicles, and an estimated cost per copy.

The annual number of property-carrying motor vehicles affected by the vehicle leasing and interchange regulations in 49 CFR part 376 is estimated at 880,322, as shown for IC-2 above in Table 1. For each affected CMV, it is assumed that one copy of the lease is made for the lessor, and one copy is made for the lessee, each at a cost of \$0.15 per copy, for a total cost of \$0.30 per affected property-carrying CMV. These assumptions result in an estimated annual cost burden of \$264,097 (880,322 lease agreements × \$0.15 per lease agreement × 2 parties per lease agreement).

Lease Receipt Copying

Lease receipt copying costs under the vehicle leasing and interchange regulations in 49 CFR part 376 are calculated based on the number of affected property-carrying motor vehicles, and an estimated cost per copy.

The annual number of property-carrying motor vehicles affected by the vehicle leasing and interchange regulations in 49 CFR part 376 is estimated at 880,322. For each affected CMV, it is assumed that one copy of the lease receipt is made for the lessor, and one copy is made for the lessee, each at a cost of \$0.15 per copy, for a total cost of \$0.30 per affected property-carrying CMV. It is also assumed that there are two receipts copied per lease (one when obtaining the vehicle and one when surrendering the vehicle). These assumptions result in an annual cost to the industry of \$264,097 (880,322 lease agreements × \$0.15 per lease agreement × 2 parties per lease agreement × 1 receipt copied per party).

IC-1 and IC-2 Summary

Estimated Annual Capital and Startup Cost Burden: \$0

Estimated Annual Operation and Maintenance Cost Burden: \$528,194 [\$264,097 + \$264,097]

IC-3, IC-4, IC-5: Part 390, Subpart G Passenger-Carrying Commercial Motor Vehicles

Capital and Startup Costs:

One-time Lease Negotiation

The Agency finds there are no capital or startup costs associated with this burden. Lessors and lessees already engage in these negotiations independent of whether they formalize terms in written lease agreements. Negotiations are a standard practice among passenger motor vehicle carriers and the associated skill set is prevalent across the industry.

Lease Documentation

The Agency finds there are no capital or startup costs associated with this burden. It involves no special equipment or training.

Lease Copying

The Agency concludes that passenger-carrying commercial motor vehicle operators have access to basic office equipment such as a computer, a printer and/or a copying machine necessary to complete these tasks. These are standard pieces of office equipment and respondents face no added burden in this regard, and therefore the Agency finds there are no capital or startup costs associated with this requirement.

Operation and Maintenance Costs:

One-time Lease Negotiation

The Agency determines that there are no ongoing operating or maintenance costs associated with this task as it requires only a means of communication which may be in person, electronic, or in written format, none of which impose marginal costs.

Lease Documentation

Lease documentation is assumed to follow the template of carriers' master lease agreements, with modifications where needed, a task for which no marginal cost burden is incurred.

Lease Copying

Lease copying costs are calculated based on the number of affected passenger-carrying CMV trips, and an estimated cost per copy.

The annual number of passenger carriers affected by this activity is estimated at 2,510. Similarly, the annual number of passenger-carrying CMV trips affected by this activity is 80,320. For each affected trip, it is assumed that one copy of the lease is made for the lessor, and one copy is made for the lessee, each at a cost of \$0.15 per copy, for a total cost of \$0.30 per affected passenger-carrying CMV trip. These assumptions result in a total annual cost burden to the industry of \$24,096 (80,320 lease agreements × \$0.15 per lease agreement × 2 parties per lease agreement).

IC-3, IC-4, IC-5 Summary

Estimated Annual Capital and Startup Cost Burden: \$0.

Estimated Annual Cost Operation and Maintenance Cost Burden: \$24,096 [80,320 lease agreements × \$0.15 per lease agreement × 2 parties per lease agreement]

Total for IC-1, IC-2, and IC-3, IC-4, IC-5

Total Annual Capital and Startup Cost Burden: \$0.

Total Annual Operation and Maintenance Cost Burden: \$552,290 [\$528,194 cost burden for lease copying and lease receipt copying for IC-1 and IC-2 + \$24,096 cost for lease copying for IC-5].

14. ESTIMATE OF COST TO THE FEDERAL GOVERNMENT

None. Property-carrying CMV leases and passenger-carrying CMV leases are maintained by the motor carriers and are not submitted to FMCSA.

15. EXPLANATION OF PROGRAM CHANGES OR ADJUSTMENTS

This program change increase of 75,968 estimated annual burden hours (212,256 proposed estimated annual burden hours - 136,288 currently approved estimated annual burden hours) is due to the availability of new or improved data, the use of enhanced analysis or estimation methodologies, and/or the correction of arithmetic or other errors made previously when calculating the burden for the currently approved information collection. Previous estimates were based on 2017 data. Current passenger carrier related estimates are based on the October 29, 2021, Licensing and Insurance, Motor Carrier Management Information System, and Safety Measurement System snapshots. Current property carrier related estimates are based on the November 26, 2021, Licensing and Insurance, Motor Carrier Management Information System, and Safety Measurement System snapshots. The data pulled for the current ICR shows an increase in the overall number of affected property carriers and a decrease in the overall number of affected passenger carriers since the data used in the previous ICR. The increase in the number of affected property carriers was greater than the decrease in the overall number of affected passenger carriers which resulted in an increase in the overall burden hours associated with this ICR.

There is a decrease in the annual number of responses that results primarily from a reduced estimate of the affected population of passenger-carrying motor carriers and changes in calculation methods. The passenger transportation industry has contracted due to the economic impacts of the COVID-19 pandemic. There is an adjustment change increase in total burden hours primarily from (1) an increased population calculation for affected property-carrying motor carriers and their operated vehicles/trailers, and (2) an increased burden hour calculation for passenger-carrying motor carriers due to appropriate changes in calculation methods even though there was a decrease in the calculated affected passenger-carrying motor carriers.

There is an increase in the operation and maintenance burden costs of \$203,132 [\$552,290 proposed - \$349, 158 currently approved] due to the increased number of responses proposed to incur the expense.

16. PUBLICATION OF RESULTS OF DATA COLLECTION

The results of this ICR will not be published.

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

Not applicable.

18. EXCEPTIONS TO CERTIFICATION STATEMENT

There are no exceptions to the certification statement.

ATTACHMENTS

- A. 49 U.S.C. 14102. "Leased motor vehicles."
- B. 49 CFR 1.87. "Delegations to the Federal Motor Carrier Safety Administration."

ACRONYMS LIST

BLS	Bureau of Labor Statistics
CFR	Code of Federal Regulations
CMV	Commercial Motor Vehicle
DART	Data Analysis Reports Team
DOL	Department of Labor
DOT	Department of Transportation
ECEC	Employer Costs for Employee Compensation
FMCSA	Federal Motor Carrier Safety Administration
FR	Federal Register
IC	Information Collection
ICR	Information Collection Request
L&I	Licensing and Insurance
MCMIS	Motor Carrier Management Information System
NAICS	North American Industry Classification System
NPRM	Notice of Proposed Rulemaking
NTSB	National Transportation Safety Board
OES	Occupational Employment Statistics
OMB	Office of Management and Budget
PRA	Paperwork Reduction Act
RISC	Regulatory Information Service Center
SOC	Standard Occupational Classification
U.S.C.	United States Code