Department of Transportation

Maritime Administration

2133-0554

Application and Reporting Elements for Participation in the

Tanker Security Program (TSP)

SUPPORTING STATEMENT

INTRODUCTION

This submission is to request a three-year extension from the Office of Management and Budget (OMB) for the information collection entitled OMB 2133-0554 (Application and Reporting Elements for Participation in the Tanker Security Program), which expires May 31, 2023. A minor change request to include a privacy act statement will be added to the form for this collection. This collection was previously granted a six-month pre-approval as an emergency request. This renewal request will be submitted as *an extension of a previously approved collection.*

1. **JUSTIFICATION**
2. **Circumstances Making the Collection of Information Necessary**

The National Defense Authorization Act for Fiscal Year 2021 (FY21 NDAA) authorized the Secretary of Transportation to establish the Tanker Security Program (TSP) comprised of a fleet of active, commercially viable, militarily useful, privately owned product tank vessels of the United States (U.S.). The fleet will meet national defense and other security requirements and maintain a U.S. presence in international commercial shipping. The National Defense Authorization for Fiscal Year 2022 (FY22 NDAA) made minor adjustments related to the participation of long-term charters in the TSP. OMB 2133-0554 (Application and Reporting Elements for Participation in the Tanker Security Program), provides for enrollment of eligible tank vessels in the program for FY 2022 through FY 2035.

This information collection supports the Department of Transportation’s strategic goal for National Security. A fuel tanker study required by the fiscal year 2020 National Defense Authorization Act (FY20 NDAA) examined the sufficiency of the U.S.-flagged tanker fleet to meet National Defense Strategy (NDS) requirements. The report’s summary found there to be a substantial risk to the nation’s defense associated with a heavy reliance on foreign-flagged tankers, particularly within a contested environment. The location, timing, and specific missions associated with some tanker requirements dictate the need for U.S.- flagged assets, for which there currently are insufficient numbers available. The report’s gap analysis found a clear and critical need for a tanker security program to increase U.S.-flagged tanker capacity, to reduce the risk of reliance on foreign-flagged tankers for the most important fuel missions, and to ensure the Department of Defense (DoD) has sufficient tanker capabilities to meet NDS objectives.

In response to the FY20 NDAA Fuel Tanker Study, Congress directed in the FY21 NDAA, with minor adjustments in the FY22 NDAA, that the Secretary of Transportation, in consultation with the Secretary of Defense, establish a fleet of active, commercially viable, militarily useful, privately owned product tanker vessels to meet national defense and other security requirements and maintain a U.S. presence in international commercial shipping. The Maritime Administration (MARAD) worked with the DoD’s U.S. Transportation Command to identify and shape TSP requirements and timelines.

1. **Purpose and Use of the Information Collection**

MARAD’s Office of Sealift Support will use OMB 2133-0554 (Application and Reporting Elements for Participation in the Tanker Security Program) to evaluate the eligibility of the applicant for participation in the Tanker Security Program (TSP). Program applications are submitted in written/electronic form and submitted electronically to the Tanker Security Program, Maritime Administration, U.S. Department of Transportation, 1200 New Jersey Avenue, SE, Washington, D.C. 20590. Electronic submissions will be submitted to sealiftsupport@dot.gov.

Participants will be required to follow a regimen of information submission on a monthly and annual basis. The Office of Sealift Support will use the information collected to monitor participant compliance with program requirements. Requests for amendments are handled in the same manner as an application.

1. **Automation and Use of Information Technology**

Original applications and amendments to OMB 2133-0554 (Application and Reporting Elements for Participation in the Tanker Security Program) affect the qualification of the applicant to receive retainer payments under the TSP for a period of up to thirteen years. They also obligate the U.S. Government to make those payments in accordance with statutory authorization. The application can be completed and submitted electronically (electronic signatures will be accepted). Monthly payment vouchers and the annual financial reports will require certification signed by an authorized company representative and can also be submitted electronically.

1. **Efforts to Identify Duplication**

This collection of information has been designed to require the minimum amount of information necessary for vessel selection and administration of the TSP. The information being sought is not available through other existing or planned sources. The monthly operational verification reports filed along with a participant’s monthly voucher for payments of benefits will contain information that is not available from other sources. To the extent that a participant already files the annual financial data required under 46 Code of Federal Regulation (CFR) Part 294.31 with MARAD’s Office of Financial and Rate Approvals, that data will be accepted in lieu of an additional annual submission.

1. **Impacts on Small Businesses or Other Small Entities**

This collection does not impact small businesses or other small entities.

1. **Impact of Not Conducting or Less Frequent Collection of Information**

Without OMB 2133-0554 (Application and Reporting Elements for Participation in the Tanker Security Program), MARAD will have no basis to select tanker vessels for participation in the TSP. Since there are statutory and regulatory penalties for failure to operate as required by the TSP, the monthly operational certifications are necessary to ensure that participants are meeting their program requirements and if not, when MARAD should take action to withhold benefits. The monthly voucher certifications require participants to affirm their compliance with operating days, regulations, rulings, and provisions of the TSP. Less frequent collection of operational verification could result in U.S.-flag tankers not available to provide the Department of Defense with assured access to U.S.-flag sealift capacity during armed conflicts and other emergencies.

1. **Special Circumstances Relating to the Guidelines 5 CFR 1320.5**

Vouchers for payment of TSP benefits are submitted monthly for payment under the Prompt Payment Act, 31 United States Code (U.S.C.) Section 3901. Minimum days of operation are required to maintain eligibility for payment of benefits. Accordingly, monthly verification of operational days is required to ensure that the participant is entitled to payment of benefits for that period.

There are no special circumstances that would cause this collection to be conducted in a different manner such as those listed below:

* Requiring respondents to report information to MARAD more often than quarterly;
* Requiring respondents to prepare a written response in fewer than 30 days after receipt of a collection instrument;
* Requiring respondents to submit more than one original copy of any document;
* Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
* Requiring the use of any statistical data that is not designed to produce valid and reliable results that can be generalized to the universe of study;
* Requiring the use of a statistical data classification that has not been reviewed and approved by OMB;
* Requiring any pledge of confidentiality; or
* Requiring respondents to submit any proprietary or trade secrets.

In accordance with the Section 3511(c) of the National Defense Authorization Act for Fiscal Year 2021 (Pub. L. 116-283), MARAD must accept applications for TSP Operating Agreements within 60 days of Congress appropriating funds for TSP and must award TSP Operating Agreements within 90 days of the application period closing. The Department of Defense, and MARAD would likely want to commence operation of approved vessels under TSP Operating Agreements as soon as practicable following award of the TSP Operating Agreements. MARAD must have the appropriate billing and information processes approved and ready to implement on the first day of TSP Operating Agreement validity.  Thus, MARAD requires this emergency approval process to ensure that a program vital to national security does not endure undue delay in implementation.

1. **Public Comments in Response to the Federal Register Notice and Outside Consultation**

MARAD published a 60-day notice and request for comments on this information collection in the Federal Register (FR 16713, Vol. 88, No. 53) on March 20, 2023, indicating comments should be submitted on or before May 19, 2023. No comments were received. A 30-day notice will now be published in the Federal Register to solicit public comments.

1. **Explanation of Any Payments or Gifts to Respondents**

There are no payments or gifts to the participants in the TSP other than payments due and payable by MARAD under the TSP participants respective TSP Operating Agreements.

1. **Assurance of Confidentiality and Protection of Privacy**

The proprietary and confidential information gathered will be kept confidential pursuant to 5 U.S.C. 552 and consistent with DOT Freedom of Information Act implementing regulations 46 CFR Part 7.

1. **Justification for Sensitive Questions**

No questions of a sensitive nature are asked

1. **Estimate of Annualized Burden Hours and Cost**
2. **Estimated Annualized Burden Hours for Applications**

A total of 10 respondents will each take approximately six (6) hours to complete the TSP application. Therefore, the total annual burden for the computation of data and completion of the application form is 60 hours, which is illustrated in the table below:

This estimate is based on the maximum number of companies that have suitable vessel(s) to support the program. A similar methodology is used in MARAD’s existing Maritime Security Program (MSP)[[1]](#footnote-2).

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Number of Respondents** | \* | **Responses Per Respondent** | = | **Total Annual Responses** | **\*** | **Burden Hours Per Response** | **=** | **Total Annual Burden Hours** |
| 10 |  | 1 |  | 10 |  | 6 |  | 60 |

*This estimate is based on information readily available to an applicant, typing, review of application, and signature by an appropriate officer.*

1. **Estimated Annualized Cost Burden for Applications**

The Department of Labor website (<https://www.bls.gov/oes/current/oes_nat.htm>) shows that the average hourly wage rate for a Professional Accountant is $40.37, while the rate for a Secretary (Clerical Typist) is $ 19.75.

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| **Estimated Annualized Burden Cost to Respondents for the Computation of Data and Completion of Application Form** |
| **Professional Accountant time13-2011**  | **Average Hourly Wage Rate** |  | **Total Annual Burden Hours**  |  | **Estimated Total**  |
|  | $40.37 |  \* | 30 | **=** | $1,211.10 |
| **Secretary (Clerical Typist) Time 43-6014** |  |  |  |  |  |
|  | $19.75 | \* | 30 | **=** | $592.50 |
| **Combined Total** | **60** |  | **$1,803.60** |

1. **Estimated Annualized Burden Hours for Amendments & Revisions**

A total of 10 respondents will each take four (4) hours to complete amendments and/or revisions to their application. Therefore, the total annual burden for amendments and revisions is 80 hours, which is included in the table below:

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Number of Respondents** | **\*** | **Responses Per Respondent** | **=** | **Total Annual Responses** |  **\*** | **Burden Hours Per Response** | **=** | **Total Annual Burden Hours** |
| 10 |  | 2 |  | 20 |  | 4 |  | 80 |

1. **Estimated Annualized Cost to Respondents for Amendments and Revisions**

The Department of Labor website (<https://www.bls.gov/oes/current/oes_nat.htm>) shows that the average hourly wage rate for a Professional Accountant is $40.37, while the rate for a Secretary (Clerical Typist) is $ 19.75.

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| **Estimated Annualized Cost Burden to Respondents for Amendments and Revisions**  |
| **Professional Accountant time13-2011**  | **Average Hourly Wage Rate** |  | **Total Annual Burden Hours** |  | **Estimated Total** |
|  | $40.37 | \* | 40 | **=** | $1,614.80 |
| **Clerical Typist Time 43-6014** |  |  |  |  |  |
|  | $19.75 | \* | 40 | **=** | $790.00 |
| **Combined Total** | **80** |  | **$2,404.80** |

1. **Estimated Annualized Burden Hours for Monthly Reporting Requirement for Payment Voucher:**

A total 10 respondents will each take one (1) hour to complete the required monthly payment voucher for a total 12 times per year. Therefore, the total annual burden to complete the payment voucher is 120 hours, which is included in the table below:

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Number of Respondents** | **\*** | **Responses Per Respondent** | **=** | **Total Annual Responses** | **\*** | **Burden Hours Per Response** | **=** | **Total Annual Burden Hours** |
| 10 |  | 12 |  | 120 |  | 1 |  | 120 |

1. **Estimated Annualized Burden Hours for Annual Reporting (Financial Report)**

A total 10 respondents will each take two hours to complete the required the financial report once annually. Therefore, the total annual burden to complete the payment voucher is 20 hours, which is included in the table below:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Number of Respondents** | **\*** | **Responses Per Respondent** | **=** | **Total Annual Responses** | **\*** | **Burden Hours Per Response** | **=** | **Total Annual Burden Hours** |
| 10 |  | 1 |  | 10 |  | 2 |  | 20 |

1. **Estimated Annualized Cost to Respondent for the Monthly and Annual Reporting Requirements**

The Department of Labor website (<https://www.bls.gov/oes/current/oes_nat.htm>) shows that the average hourly wage rate for a Professional Accountant is $40.37, while the rate for a Secretary (Clerical Typist) is $ 19.75.

The total combined burden hours to compete monthly and annual reporting requirements is 140 hours calculated as follows:

120 (total annual burden hours for monthly reporting) + 20 (total annual burden hours for financial reporting) = 140 hours

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| **Estimated Annualized Cost Burden to Respondents for the Monthly and Annual Reporting Requirements** |
| **Professional Accountant time13-2011** | **Average Hourly Wage Rate** |  | **Total Annual Burden Hours** |  | **Estimated Total** |
|  | $40.37 | \* | 70 | **=** | $ 2,825.90 |
| **Clerical Typist Time 43-6014** |  |  |  |  |  |
|  | $19.75 | \* | 70 | **=** | $1382.50 |
| **Combined Total** | **140** |  | **$4,208.40** |

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| **Total Annualized Cost**  |
| **Computation of Data Completion of Application**  | **+** | **Combined Annual Amendments and Revisions** | **+** | **Combined Monthly Voucher and Annual Financial Reporting** | **=** | **Combined Total**  |  **\*** | **Multiplied by Benefits Multiplier**  | **=** | **Estimated Grand Total** |
| **$1,803.60** |  | **$2,404.80** |  | **$4,208.40** |  | **$8,416.80** |  | **1.4** |  | **$11,783.52** |

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| **Total Number of Respondents** **(Annual average)** | **Total Responses**  | **Total Hours Per** **Response** | **Total Burdens Hours** | **Total Cost Burden to** **Respondents (Item 13)** |
| **10** | **160** | **1.75** | **280**  | **$2,438.50** |

*NOTE: The Tanker Security Program (TSP) application is sent electronically in PDF (fillable format) to the applicants. Applicants have an option of returning the completed applications via email or printing a hardcopy and returning to MARAD via U.S. postage service.*

*\*Wages for the accountant and clerical worker was taken from the BLS May 2021 National Occupational Employment and Wage Estimates table; https://www.bls.gov/oes/2021/may/oes\_nat.htm*

*(13-2011 Accountants & Auditors) (43-6014 Secretaries & Admin. Assistants)*

1. **Estimate of Total Annual Costs Burden to Respondents and/or Record Keeper**
2. Total Capital and Start-Up Costs Estimate: There are no capital or start-up costs associated with this information collection.
3. Total Operation and Maintenance and Purchase of Services Estimate: The cost of copying and mailing applications, amendments, and monthly/annual reporting is:

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| **Applications (10 responses)** |
| Copying (3 applications x 10 pages @ $.19 (Per price from FedEx[[2]](#footnote-3))  | $5.70 |
| Envelope @ .25 each (Per estimate from STAPLES)[[3]](#footnote-4) | $.25 |
| Postage ($.60 per stamp (Per USPS estimate[[4]](#footnote-5)) \* 3 stamps per application) | $1.80 |
| Combined Total | $7.75 |
| **Total Cost** ($7.75 (cost per respondent) \* 10 (total responses)  | **$77.50** |

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| **Amendments and Revisions (20 responses)** |
| Copying (3 applications x 10 pages @ $.19)  | $5.70 |
| Envelope @.25 each | $.25 |
| Postage ($.60 \* 3 stamps per application) | $1.80 |
| Combined Total | $7.75 |
| **Total Cost** ($18.20 (cost per respondent) \* 20 (total responses)  | **$155.00** |

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| **Monthly and Annual Reporting (130 responses)** |
| Copying (est. avg. of 69 pages annually) = 4 (total pages per monthly report) \* $ .19 (cost to copy each page) = $ .76 \* 12 responses per respondent = **$9.12**21 (pages for annual report)\* .19 ( cost to copy each page)= **$3.99** | Total combined copying costs for monthly and annual reporting is: **$ 13.11** |
| Envelope: small envelope @ $ .13 [[5]](#footnote-6)Monthly report: $.13 (cost per small envelope) \* 12 responses per respondent = **$ 1.56**Annual report: $.25 (cost per large envelope) \*1 response per respondent = **$.25** | Total combined cost of envelope for monthly and annual reporting is: **$ 1.81** |
| Monthly ReportPostage : $.60 (1 stamp per report) \* 12 (total reports per year): **$ 7.20**Annual Report Postage: ($.60 \* 3 stamps per application) \* 1 (report per year): **$ 1.80** | Total combined cost of postage for monthly and annual reporting is **$ 9.00** |
| Combined total cost burden for monthly and annual report per respondent | **$23.92**= $17.88 (mailing cost for monthly report per respondent) +$ 6.04 (mailing cost for annual report per respondent) |
| **Combined Total Cost for All Responses** | **130** |
| Total Monthly Reporting Costs: $9.12 + $1.56 + $7.20 = $17.88 (total combined mailing cost) \* 120 (total responses per year) = **$2,145.60**Total Annual Reporting Cost: $3.99 + $.25 + $1.80 = $ 6.04 \* 10 (total responses per year)=**$60.4** | **$2,206.00** |

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| **Other Total Combined Annual Cost Burden to Respondents** |
| **Applications (10 responses)** | **+** | **Amendments (20 responses)** | **+** | **Monthly and Annual Reporting (130 responses)** | **=** | **Combined Total**  |
| $ 77.50 |  | $155.00 |  | $2,206.00 |  | $2,438.50 |

1. **Estimate of Federal Government Costs**

Estimated cost to the Federal Government: **$74,716.88/ $74,717.00**

[*SALARY TABLE 2022-DCB (opm.gov)*](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2022/DCB_h.pdf)

|  |
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| **Applications** |
| Applications are provided electronically |
| Copies | $0.00 |
| Mailing | $0.00 |
| IT Costs | $0.00 |
| Total  | $0.00 |

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| **Applications** |
| Review |
| Review (est. 30 hrs. ea. on 10 applications [[6]](#footnote-7)–With an avg. grade level of GS-13 Step 5 @ $58.01)  | $17,403 |

*2022 OPM Salary Table for Washington-Baltimore-Arlington locality:* [*https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2022/DCB\_h.pdf*](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2022/DCB_h.pdf)

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| **Applications** |
| Amendments & Revisions |
| Review (est. 4 hrs. for 20 amendments with an avg. grade level of GS-13 Step 5 @ $58.01) | $4,640.80 |

*OPM Salary Table* [*https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2022/DCB\_h.pdf*](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2022/DCB_h.pdf)

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| **Annual & Monthly Reports** |
| Annual Review |
| Review (est. 30 hrs. ea. on 10 reports –With an avg. grade level of GS-13 Step 5 @ $58.01)  | $17,403 |

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| **Annual & Monthly Reports** |
| Monthly Review |
| Review (est. 2hr. for 10 reports for 12 monthswith an average grade of GS-13 Step 5 @ $58.01) | $13,922.40 |

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| **Estimated Grand Total (Cost) For All Reports** |
| **Applications Review** |  **+** | **Amendments & Revisions** | **+** | **Annual Reporting** | **+** | **Monthly Review**  | **=** | **Combined Total** | **\*** | **Benefits Multiplier** | **=** | **Estimated Grand Total** |
| **$17,403** |  | **$4,640.80** |  | **$17,403** |  | **$13,922.40** |  | **$53,369.20** |  | **1.4** |  | **$74,716.88/$74,717.00** |

*Include salary costs based on hours, benefits (salary costs times 1.4), and the like.*

1. **Explanation of Program Changes or Adjustments**

There are no changes or adjustments to this collection burden since the six-month pre-approval of this collection.

1. **Publication of Data Collection** **Results**

There are no plans to publish the results of this information collection for statistical purposes.

1. **Display of the OMB Expiration Date**

MARAD is not requesting approval to omit the expiration date for this information collection.

1. **Exceptions to the Certification Statement**

There are no exceptions the certification statement.

1. Active MARAD collection with similar calculation, *OMB 2133-0525 (Elements for Participation in the Maritime Security Program)***:** <https://www.reginfo.gov/public/Forward?SearchTarget=PRA&textfield=2133-0525&Image61.x=0&Image61.y=0> [↑](#footnote-ref-2)
2. *Price estimates for copying applications were compiled from FedEx:* [*https://www.office.fedex.com/default/copies.html*](https://www.office.fedex.com/default/copies.html) [↑](#footnote-ref-3)
3. *Price estimates for envelopes were compiled from Staples:* [*https://www.staples.com/Quality-Park-10-x-13-Brown-Kraft-Extra-Heavyweight-Clasp-Envelopes-100-Box/product\_426678*](https://www.staples.com/Quality-Park-10-x-13-Brown-Kraft-Extra-Heavyweight-Clasp-Envelopes-100-Box/product_426678) [↑](#footnote-ref-4)
4. *Price estimates for postage costs were compiled from USPS:* [*https://www.usps.com/*](https://www.usps.com/) [↑](#footnote-ref-5)
5. *Price estimate for small envelope is based on Staples:* [*Staples EasyClose Security Tinted #10 Business Envelopes, 4 1/8" x 9 1/2", White, 100/Box (50308) | Staples*](https://www.staples.com/Staples-Easy-Close-10-Security-Tint-Envelopes-100-Box-394057-19037/product_394057) [↑](#footnote-ref-6)
6. Active MARAD collection with similar calculation, *OMB 2133-0525 (Elements for Participation in the Maritime Security Program)***:** <https://www.reginfo.gov/public/Forward?SearchTarget=PRA&textfield=2133-0525&Image61.x=0&Image61.y=0> [↑](#footnote-ref-7)