<u>SUPPORTING STATEMENT - PART A</u>

Standard for All-Terrain Vehicles – OMB Control Number

1. Need for the Information Collection

The Consumer Product Safety Improvement Act of 2008 (CPSIA) required the Consumer Product Safety Commission (CPSC or the Commission) to publish, as a mandatory consumer product safety standard, the *American National Standard for Four-Wheel All-Terrain Vehicles Equipment Configuration, and Performance Requirements* developed by the Specialty Vehicle Institute of America (ANSI/SVIA 1–2007). The proposed rule would revise 16 CFR 1420.1 and 1420.3. Consistent with current requirements, the revised language states that new assembled or unassembled ATVs manufactured before September 1, 2024, must comply with ANSI/SVIA 1–2017. This proposed rule contains information collection requirements that are subject to public comment and review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3521).

2. Use of the Information

The proposed rule amends the ATV standard to mandate industry compliance with ANSI/SVIA 1–2023, *American National Standard for Four Wheel All-Terrain Vehicles*. The proposed rule would require ATVs to comply with ANSI/SVIA 1–2023, including certification testing in support of GCCs required by Section 14 of the Consumer Product Safety Act, 15 U.S.C. 2063.5 GCCs must comply with 16 CFR part 1110 concerning the content of the GCC, retention of the associated records, and any other applicable requirement.

ANSI/SVIA 1–2023 Sections 4. Vehicle (ATV) Configuration and Equipment, 5. Maximum Speed Capability, 7. Service Brake Performance, 8. Parking, 9. Pitch Stability, 11. Sound Level Limits, 12. Hot Surfaces, and 13. Fuel Systems Requirements contain certification testing requirements. These recordkeeping requirements, as well as the preparation of the GCC itself, fall within the definition of "collection of information," as defined in 44 U.S.C. 3502(3).

3. <u>Use of Information Technology</u>

Entities that manufacture or import ATVs will use information technology to submit information electronically when applicable.

4. <u>Non-duplication</u>

The information obtained through this collection is unique and is not already available for use or adaptation from another cleared source.

5. Burden on Small Businesses

This information collection does not impose a significant economic impact on a substantial number of small businesses or entities. The proposed rule would directly affect manufacturers and importers of ATVs that are responsible for ensuring that the ATVs distributed in the United States meet the Commission's mandatory rule based on the ANSI/SVIA-1 standard. None of the 14 identified ATV manufacturers meet the SBA criteria to be considered a small business. Staff estimates that 4 of the 7 small importers would face a significant, adverse economic impact as a result of the proposed rule.

CPSC provides a variety of resources to help both new and experienced small businesses learn about safety requirements that apply to consumer products, including the CPSC Regulatory Robot, small business education videos, and the Small Business Ombudsman. Many of these resources can be accessed online at: https://www.cpsc.gov/Business-Manufacturing/Small-Business-Resources. Small firms can reach the Small Business Ombudsman by calling (888) 531-9070.

6. <u>Less Frequent Collection</u>

The intent of this rulemaking is to reduce deaths and injuries resulting from fire and burn hazards associated with ATVs. The Commission is considering this rule to amend the current mandatory standard to reference ANSI/SVIA 1–2023 because we preliminarily conclude that compliance with ANSI/SVIA 1–2023 would reduce fatal and non-fatal injuries associated with ATVs. Less frequent collection of information would reduce the effectiveness of the proposed rule.

7. Paperwork Reduction Act Guidelines

This collection of information does not require collection to be conducted in a manner inconsistent with the guidelines delineated in 5 CFR 1320.5(d)(2).

8. Consultation and Public Comments

Part A: PUBLIC NOTICE

A Federal Register Notice (FRN) for the collection published on Thursday, July 27, 2023. The FRN citation is 88 FRN 48398. Pursuant to 44 U.S.C. 3506(c)(2)(A), we invite comments on:

- Whether the collection of information is necessary for the proper performance of the CPSC's functions, including whether the information will have practical utility;
- The accuracy of the CPSC's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Ways to enhance the quality, utility, and clarity of the information to be collected;
- Ways to reduce the burden of the collection of information on respondents, including the use of automated collection techniques, when appropriate, and other forms of information technology; and
- The estimated burden hours associated with producing the GCC and the certification testing required to support the GCC.

Part B: CONSULTATION

On March 24, 2023, ANSI published the latest revision of the American National Standard for Four-Wheel All-Terrain Vehicles, ANSI/SVIA 1–2023. CPSC staff has examined differences between ANSI/SVIA 1–2017 and ANSI/SVIA 1–2023. The Commission preliminarily concludes that the fuel system performance requirements in Section 13 of the 2023 edition of the ANSI/SVIA standard are reasonably related to the to the safe performance of ATVs.

9. <u>Gifts or Payment</u>

No payments or gifts are being offered to respondents as an incentive to participate in the collection.

10. Confidentiality

A Privacy Act Statement is not required for this collection because we are not requesting individuals to furnish personal information for a system of records.

11. <u>Sensitive Questions</u>

No questions considered sensitive are being asked in this collection.

12. <u>Respondent Burden</u>

The presented estimates are a conservative estimate of the average annual burden to ATV entities. The proposed rule requires all ATVs manufactured on or after September 1, 2024, to comply with ANSI/SVIA 1–2023. Therefore, in the first year following promulgation of the rule, existing entities may be required to redesign and test more than the estimated average 48 models per year and incur higher costs than the estimates in this PRA analysis. In subsequent years, costs could be less, as fewer numbers of ATV models will require design updates. To the extent that the ATV industry already complies, or substantially complies, with the ANSI/SVIA 1–2023 standard, these figures may overestimate the actual burden.

Based on this analysis, the proposed rule for ATVs would impose an annual burden to industry of approximately 441 hours per year (57 for preparation of the GCC and 384 hours for recordkeeping associated with the certification tests upon which the GCCs are based). The estimated annual cost is approximately \$16,229 (\$2,098 and \$14,131 for GCC preparation and certification testing recordkeeping, respectively).

Table 1. Estimated Annual Reporting Burden

Table 1. Estimated finitidal Reporting Burden						
Burden Type	Number of	Frequenc	Total	Hours	Total	Annual
	respondent	y of	annual	per	burden	cost
	s	response	response	response	hours	
			s			
GCC preparation	38	1	38	1.5	57	\$2,098
One-time design	25	1.9	48	8	384	\$14,131
qualification test						
Total Burden					441	\$16,229

CPSC conservatively estimates the time required to produce this GCC is about 1.5 hours per year (although in most cases the actual time required will likely be significantly lower). Therefore, the estimated burden associated with GCCs is 57 hours (38 entities \times 1 GCC per year \times 1.5 hours per GCC = 57 hours). CPSC staff multiplied the estimated number of burden hours by \$36.80,6 the total hourly compensation for sales and office workers in goods-producing private industries, to generate the estimated annual cost to industry associated with GCCs. Therefore, the estimated annual cost to industry associated with preparation of the GCCs is \$2,097.60 (\$36.80 per hour \times 57 hours = \$2,097.60).

CPSC estimates the average life cycle of an ATV model is approximately 5 years, which implies each manufacturer will conduct one-time design qualification testing on approximately 1.6 models per year (239 models \div 25 entities \div 5 years \approx 1.9 models per entity per year). CPSC staff estimates the time required to create and maintain certification records to be approximately 8 person hours per model. Therefore, the estimated labor burden associated with certification testing recordkeeping is 384 person hours (25 entities \times 1.9 ATV models per year \times 8 person hours per model = 384 person hours). As above, staff multiplied the estimated number of burden hours by \$36.80, the total hourly compensation for sales and office workers in goods-producing private industries. The estimated annual cost to industry associated with certification testing recordkeeping is \$14,131 (\$36.80 per person hour \times 384 person hours = \$14,131).

¹ https://www.bls.gov/news.release/archives/ecec_03172023.pdf

² This estimate includes recordkeeping hours associated with individual parts testing required by ANSI/SVIA 1–2023, Sections 13.3 (Fuel Tank Immersion Leak Test) and 13.4 (Fuel Filter and Shut-off Valve Immersion Leak Test, allocated per model, as well as recordkeeping hours associated with one-time design qualification testing.

13. Respondent Costs Other Than Burden Hour Costs

There are no annualized costs to respondents other than the labor burden costs addressed in Section 12 of this document to complete this collection.

14. Cost to the Federal Government

The estimated annual cost of the information collection requirements to the Federal Government is approximately \$4,507, which includes 60 staff hours to examine and evaluate the information, as needed, for CPSC's compliance activities. This is based on a GS-12, step 5 level salaried employee. The average hourly wage rate for a mid-level salaried GS-12 employee in the Washington, DC metropolitan area (effective as of January 2023) is \$51.15 (GS-12, step 5). This represents 68.1 percent of total compensation (U.S. Bureau of Labor Statistics, "Employer Costs for Employee Compensation," December 2022, Table 2., percentage of wages and salaries for all civilian management, professional, and related employees: https://www.bls.gov/news.release/archives/ecec_03172023.pdf). Adding an additional 31.9 percent for benefits brings average annual compensation for a mid-level salaried GS-12 employee to \$75.11 per hour. Assuming that approximately 60 hours will be required annually, this results in an annual cost of \$4,507 (\$75.11 per hour × 60 hours = \$4,506.60).

15. Reasons for Change in Burden

This is a new collection with a new associated burden. The proposed rule amends the ATV standard to mandate industry compliance with ANSI/SVIA 1–2023, *American National Standard for Four Wheel All-Terrain Vehicles*.

16. Publication of Results

The results of this information collection will not be published.

17. Non-Display of OMB Expiration Date

We are not seeking approval to omit the display of the expiration date of the OMB approval on the collection instrument.

18. Exceptions to "Certification for Paperwork Reduction Submissions"

We are not requesting any exemptions to the provisions stated in 5 CFR 1320.9.