

Information Collection Request Supporting Statements: Part A
Record Retention -- 49 CFR Part 576
OMB Control No. 2127-0042

Abstract:¹

This information collection request (ICR) is to request a modification of a currently approved information collection for NHTSA's record retention requirements under 49 CFR Part 576. This ICR is associated with a notice of proposed rulemaking (NPRM) that proposes extending the time manufacturers must retain certain information.² This collection is mandatory for all manufacturers, distributors, and dealers of motor vehicles and for all manufacturers of motor vehicle equipment. Currently, Part 576 requires manufacturers to retain one copy of all records that contain information concerning malfunctions that may be related to motor vehicle safety for a period of five calendar years after the record is generated or acquired by the manufacturer. The NPRM proposes extending this time to 10 years. Manufacturers are also required to retain for five years the underlying records related to early warning reporting (EWR) information submitted under 49 CFR Part 579. The NPRM does not propose extending the record retention requirements for records related to part 579 requirements. The information collection supports NHTSA's mission by increasing the effectiveness of NHTSA's investigations into potential safety related defects. The records that are required to be retained per 49 CFR Part 576 are used to promptly identify potential safety-related defects in motor vehicles and motor vehicle equipment in the United States. When a trend in incidents arising from a potentially safety-related defect is discovered, NHTSA relies on this information, along with other agency data, to determine whether or not to open a formal defect investigation (as authorized by Title 49 U.S.C. Chapter 301 – Motor Vehicle Safety).

NHTSA estimates the total burden of this information collection to be 40,225 hours and \$0, which is the same burden estimate provided for the currently approved information collection. NHTSA does not believe the modification will increase burden to manufacturers. However, this estimate is higher than what we estimated in the NPRM that was published in the July 15, 2019, in which we as estimated that the burden would be 40,020 hours and \$0. The adjustment is a result of an increase in the number of the manufacturers required to maintain the records (an increase of 5 manufacturers each incurring an estimated 40 burden hours each year and an additional 5 manufacturers incurring an estimated 1 burden hour each year). NHTSA continues to estimate that there are no additional costs associated with this information collection.

A. Justification

¹ The Abstract must include the following information: (1) whether responding to the collection is mandatory, voluntary, or required to obtain or retain a benefit; (2) a description of the entities who must respond; (3) whether the collection is reporting (indicate if a survey), recordkeeping, and/or disclosure; (4) the frequency of the collection (e.g., bi-annual, annual, monthly, weekly, as needed); (5) a description of the information that would be reported, maintained in records, or disclosed; (6) a description of who would receive the information; (7) if the information collection involves approval by an institutional review board, include a statement to that effect; (8) the purpose of the collection; and (9) if a revision, a description of the revision and the change in burden.

² 84 FR 21741.

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

Under 49 U.S.C. § 30166(e), NHTSA “reasonably may require a manufacturer of a motor vehicle or motor vehicle equipment to keep records, and a manufacturer, distributor or dealer to make reports, to enable [NHTSA] to decide whether the manufacturer, distributor, or dealer has complied or is complying with this chapter or a regulation prescribed under this chapter.” Section 24403 of the Fixing America’s Surface Transportation Act, Pub. L. 114-94, Dec. 4, 2015, requires NHTSA to lengthen the amount of time that manufacturers of motor vehicles, tires and child restraint systems are required to retain records that contain information concerning malfunctions that may be related to motor vehicle safety to a period not less than ten years.

To ensure that NHTSA will have access to this type of information, the agency exercised the authority granted in 49 U.S.C. § 30166(e) and promulgated 49 CFR Part 576 Record Retention, initially published on August 20, 1974, and most recently amended on July 10, 2002 (67 FR 45873), requiring manufacturers to retain one copy of all records that contain information concerning malfunctions that may be related to motor vehicle safety for a period of five calendar years after the record is generated or acquired by the manufacturer. Manufacturers are also required to retain for five years the underlying records related to early warning reporting (EWR) information submitted under 49 CFR Part 579. The information collections support NHTSA’s mission by increasing the effectiveness of NHTSA’s investigations into potential safety related defects.

Increases in the age of the vehicle fleet since the time the five-year records retention requirement was established in 1974 and Congress’ extension of the period during which vehicle and equipment manufacturers are required to provide a free remedy under 49 U.S.C. 30120 to fifteen years after first purchase both support extending the record retention period in part 576. The notice of proposed rulemaking (NPRM) which proposes modifications to the collection would amend part 576 to extend the amount of time that manufacturers of motor vehicles, tires, and child restraint systems are required to retain one copy of all records that contain information concerning malfunctions that may be related to motor vehicle safety to ten years. The NPRM does not propose lengthening the amount of time that manufacturers are required to retaining records underlying information submitted pursuant to 49 CFR part 579.

- 2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate actual use the agency has made of the information received from the current collection.**

The records that are required to be retained per 49 CFR Part 576 are used to promptly identify potential safety-related defects in motor vehicles and motor vehicle equipment in the United States. When a trend in incidents arising from a potentially safety-related defect is discovered, NHTSA relies on this information, along with other agency data, to determine whether or not to open a formal defect investigation (as authorized by Title 49 U.S.C. Chapter 301 – Motor

Vehicle Safety). NHTSA normally becomes aware of possible safety-related defects because it receives consumer complaints.

Agency experience has shown that manufacturers receive significantly more consumer complaints than does the agency. This is because the consumer with the product does not know whether their particular vehicle or equipment has a problem that is common with an entire group of vehicles or equipment. Whereas consumers know the manufacturer of their vehicle or equipment, relatively few know how to file a complaint with the National Highway Traffic Safety Administration's Auto Safety Hotline. The complaints filed with the manufacturer give the agency a fair indication of how widespread the potential problem may be.

If the manufacturer did not retain its records, NHTSA would be unable to enforce the statutory requirements that the manufacturer notify the agency and other persons of a safety-related defect when the manufacturer "learns" of the defect, and notify the agency and other persons of a noncompliance when it "decides in good faith" that the noncompliance exists. Without access to the manufacturer's records, it would be impossible for anyone other than the manufacturer to show when or if that manufacturer had obtained knowledge of a potential defect or had determined in good faith that the noncompliance did or did not exist. Without access to manufacturers' records, NHTSA's examinations of potential defects and non-compliances would be seriously handicapped. NHTSA could conduct surveys of vehicle owners or use other means to learn of problems with vehicles and equipment, but any of these other methods would require significantly more information collections by the agency and necessitate a larger staff of the agency's Office of Defect Investigations.

- 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.**

Part 576 requires the manufacturers to retain only one copy of all records concerning malfunctions that may relate to motor vehicle safety. The manufacturers are permitted to store this information by any means they wish and transfer the information from one means of storage to another as often as they wish. Since Part 576 already permits the manufacturers to use the most advanced information technology available, NHTSA does not believe that improved information technology could further reduce the burden. There are no technical or legal obstacles to manufacturers' using any technology they wish to minimize the recordkeeping burden imposed under Part 576. No information is submitted to the government under this regulation, and we do not conduct routine enforcement activities to ensure that the manufacturers have retained these records. Much of the complaint data retained under this provision, and the great majority of Early Warning data manufacturers submit, is in electronic format.

- 4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in item 2 above.**

Part 576 requires manufacturers to retain only one copy of the records. No other Federal regulation requires the manufacturers to retain copies of these records and NHTSA is the only government agency that requires manufacturers to retain this information. Therefore, this regulation does not duplicate any other Federal requirement. Part 576 is the only regulation requiring manufacturers to retain this information and there is no similar information that could be used or modified for use for the purposes described above in item 2.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

As noted above, this regulation requires all vehicle and equipment manufacturers to retain one copy of records concerning malfunctions that may be related to motor vehicle safety. A few of the manufacturers may qualify as small entities. Such manufacturers would be expected to have fewer records of malfunctions, because they produce fewer vehicle types and fewer vehicles (or fewer types of equipment and fewer items of equipment) than the larger manufacturers. Accordingly, the burden imposed on them to retain these records should be very small. In fact, NHTSA believes there would be some years during which the small manufacturers would not be required by this regulation to retain any records. Thus, NHTSA believes that the regulation does not impose a disproportionate burden on small manufacturers.

In addition, there are distinct reporting requirements for manufacturers of fewer than 500 vehicles annually, for manufacturers of original equipment, and for manufacturers of replacement equipment other than child restraint systems and tires. Under 49 CFR Part 579.27, these entities must report incidents involving death, a less burdensome requirement than the requirement for other entities to report incidents involving death or injury. Correspondingly, under 49 CFR Part 576, small manufacturers must retain this much smaller record set. The NPRM is not changing the length of time that manufacturers of motor vehicle equipment other than child restraints and tires are required to retain records under part 576.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

If the manufacturers did not retain a copy of all records concerning malfunctions related to motor vehicle safety, agency investigations and enforcement efforts could be severely impaired. Agency examinations of potential defects and non-compliances would be seriously handicapped without the availability of manufacturer's records. NHTSA could conduct surveys of vehicle owners to learn of problems or use other means of learning of consumers' experience with vehicles and equipment. However, any of these other means would necessitate more information collections by the agency and necessitate a larger staff of the agency's Office of Defect Investigations.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- a. **requiring respondents to report information to the agency more often than quarterly;**
- b. **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- c. **requiring respondents to submit more than an original and two copies of any document;**
- d. **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;**
- e. **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- f. **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- g. **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- h. **requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

There are special circumstances that would cause this collection to be collected in a manner inconsistent with 5 CFR 1320.5(d)(2). This information collection requires the retention of records for longer than 3 years. Given that the Motor Vehicle Safety Act requires manufacturers to remedy motor vehicles and replacement equipment for a period of 15 years after first purchase of the vehicle or equipment and that several recent and current investigations involve vehicles and equipment older than 15 years, a record retention period longer than 3 years is necessary for the agency to be able to investigate potential safety defects that may appear later in a vehicle's service life. The NPRM proposes to extend the time that manufacturers of motor vehicles, tires and child restraint systems must retain records concerning defects and malfunctions that may be related to motor vehicle safety to ten years.

- 8. **If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to the comments. Specifically address comments received on cost and hour burden. Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format, and on the data elements to be recorded, disclosed, or reported.**

NHTSA sought comments on this ICR in its NPRM it published on July 15, 2019 (84 FR 21741).

Since publishing the NPRM, NHTSA also requested and received an extension to the collection after seeking public comment. NHTSA published a 60-day notice on July 20, 2022, requesting comment on NHTSA's intention to submit this ICR to OMB for approval (87 FR 43378). NHTSA received 0 comments.

NHTSA published a 30-day notice on November 4, 2022, that stated NHTSA's intention to submit this ICR to OMB for approval (87 FR 66771). NHTSA received 0 comments.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

No payment or gift will be given to any respondent in connection with this information collection.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy. If the collection requires a systems of records notice (SORN) or privacy impact assessment (PIA), those should be cited and described here.

This ICR is for recordkeeping requirements and, therefore, does not involve any assurances of confidentiality.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

No questions of a sensitive nature are involved in this information collection.

12. Provide estimates of the hour burden of the collection of information on the respondents and estimates of the annualized labor cost to respondents associated with that hour burden.

NHTSA estimates that approximately 1,030 manufacturers of vehicles and equipment (including tires, child restraint systems and trailers) are required to maintain records under Part 576.

NHTSA estimates the total annual burden for each vehicle, tire, and child restraint manufacturer to be 40 hours for a subtotal of 40,200 hours (1,005 respondents × 40 hours). In addition, there

are approximately 23,660 equipment manufacturers (excluding tires, child seat restraint systems and trailer manufacturers) whose record retention requirements under Part 576 are limited to the documents underlying their Part 579 reporting requirements. Their Part 579 requirements include only the reporting of incidents involving deaths. Therefore, based on the number of death reports submitted to date by these equipment manufacturers, we estimate that an additional 25 equipment manufacturers have record retention requirements imposed by Part 576. We estimate that it will take one hour each to maintain the necessary records each year for a subtotal burden of 25 hours (25 respondents × one hour). Accordingly, NHTSA estimates that the total annual burden hours is 40,225 hours ((1,005 respondents × 40 hours) + (25 respondents × 1 hour)).

To calculate the labor cost associated with maintaining, NHTSA looked at wage estimates for the type of personnel involved with compiling and retaining the documents. NHTSA estimates the total labor costs associated with these burden hours by looking at the average wage for clerical workers. The Bureau of Labor Statistics (BLS) estimates that the average hourly wage for office clerks (BLS Occupation code 43-9061) in the Motor Vehicle Manufacturing Industry is \$26.65.³ The Bureau of Labor Statistics estimates that private industry workers' wages represent 70.4% of total labor compensation costs.⁴ Therefore, NHTSA estimates the hourly labor costs to be \$37.86 and NHTSA estimates the total labor cost associated with the 40,225 burden hours to be \$1,522,919. Table 1 provides a summary of the estimated burden hours and labor costs associated with those submissions.

Table 1: Burden Estimates

Information Collection	Annual Respondents	Annual Responses	Estimated Burden Per Response	Average Hourly Labor Cost	Labor Cost Per Submission	Total Burden Hours	Total Labor Costs
Record Retention under 49 CFR Part 576 for Vehicles and Equipment Manufacturers	1,005	1,005	40 hours	\$37.86	\$1,514.40	40,200 hours	\$1,521,972
Record Retention under 49 CFR Part 576 for Death reports	25	25	1 hour	\$37.86	\$37.86	25 hours	\$946.50 \$947
						40,225 hours	\$1,522,919

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information. Do not include the cost of any hour burden already reflected in the response provided in question 12.

³ May 2023 National Industry-Specific Occupational Employment and Wage Estimates, NAICS 336100 - Motor Vehicle Manufacturing, available at https://www.bls.gov/oes/2023/may/naics4_336100.htm#43-0000 (accessed May 2, 2024).

⁴ See Table 1. Employer Costs for Employee Compensation by ownership (December 2023), available at https://www.bls.gov/news.release/archives/ecec_03132024.pdf (accessed May 2, 2024).

NHTSA estimates that there are no costs resulting from this collection of information other than labor costs associated with the burden hours.

14. Provide estimates of annualized costs to the Federal government. Provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.

The cost to the Federal government is zero. No information is submitted to the government under this regulation, and we do not conduct routine enforcement activities to ensure that the manufacturers have retained these records. The only time the agency seeks access to these retained records is in the context of a specific investigation, and any costs that accrue from that access would properly be associated with the investigation, instead of this regulation.

15. Explain the reasons for any program changes or adjustments reported on the burden worksheet. If this is a new collection, the program change will be the number of burden hours reported in response to question 12 and the entire burden cost and number of burden hours reported in response to questions 12 reported in response to question and 13. If this is a renewal or reinstatement, the change is the difference between the new burden estimates and the burden estimates from the last OMB approval.

This ICR is for a modification of a currently approved information collection and is not expected to increase burden. Accordingly, NHTSA continues to estimate the burden to be 40,225 hours and \$0 (and increase of 0 hours and \$0).

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions as applicable.

This collection of information will not have results published.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

Approval is sought to not display the expiration date for OMB approval. This information collection is contained in a regulation and rulemaking would be required to display the expiration date.

18. Explain each exception to the topics of the certification statement identified in "Certification for Paperwork Reduction Act Submissions." The required certifications can be found at 5 CFR 1320.9.⁵

No exceptions to the certification statement are made. NHTSA has provided the information required under 5 CFR 1320.8(b)(3) in its NPRM and will provide updated information in the final rule when it is published.

⁵ Specifically explain how the agency display the OMB control number and expiration date and will inform potential respondents of the information required under 5 CFR 1320.8(b)(3): the reasons the information is planned to be and/or has been collected; the way such information is planned to be and/or has been used to further the proper performance of the functions of the agency; an estimate, to the extent practicable, of the average burden of the collection (together with a request that the public direct to the agency any comments concerning the accuracy of this burden estimate and any suggestions for reducing this burden); whether responses to the collection of information are voluntary, required to obtain or retain a benefit (citing authority), or mandatory (citing authority); the nature and extent of confidentiality to be provided, if any (citing authority); and the fact that an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.