

**Department of Transportation  
Federal Motor Carrier Safety Administration (FMCSA)**

**SUPPORTING STATEMENT**

**Designation of Agents, Motor Carriers, Brokers and Freight Forwarders**

**SUMMARY**

- The program adjustment decrease in annual burden hours from 6,508 to 3,448 is due to a adjusted estimate of the number of respondents and responses.
- Respondents required to file designations of service agents use Form BOC-3.

**INTRODUCTION**

This is to request the Office of Management and Budget's (OMB) approval to renew the information collection titled, *Designation of Agents, Motor Carriers, Brokers and Freight Forwarders*, OMB Control No. 2126-0015), which is currently due to expire on *January 31, 2023*.

**Part A. Justification**

**1. CIRCUMSTANCES THAT MAKE COLLECTION OF INFORMATION NECESSARY.**

Registered motor carriers, brokers and freight forwarders subject to 49 U.S.C. § 13901 must designate an agent upon whom service of notices in proceedings before the Secretary of Transportation (Secretary) may be made (49 U.S.C. § 13303, see Attachment A). A similar requirement applies to motor private carriers and migrant workers (except for motor contract carriers) (49 U.S.C. § 503, see Attachment B). Motor carriers and brokers subject to 49 U.S.C. § 13901 must also designate agents upon whom process issued by a court may be served for every State in which they operate (49 U.S.C. § 13304, see Attachment C). Regulations governing the designation of process agents are found at 49 CFR part 366 (see Attachment D). These regulations do not apply to motor private carriers or for-hire carriers exempt from the § 13901 registration requirements. A designation of process agents is filed with FMCSA on Form BOC-3, titled "Designation of Agents, Motor Carriers, Brokers and Freight Forwarders" (see Attachment E).

The ICC Termination Act of 1995 (ICCTA) enacted 49 U.S.C. § 13908 (see Attachment F), which required the Secretary to propose regulations to replace four current identification and registration systems with a single online Federal system—the Unified Registration System (URS). The Unified Carrier Registration Act of 2005, subtitle C of title IV of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) [Pub. L. 109-59, 119 Stat. 1714, August 10, 2005] (see Attachment G) modified the requirements for a unified registration system (URS) by amending § 13908. In particular, SAFETEA-LU added the service of process agents systems under 49 U.S.C. §§ 503 and 13304 within the new URS.

This information collection supports DOT's Strategic Goal of Safety by providing motor

carriers a means to register and comply with the statutory registration requirements pertaining to motor carriers, freight forwarders and brokers and by facilitating recovery, in their own jurisdictions, of damages suffered by third parties resulting from the operations of these transportation entities.

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

Form BOC-3 is utilized to identify a process agent for each State in which the motor carrier, freight forwarder, or broker will operate. A copy of the form must be filed in each state in or through which the operation is conducted by the blanket company and another copy retained by the motor carrier, freight forwarder, or broker at its principal place of business.

Process agents are authorized by the transportation entity to accept, on its behalf, legal process or notice in Agency and court proceedings. Persons considering bringing legal actions against a motor carrier, broker, or freight forwarder may obtain the name of its process agent in a particular State by contacting FMCSA. Changes in process agent designations or the onset of conducting operations in or through a new state require the filing of a new Form BOC-3 with the FMCSA.

## **3. EXTENT OF AUTOMATED INFORMATION COLLECTIONS.**

The Government Paperwork Elimination Act (GPEA) (Pub. L. 105-277, Oct. 21, 1998) requires agencies to provide the option for the electronic submission of information and the use of electronic signatures when practicable. Today, 98% of Form BOC-3's filed with the FMCSA are submitted electronically by "blanket" companies, who are associations or corporations that provide the FMCSA with a list of process agents for each State. These companies provide process agents nationally to motor carriers for a fee. There is no separate fee for filing Form BOC-3 with the FMCSA. The cost of filing is included in the fee paid to the process agent company. "Blanket" companies have 100 percent capability to file their information electronically with the FMCSA.

## **4. EFFORTS TO IDENTIFY DUPLICATION.**

There is no similar filing made within DOT or with any other Federal agency that will result in duplication of this information.

## **5. EFFORTS TO MINIMIZE THE BURDEN ON SMALL BUSINESSES.**

The FMCSA registration application package includes an explanation of the process agent requirement and a list of blanket companies. Brokers who designate their own individual process agent on Form BOC-3 are only required to submit a limited amount of information. Motor carriers may designate themselves as the process agent for their state only (Principal Place of Business). They must designate a process agent for the other states that they operate in or through. The applicant information includes the motor carrier identification number, date, name and address of the motor carrier, broker, freight forwarder, title and signature of the authorized filer, and identification of its process agent. This is the minimum information necessary to meet the statutory requirements relating to the designation of process agents.

## **6. IMPACT OF LESS FREQUENT COLLECTION OF INFORMATION.**

Form BOC-3 is submitted by registration applicants to meet a statutory requirement to designate agents for service of process. It is filed when there is a new Blanket Company, or the motor carrier changes its name. Allowing for less frequent collection, such as by providing more time after the onset of operations, additional state operations, or a change in the designated agent, could result in FMCSA, a State, or a third-party not being able to complete service on a registered entity.

## **7. SPECIAL CIRCUMSTANCES.**

There are no special circumstances related to this information collection.

## **8. COMPLIANCE WITH 5 CFR 1320.8.**

This ICR will expire on January 31, 2023. FMCSA published a notice in the Federal Register (87 FR 48220) on August 8, 2022, with a 60-day comment period announcing its intention to seek OMB review and approval to renew this ICR (Attachment H).

At the close of the 60-day comment period, the FMCSA received zero comments. FMCSA will publish a 30-day FRN announcing its intention to submit the information collection to OMB for review and approval. Public comments on the 30-day notice will be sent directly to OMB.

## **9. PAYMENTS OR GIFTS TO RESPONDENTS.**

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

## **10. ASSURANCE OF CONFIDENTIALITY.**

There is no assurance of confidentiality. Information included on the form is intended to be shared with anyone looking to bring suit or enforce a claim against a motor carrier, freight forwarder, or broker. The form calls for information identifying process agents in all States in which a motor carrier, freight forwarder, or broker operates.

## **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.**

FMCSA estimates the burden to file Form BOC-3 is 10 minutes (0.167 hours) per new applicant.<sup>1</sup> The form requires very limited information that is readily available to the filer.

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<sup>1</sup> FMCSA does not currently track updates to filing but will do so going forward to allow us to provide an accurate estimate in the next cycle.

Based on three-year averages obtained from the Motor Carrier Management Information System (MCMIS), FMCSA estimates it will receive approximately 20,649<sup>2</sup> new carrier (motor carrier, broker, and freight forwarder) applicants each year. presents the number of responses for each year covered by this information collection and the burden hours by year.

*Table 1. Estimated annualized burden hours and burden cost to respondents for the collections of information.*

All New Carriers	Hours Per Response	Total Burden Hours	Loaded Hourly Wage	Total Burden Hour Cost
20,649	0.167	3,448	\$30.60	\$105,509

Almost all forms are submitted by blanket process agent companies. The Agency assumes an individual equivalent to an Insurance Claims and Policy Processing Clerk in the Insurance Carriers industry will complete tasks associated with the information collection, at an hourly wage of \$20.22.<sup>3</sup> To estimate the cost to respondents, the Agency multiplies the median hourly wage by a load factor of 1.513<sup>4</sup> resulting in a loaded hourly wage of \$30.60. Multiplying the loaded hourly wage by the total burden hours results in an estimated total annual cost of \$105,509 (\$30.60 × 3,448 hours).

**Estimate of Annual Respondents:** 20,649.

**Estimate of Annual Burden Hours:** 3,448. [20,649 respondents × 0.167 hours per response]

### 13. ESTIMATE OF TOTAL ANNUAL COSTS TO RESPONDENTS.

As noted above, most forms (approximately 98%) are filed by blanket companies on behalf of all motor carriers and some freight forwarders and brokers. It is not possible to determine what costs are associated with these filings as the costs are incorporated in the fee paid to the blanket company. Some associations provide this service as a benefit for members; the cost of filing, in these cases, is some fraction of the membership fee. The remaining freight forwarders or brokers file the forms themselves. There is no filing fee associated with these submissions.

### 14. ESTIMATE OF COST TO THE FEDERAL GOVERNMENT.

FMCSA assumes that it will not incur any costs for these electronic filings. There were no IT costs, or Federal or contractor staff costs, to collect, review, and maintain the information being collected.

<sup>22</sup> Motor Carrier Management Information System (MCMIS) obtained January 2022.

<sup>3</sup> Bureau of Labor Statistics. "May 2020 National Industry-Specific Occupational Employment and Wage Estimates, NAICS 524100 - Insurance Carriers." Available at [https://www.bls.gov/oes/current/naics4\\_524100.htm](https://www.bls.gov/oes/current/naics4_524100.htm). Accessed February 10, 2022

<sup>4</sup> The load factor is estimated by dividing the total cost of compensation for private industry workers of the insurance carriers and related activities series (\$53.71) by the average cost of hourly wages and salaries (\$35.49) as reported by the Bureau of Labor Statistics. Bureau of Labor Statistics. "Table 4. Employer Costs for Employee Compensation for private industry workers by occupational and industry group, December 2021." Available at <https://www.bls.gov/news.release/pdf/ecec.pdf>. Accessed March 18, 2022.

## **15. EXPLANATION OF PROGRAM CHANGES OR ADJUSTMENTS.**

The program adjustment decrease in annual burden hours from 6,508 to 3,448 is due to an adjusted estimate of the number of respondents and responses. Previous estimates were based on 2019 data. Current estimates are based on January 2022 MCMIS and Safety Management System snapshots.

The slight increase in the estimated cost to respondents is attributed to the updated wage rate as per the Bureau of Labor Statistics website.

## **16. PUBLICATION OF RESULTS OF DATA COLLECTION.**

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

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

FMCSA will display the expiration date on Form BOC-3.

## **18. EXCEPTIONS TO CERTIFICATION STATEMENT.**

There are no exceptions to the certification statement.

## **ATTACHMENTS:**

- Attachment A: 49 U.S.C. § 13303
- Attachment B: 49 U.S.C. § 503
- Attachment C: 49 U.S.C. § 13304
- Attachment D: 49 CFR part 366
- Attachment E: Form BOC-3, titled “Designation of Agents, Motor Carriers, Brokers and Freight Forwarders”
- Attachment F: 49 U.S.C. § 13908
- Attachment G: The Unified Carrier Registration Act of 2005, subtitle C of title IV of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) [Pub. L. 109-59, 119 Stat. 1714, August 10, 2005]
- Attachment H: Federal Register Notice requesting comments on “Designation of Agents, Motor Carriers, Brokers, and Freight Forwarders” Information Collection Request OMB Control Number 2126-0015 (87 FR 48220, August 8, 2022).
- Attachment I: 30-day FR (87 FR 79418, December 27, 2022).