

SUPPORTING STATEMENT PART A
OMB No. 2127-0004
Defect and Noncompliance Notification and Reporting

The 49 CFR Part 573 and 577 requirements in this collection are required in accordance with federal statutes and regulations. The supplemental recall communications for the Takata recalls referenced in this collection are required under NHTSA's Coordinated Remedy Order, as amended on December 9, 2016 (the "ACRO"), addressing the Takata recalls and requiring affected vehicle manufacturers to conduct supplemental owner notification efforts in coordination with NHTSA and the Independent Monitor of Takata. Specifically, this involves providing at least one form of consumer outreach per month for vehicles in a launched recall campaign (i.e., a recall where parts are available) until the vehicle is remedied (unless otherwise accounted for as scrapped, stolen, exported, or otherwise unreachable under certain procedures in the ACRO), and the Monitor recommended that manufacturers utilize at least three non-traditional means of communication (postcards; email; telephone calls; text message; social media) as part of their overall outreach strategy.

For 49 CFR Part 573 and 577, entities that must respond are motor vehicle and motor vehicle equipment manufacturers. For the supplemental recall communications for the Takata recalls under the ACRO, entities that must respond are those subject to the relevant ACRO provisions. Generally, this collection involves recordkeeping, reporting, and notification requirements. The frequency of collection associated with 49 CFR Part 573 and 577 requirements varies depending on the information at issue. The frequency of collection associated with supplemental recall communications for the Takata recalls referenced in this collection is monthly.

For collection associated with 49 CFR Part 573 and 577, the information to be reported, maintained, and/or disclosed includes safety defect and noncompliances, recall communications, recall reimbursement plans, lists of owners, purchasers, dealers, distributors, lessors, and lessees of products determined to be defective or noncompliant and involved in a recall campaign, tire disposal, bankruptcy, online recalls portal accounts, VIN look-up tools, 15-year repair statuses for recalled vehicles, and quarterly reports regarding progress of recall campaigns. DOT, vehicle owners, purchasers, dealers, and distributors will receive certain information under this collection. For the supplemental recall communications for the Takata recalls under the ACRO, supplemental communications notify owners of the recalls, safety-related information, and the associated remedy; affected vehicle owners will receive that information.

The overall purpose of this collection is to enable NHTSA to administer, monitor, and enforce legal, statutory, and regulatory requirements intended to ensure the safety of the motoring public through the proper and timely notification and remedy of defective or noncompliant motor vehicles and motor vehicle equipment.

Revisions to our previous estimates for this collection are due, first, to a change in the number of safety recalls and volume of products in those recalls. Second, revisions are due to address comments on the burden estimate and issues raised in, and in response to, a 60-day notice published on October 26, 2023 (88 FR 73636), regarding the aforementioned supplemental recall notifications requirement in NHTSA's ACRO.

A. JUSTIFICATION

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.

This collection covers those requirements found within various provisions of the Motor Vehicle Safety Act of 1966 (Act), 49 U.S.C. § 30101, *et seq.*, and implementing regulations found within 49 CFR Parts 573 and 577, that require motor vehicle and motor vehicle equipment manufacturers to notify NHTSA and owners, purchasers, dealers, and distributors, of safety-related defects and failures to comply with Federal Motor Vehicle Safety Standards (FMVSS) in products they manufactured. It also covers additional reporting, notification, and recordkeeping requirements related to those notifications and the ensuing free remedy programs, including the requirement(s):

- that certain manufacturers provide recall information by VIN on their websites and supply the same information to NHTSA's web site;
- that a plan be filed explaining how the manufacturer intends to reimburse owners or purchasers who paid to remedy the defective or noncompliant product prior to its recall, and that this plan be explained in the notifications issued to owners and purchasers;
- that the manufacturer provide to NHTSA copies of communications pertaining to the recall campaign that they may issue to owners, purchasers, dealers, or distributors;
- that the manufacturer maintain a list of the owners, purchasers, dealers, and distributors it notified;
- that the manufacturer provide NHTSA with at least eight quarterly reports detailing the progress of the recall campaign;
- related to, in tire recall campaigns, the proper disposal of recalled tires, including requirements that the manufacturer submit a plan and provide certain information and instructions to certain persons (such as its dealers or retail outlets) addressing disposal, and a requirement that those persons report back deviations from that plan; and
- that any person who sells or leases a defective or noncompliant tire, knowing that the manufacturer has decided that tire is defective or noncompliant, report that sale or lease to NHTSA.

The statutory sections imposing these requirements include 49 U.S.C. §§ 30118, 30119, 30120, and 30166. The regulatory sections implementing these statutory sections are found within 49 CFR Parts 573 and 577. Copies of these statutory and regulatory sections are attached.

In addition, this collection covers a requirement in a NHTSA Coordinated Remedy Order, as amended on December 9, 2016, addressing the Takata recalls and requiring affected vehicle manufacturers to conduct supplemental owner notification efforts in coordination with NHTSA and the Independent Monitor of Takata.

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.

This information is necessary to enable NHTSA to administer, monitor, and enforce the legal, statutory, and regulatory requirements identified above in response to statement no.1. These requirements are intended to ensure the safety of the motoring public through the proper and timely notification and remedy of defective or noncompliant motor vehicles and motor vehicle equipment.

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.

This information collection requires manufacturers of motor vehicles and motor vehicle equipment to submit certain recalls-related information electronically via the Internet using NHTSA's Online Recalls Portal. The information collections required for the purposes of safety recall reporting (identified in response to statement no. 1) are submitted to NHTSA electronically, through any standard web browser.

We seek to maximize the use of technology to lessen the agency's costs, reduce errors in data entry, reduce mailing costs to manufacturers in providing printed materials, and improve the public recall notification process. We believe technology has reached the point where manufacturers all have access to the Internet and are performing many, if not most, business communications and tasks using it. A web-based submission through our Online Recalls Portal is faster and provides better delivery of recall information to the public encouraging quicker remediation of defective products and freeing up resources that are better allocated to managing and analyzing recall information as part of recall oversight.

We also require motor vehicle manufacturers that manufacture 25,000 or more light vehicles annually, or 5,000 or more motorcycles annually, to provide a VIN-based safety recalls search mechanism available to the public on the Internet. A link to the manufacturer's safety recalls look-up function must be conspicuously placed on the main page of the manufacturer's United States' main web page. The function must meet the requirements of 49 CFR 573.15 as well as minimum performance requirements.

In addition, this collection covers a requirement in NHTSA's Coordinated Remedy Order, as amended on December 9, 2016, addressing the Takata recalls and requiring affected vehicle manufacturers to conduct supplemental owner notification efforts in coordination with NHTSA and the Independent Monitor of Takata. Specifically, this involves providing at least one form of consumer outreach per month for vehicles in a launched recall campaign (i.e., a recall where parts are available) until the vehicle is remedied (unless otherwise accounted for as scrapped, stolen, exported, or otherwise unreachable under certain procedures in the ACRO), and the Monitor recommended that manufacturers utilize at least three non-traditional means of communication (postcards; email; telephone calls; text message; social media) as part of their overall outreach strategy. The bases for the Monitor's recommendation includes information gleaned from a NHTSA "Retooling Recalls Workshop" (April 28, 2015) (recognizing efficacy of various methods of owner engagement, and citing customer recognition of GM's "persistence" through multiple postcards and letters "seal[ing] the deal" for customer to

seek timely recall remedy), and findings from an Auto Alliance & NADA survey (November 2015) (observing dealers “[t]ry multiple attempts and methods [phone, email, mail] to contact customer” when trying to increase recall repair rates).

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.

The information to be collected, reported, and maintained under the various requirements included in this collection is unique to the circumstances surrounding the particular safety defect, noncompliance, remedy plan, and manufacturer involved. Therefore, there is no risk of duplication.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

Small businesses are not exempt from the statutory and implementing regulatory requirements described herein. This information collection, therefore, can impact small businesses. However, the information that is required has been set at the minimum necessary to meet the statutory requirements. For example, manufacturers that manufacture less than 25,000 light vehicles or less than 5,000 motorcycles are exempt from the requirement to provide a VIN-based safety recalls search mechanism available to the public on the Internet.

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.

Without the information required to be collected, reported, and maintained under this collection NHTSA will not be able to effectively enforce applicable Federal statutes, regulations promulgated thereunder, and the Takata Coordinated Remedy Order.

In addition, without the information required to be collected, reported, and maintained under this collection, vehicle owners will also not have access to that information through the VIN Look-up Tool.

There are no technical or legal obstacles to reducing the burden.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.6.

This regulation is fully consistent with all the guidelines set forth in 5 CFR 1320.6.

8. Provide a copy of the Federal Register document 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 these 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.

To address the scope and complexity of the Takata recalls, NHTSA issued the ACRO, which requires affected vehicle manufacturers to conduct supplemental owner

notification efforts in coordination with NHTSA and the Independent Monitor of Takata. On December 23, 2016, the Monitor, in consultation with NHTSA, issued Coordinated Communications Recommendations for vehicle owner outreach (“CCRs”), which includes a recommendation that vehicle manufacturers provide at least one form of consumer outreach per month for vehicles in a launched recall campaign (*i.e.*, a recall where parts are available) until the vehicle is remedied (unless otherwise accounted for as scrapped, stolen, exported, or otherwise unreachable under certain procedures in the ACRO). *See* CCRs ¶ 1(b); ACRO ¶¶ 45–46. The Monitor also recommended that manufacturers utilize at least three non-traditional means of communication (*e.g.*, postcards; email; telephone calls; text message; social media) as part of their overall outreach strategy. *See* CCRs ¶ 1(a). And the Monitor recommended including certain content in these communications, including certain safety-risk information. *See id.* ¶ 2. If a vehicle manufacturer does not wish to follow the Monitor’s recommendations, the ACRO permits the manufacturer to propose an alternative communication strategy to NHTSA and the Monitor. ACRO ¶ 42.

Consistent with the terms of clearance, in its 60-day notice NHTSA provided estimates of the costs and burdens associated with supplemental recall communications associated with the Takata recalls under the Coordinated Remedy Program, and sought further comment on its estimates of those costs and burdens. As outlined below, NHTSA is revising its estimates, and discusses the efficacy of those supplemental communications, including with regard to the frequency of those communications.

There were no comments submitted in response to the 60-day notice of this information collection.

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.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

No assurance of confidentiality was provided to respondents. An existing NHTSA regulation, 49 CFR Part 512, Confidential Business Information, provides an opportunity for respondents to request protection of confidential business information. Should a respondent request confidential treatment of business information, NHTSA will conduct an analysis of that respondent’s request and grant or deny that request as appropriate.

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.

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

12. Provide estimates of the hour burden of the collection of information.

The existing information collection associated with 49 CFR Part 573 and portions of 49 CFR Part 577 currently has an estimated annual burden of 63,606 hours associated with an estimated 274 respondents per year.¹ Our prior estimates of the burden hours and cost

1 *See* 82 FR 60789 (December 22, 2017).

associated with the requirements currently covered by this information collection require adjustment as follows.

Submitting Part 573 Recall Reports (Major 17 passenger MFRs)
Submitting Part 573 Recall Reports (All other MFRs)

Activity	B No. of Manufacturers	C No. of Responses per MFR per Year (C = D ÷ B)	D Annual No. of Responses	E Per Activity Labor Hours	F Total Labor Hours per Year (F = D x E)
Submitting Part 573 Recall Reports (Major 17 MFRs)	17	20.9	355	40	14,200
Submitting Part 573 Recall Reports (All other MFRs)	223	2.8	621	4	2,484
Total No. Responde nts for ICR:	240	Total No. Responses for ICR:	976	Total Time Burden for ICR:	16,684

Table 1

Based on current information, we estimate 240 distinct manufacturers filing an average of 976 Part 573 Safety Recall Reports each year. This is a change from our previous estimate of 988 Part 573 Safety Recall Reports filed by 249 manufacturers each year. With reference to the metric associated with NHTSA's Vehicle Identification Number (VIN) Look-up Tool regulation, see 49 CFR 573.15, we continue to estimate it takes the 17 major passenger vehicle manufacturers (those that produce more than 25,000 vehicles annually) 40 burden hours to complete these Reports to NHTSA (See 82 FR 60789, December 22, 2017). Between 2017 and 2021, the major passenger vehicle manufacturers conducted an average of 355 recalls annually. We also estimate it takes all other manufacturers 4 hours. In total, we estimate the annual burden hours related to the reporting to NHTSA of a safety defect or noncompliance for the 17 major passenger vehicle-manufacturers to be 14,200 hours annually (355 notices × 40 hours/ report), and that all other manufacturers require a total of 2,484 hours annually (621 notices × 4 hours/report) to file their notices. Thus, the estimated annual burden hours related to the

reporting to NHTSA of a safety defect or noncompliance is 16,684 hours (14,200 hours + 2,484 hours)

Maintaining purchaser lists

Activity	B No. of Manufacturers	C No. of Reports per MFR per Year	D Annual No. of Reports (D= B x C)	E Per Report Labor Hours	F Total Labor Hours per Year (F = D x E)
Maintaining Purchaser Lists	240	1	240	8	1,920
Total No. Respondents for ICR:	240	Total No. Responses for ICR:	240	Total Time Burden for ICR:	1,920

Table 2

We continue to estimate that maintenance of the required owner, purchaser, dealer, and distributors lists requires 8 hours a year per manufacturer. + (240 MFRs × 8 hours to maintain purchaser lists) ²

² For more information about how we derived these and certain other estimates, please see 81 FR 70269 (October 11, 2016).

Describing dealer schedule in Part 573 Recall Report (Major 17 passenger MFRs)
Describing dealer schedule in Part 573 Recall Report (All other MFRs)

Activity	B No. of Manufacturers	C No. of Reports per MFR per Year (C= D ÷ B)	D Annual No. of Reports	E Per Report Labor Hours	F Total Labor Hours per Year (F = D x E)
Describing dealer schedule in Part 573 Recall Report (Major 17 MFRs)	17	20.9	355	40	14,200
Describing dealer schedule in Part 573 Recall Report (All Other MFRs)	223	2.8	621	2	1,242
Total No. Respondents for ICR:	240	Total No. Responses for ICR:	976	Total Time Burden for ICR:	15,442

Table 3

We continue to estimate that an additional 40 hours for each of their 355 estimated recalls per year will be needed to account for major passenger vehicle manufacturers adding details to Part 573 Safety Recall Reports relating to the intended schedule for notifying its dealers and distributors and tailoring its notifications to dealers and distributors in accordance with the requirements of 49 CFR 577.13. An additional 2 hours will be needed to account for this obligation in other manufacturers' Safety Recall Reports. This burden is estimated at 15,442 hours annually (355 notices × 40 hours/ notification) + (621 notices × 2 hours/ notification).

Independent Distributors to notify distribution chain of safety recalls

Activity	B No. of Distributors	C No. of Reports per MFR per Year ($C = D \div B$)	D Annual No. of Reports	E Per Report Labor Hours	F Total Labor Hours per Year ($F = D \times E$)
Independent Distributors to notify distribution chain of safety recalls	3	86	258	5	1,290
Total No. Respondents for ICR:	3	Total No. Responses for ICR:	258	Total Time Burden for ICR:	1,290

Table 4

In the event a manufacturer supplied the defective or noncompliant product to independent dealers through independent distributors, that manufacturer is required to include in its notifications to those distributors an instruction that the distributors are then to provide copies of the manufacturer's notification of the defect or noncompliance to all known distributors or retail outlets further down the distribution chain within five working days. See 49 CFR 577.7(c)(2)(iv). As a practical matter, this requirement would only apply to equipment manufacturers, since vehicle manufacturers generally sell and lease vehicles through a dealer network, and not through independent distributors. We have estimated the burden associated with these notifications (identifying retail outlets, making copies of the manufacturer's notice, and mailing) to be 5 hours per recall campaign. Assuming an average of 3 distributors per equipment item, which is a liberal estimate given that many equipment manufacturers do not use independent distributors, the total number of burden hours associated with this third-party notification requirement is approximately 1,290 hours per year (86 recalls $\times$ 3 distributors $\times$ 5 hours).

Reimbursement plan tailoring letters to specific recalls (Major 17 passenger MFRs)
Reimbursement plan tailoring letters to specific recalls (All other MFRs)
Reimbursement plan to disseminate among company staff

Activity	B No. of Manufacturers	C No. of Plans per MFR per Year (C = D ÷ B)	D Annual No. of Tasks	E Per Report Labor Hours	F Total Labor Hours per Year (F = D x E)
Reimbursement plan preparation	240	1	240	4	960
Reimbursement plan tailoring letters to specific recalls (Major 17 passenger MFRs)	17	20.9	355	1.5	532.5
Reimbursement plan tailoring letters to specific recalls (All other MFRs)	223	2.8	621	0.5	310.5
Reimbursement plan to disseminate among company staff	240	1	240	12	2,880
Total No. Respondents for ICR:	17/223/240	Total No. Responses for ICR:	1,456	Total Time Burden for ICR:	4,683

Table 5

As for the burden linked with a manufacturer's preparation of and notification concerning its reimbursement for pre-notification remedies, we continue to estimate that the preparation of a reimbursement plan takes approximately 4 hours annually. We also continue to estimate that an additional 1.5 hours per year is spent by the 17 major passenger vehicle manufacturers adapting the plan to particular defect and noncompliance notifications to NHTSA and adding tailored language about the plan to a particular safety recall's owner notification letters, whereas an additional .5 hours per year is spent on this task by all other manufacturers. And we continue to estimate that an additional 12 hours annually is spent disseminating plan information, for a total of 4,683 annual burden hours ((240 MFRs × 4 hours to prepare plan) + (355 recalls × 1.5 hours tailoring plan for each recall) + (621 recalls × .5 hours) + (240 MFRs × 12 hours to disseminate plan information)).

Reporting defective or noncompliant tire intentionally sold or leased

Activity	B No. of Manufacturers	C No. of Plans per MFR per Year	D Annual No. of Tasks (D= B x C)	E Per Report Labor Hours	F Total Labor Hours per Year (F = D x E)
Reporting defective or noncompliant tire intentionally sold or leased	1	1	1	1	1
Total No. Respondents for ICR:	1	Total No. Responses for ICR:	1	Total Time Burden for ICR:	1

Table 6

The Safety Act and 49 CFR part 573 also contain numerous information collection requirements specific to tire recall and remedy campaigns, as well as a statutory and regulatory reporting requirement that anyone who knowingly and intentionally sells or leases a defective or noncompliant tire notify NHTSA of that activity.

The agency continues to estimate 1 burden hour annually will be spent preparing and submitting reports of a defective or noncompliant tire being intentionally sold or leased under 49 U.S.C. 30166(n) and its implementing regulation at 49 CFR 573.10.

Tire disposal information

Activity	B No. of Manufacturer s	C No. of Recalls per MFR per Year	D Annual No. of Tasks (D= B x C)	E Per Report Labor Hours	F Total Labor Hours per Year (F = D x E)
Tire disposal information	11	1	11	2	22
Total No. Respondents for ICR:	NA	Total No. Responses for ICR:	11	Total Time Burden for ICR:	22

Table 7

Manufacturers are required to include specific information related to tire disposal in the notifications they provide NHTSA concerning identification of a safety defect or noncompliance with FMVSS in their tires, as well as in the notifications they issue to their dealers or other tire outlets participating in the recall campaign. See 49 CFR

573.6(c)(9). We believe our previous estimate of 12 tire recalls per year needs to be adjusted to 11 tire recalls per year to better reflect recent data. We continue to estimate that the inclusion of this additional information will require an additional two hours of effort beyond the subtotal above associated with non-tire recall campaigns. This additional effort consists of one hour for the NHTSA notification and one hour for the dealer notification for a total of 22 burden hours (11 tire recalls a year $\times$ 2 hours per recall).

Manufacturer-owned or controlled dealers are required to notify the manufacturer and provide certain information should they deviate from the manufacturer's disposal plan. Consistent with our previous analysis, we continue to ascribe zero burden hours to this requirement since to date no such reports have been provided, and our original expectation that dealers would comply with manufacturers' plans has proven accurate.

Accordingly, we estimate 22 burden hours a year will be spent complying with the tire recall campaign requirements found in 49 CFR 573.6(c)(9).

Recurring burden for 9 MFRs to operate VIN Look-up Tool

Activity	B No. of Manufacturers	C No. of Activities per MFR per Year	D Annual No. of Tasks (D= B $\times$ C)	E Per Activities Labor Hours	F Total Labor Hours per Year (F = D $\times$ E)
Recurring burden for 9 MFRs to operate VIN Look-up Tool	9	2	18	100	1,800
Total No. Respondents for ICR:	9	Total No. Responses for ICR:	18	Total Time Burden for ICR:	1,800

Table 8

We continue to expect that nine vehicle manufacturers, who did not operate VIN-based recalls lookup systems prior to August 2013, incur certain recurring burdens on an annual basis. We continue to estimate that 100 burden hours will be spent on system and database administrator support. These 100 burden hours include: Backup data management and monitoring; database management, updates, and log management; and data transfer, archiving, quality assurance, and cleanup procedures. We continue to estimate another 100 burden hours will be incurred on web/application developer support. These burdens include: Operating system and security patch management; application/web server management; and application server system and log files

management. We continue to estimate these burdens will total 1,800 hours each year (9 MFRs × 200 hours). We also continue to estimate the recurring costs of these burden hours will be \$30,000 per manufacturer.³ Furthermore, we continue to estimate that the total cost to the industry from these recurring expenses will total \$270,000, on an annual basis (9 MFRs × \$30,000).

Maintenance of 15-year repair status for recalled vehicles

Maintenance and updating of online recalls portal account contact information

Activity	B No. of Manufacturers	C No. of Reports per MFR per Year (C = D ÷ B)	D Annual No. of Reports	E Per Activity Labor Hours	F Total Labor Hours per Year (F = D x E)
Maintenance of 15-year repair status for recalled motorcycles	8	104	832	1	832
Maintenance of 15-year repair status for recalled vehicles	19	416	7,904	1	7,904
Maintenance and updating of online recalls portal account contact information	240	1	240	2	480
Total No. Respondents for ICR:	8/19/240	Total No. Responses for ICR:	9,216	Total Time Burden for ICR:	9,216

Changes to 49 CFR part 573 in 2013 required 27 manufacturers to update each recalled vehicle's repair status no less than every 7 days, for 15 years from the date the VIN is known to be included in the recall. This ongoing requirement to update the status of a VIN for 15 years continues to add a recurring burden on top of the one-time burden to implement and operate these online search tools. We continue to estimate that 8 affected motorcycle manufacturers will make recalled VINs available for an average of 2 recalls each year and 19 affected passenger vehicle manufacturers will make recalled VINs available for an average of 8 recalls each year. We believe it will take no more than 1

³ \$8,000 (for data center hosting for the physical server) + \$12,000 (for web/application developer support) = \$30,000.

hour, and potentially less with automated systems, to update the VIN status of vehicles that have been remedied under the manufacturer's remedy program. We continue to estimate this will require 8,736 burden hours per year $((1 \text{ hour} \times 2 \text{ recalls} \times 52 \text{ weeks} \times 8 \text{ MFRs}) + (1 \text{ hour} \times 8 \text{ recalls} \times 52 \text{ weeks} \times 19 \text{ MFRs}))$ to support the requirement to update the recalls completion status of each VIN in a recall at least weekly for 15 years. Additionally, we estimate that every manufacturer will require 2 hours per year to maintain and update NHTSA's online recalls portal account contact information, for a total of 480 labor hours (240 MFRs x 2 hours).

Quarterly-report submission (Major 17 passenger MFRs)
Quarterly-report information gathering

Activity	B No. of Manufacturers	C No. of Reports per MFR per Year (C = D ÷ B)	D Annual No. of Reports	E Per Report Labor Hours	F Total Labor Hours per Year (F = D x E)
Quarterly-report submission (Major 17 passenger MFRs)	17	1	17	10	170
Quarterly-report information gathering	240	24.5	5,875	1	5,875
Total No. Respondents for ICR:	240	Total No. Responses for ICR:	5,892	Total Time Burden for ICR:	6,045

Table 10

Due to a congressionally mandated increase in the required number of quarterly reports for each recall, the number of quarterly reports that track the completion of safety recalls has also increased. Our previous estimate of 4,498 quarterly reports received annually is now revised upwards to 5,875 quarter reports received annually. We continue to estimate it takes manufacturers 1 hour to gather the pertinent information for each quarterly report, and 10 additional annual hours per manufacturer for the 17 major passenger vehicle manufacturers to submit electronic reports. We therefore now estimate that the quarterly reporting burden pursuant to 49 U.S.C.A. § 30118 totals 6,045 hours $((5,875 \text{ quarterly reports} \times 1 \text{ hour/report}) + (17 \text{ MFRs} \times 10 \text{ hours for electronic submission}))$.

Updating Part 573 Reports with amendments

Activity	B	C	D	E	F
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	No. of Manufacturer s	No. of Activities per MFR per Year (C = D ÷ B)	Annual No. of Tasks	Per Activity Labor Hours	Total Labor Hours per Year (F = D x E)
Updating Part 573 Reports with amendments	240	0.8	195	2	390
Total No. Respondents for ICR:	240	Total No. Responses for ICR:	195	Total Time Burden for ICR:	390

Table 11

We continue to estimate that 20 percent of Part 573 reports will involve a change or addition regarding recall components, and that at two hours per amended report, this totals 390 burden hours per year (240 recalls × .8 = 195 recalls; 195 × 2 = 390 hours).

Submission of Annual Completion Rate Reports

Activity	B No. of Manufacturers	C No. of Activities per MFR per Year	D Annual No. of Tasks	E Per Activity Labor Hours	F Total Labor Hours per Year (F = D x E)
Submission of Annual Completion Rate Reports	12	26.3	316	2	632
Total No. Respondents for ICR:	NA	Total No. Responses for ICR:	316	Total Time Burden for ICR:	632

Table 12

Additionally, per the Bipartisan Infrastructure Law (Public Law 117-58, Title IV, Subtitle B, Section 24202), manufacturers are now required to submit three (3) annual recall completion rate reports. NHTSA estimates that it will receive an average of 316 reports yearly from manufacturers. We estimate it takes manufacturers 2 hours to complete annual reports, including 1.5 hours to gather pertinent information for each report, and .5 hours for the 17 major passenger vehicle manufacturers to submit the electronic reports. We therefore estimate that the annual reporting burden pursuant to 49 USC 30118 totals 632 hours ((316 annual reports x 1.5 hours) + (17 MFRs x .5 hours for electronic submission)).

Bankruptcy notification

Activity	B No. of Manufacturers	C No. of Activities per MFR per Year	D Annual No. of Tasks (D= B x C)	E Per Activity Labor Hours	G Total Labor Hours per Year (G = D x E)
Bankruptcy Notification	10	1	10	2	20
Total No. Respondents for ICR:	10	Total No. Responses for ICR:	10	Total Time Burden for ICR:	20

Table 13

As to the requirement that manufacturers notify NHTSA in the event of a bankruptcy, we expect this notification to take an estimated 2 hours to draft and submit to NHTSA. We continue to estimate that only 10 manufacturers might submit such a notice to NHTSA each year, so we calculate the total burden at 20 hours (10 MFRs × 2 hours).

Prepare and finalize Part 577 owner notification letters (Major 17 passenger MFRs)
Prepare and finalize Part 577 owner notification letters (All other MFRs)

Activity	B No. of Manufacturers	C No. of Reports per MFR per Year (C = D ÷ B)	D Annual No. of Reports	E Per Report Labor Hours	G Total Labor Hours per Year (G = D x E)
Prepare and finalize Part 577 owner notification letters (Major 17 passenger MFRs)	17	20.8	355	11	3,905
Prepare and finalize Part 577 owner notification letters (All other MFRs)	223	2.8	621	8	4,968
Total No. Respondents for ICR:	240	Total No. Responses for ICR:	976	Total Time Burden for ICR:	8,873

Table 14

We continue to estimate that it takes the 17 major passenger vehicle manufacturers an average of 11 hours to draft their notification letters, submit them to NHTSA for review, and then finalize them for mailing to their affected owners and purchasers. We also continue to estimate it takes 8 hours for all other manufacturers to perform this task. Accordingly, we estimate that the 49 CFR part 577 requirements result in 8,873 burden hours annually (11 hours per recall × 355 recalls per year) + (8 hours per recall × 621 recalls per year).

Prepare Part 577 owner notification letters (interim letters)

Annual Time Burden (Section 12 of SS)						
Activity	B No. of Manufacturers	C No. of Activities per MFR per Year	D Annual No. of Tasks (D = B x C)	E Per Activity Labor Hours	F Number of Total Activities per Year	G Total Labor Hours per Year (G = D x E)
Prepare Part 577 owner notification letters (interim letters)	NA	NA	3% of all recalls (976 x 0.3 = 34 recalls)	10	34	340
Total No. Respondents for ICR:	NA	Total No. Responses for ICR:	34	Total Time Burden for ICR:		340

Table 15

We previously calculated that about 12 percent of past recalls require an interim notification mailing, but recent trends show that 3 percent of recalls require an interim owner notification mailing. We continue to estimate the preparation of an interim notification can take up to 10 hours. We therefore estimate that 340 burden hours are associated with the 60-day interim notification requirement (976 recalls × .03 = 34 recalls; 34 recalls x 10 hours per recall = 340 hours).

Activity	B No. of Manufacturers	C No. of Reports per MFR per Year (C = D ÷ B)	D Annual No. of Reports	E Per Report Labor Hours	F Total Labor Hours per Year (F = D x E)
MFR Communication Index (Major 17 passenger MFRs)	17	20.9	355	3	1,065
MFR Communication Index (All other MFRs)	223	2.8	621	0.5	310.5
Total No. Respondents for ICR:	240	Total No. Responses for ICR:	976	Total Time Burden for ICR:	1,375.5

Table 16

49 U.S.C. 30166(f) requires manufacturers to provide to the Agency copies of all communications regarding defects and noncompliances sent to owners, purchasers, and dealerships. Manufacturers must index these communications by the year, make, and model of the vehicle as well as provide a concise summary of the subject of the communication. We continue to estimate this burden requires 3 hours for each vehicle recall for the 17 major passenger vehicle manufacturers, and 30 minutes for all other manufacturers for each vehicle recall. This totals an estimated 1,376 hours annually ($355 \text{ recalls} \times 3 \text{ hours for the 17 major passenger vehicle manufacturers} + (621 \text{ recalls} \times .5 \text{ hours for all other manufacturers})$).

Table of Estimated Annual Burden Hours and Costs		
Burden Summary	Estimate d Burden Hours	Estimate d Cost Burden
Submitting Part 573 Recall Reports (Major 17 passenger MFRs)	14,200	
Submitting Part 573 Recall Reports (All other MFRs)	2,484	
Maintaining purchaser lists	1,920	
Describing dealer schedule in Part 573 Recall Report (Major 17 passenger MFRs)	14,200	
Describing dealer schedule in Part 573 Recall Report (All other MFRs)	1,242	
Independent Distributors to notify distribution chain of safety recalls	1,290	
Reimbursement plan preparation	960	
Reimbursement plan tailoring letters to specific recalls (Major 17 passenger MFRs)	532.5	
Reimbursement plan tailoring letters to specific recalls (All other MFRs)	310.5	
Reimbursement plan to disseminate among company staff	2,880	
Reporting defective or noncompliant tire intentionally sold or leased	1	
Tire disposal information	22	
Recurring burden for 9 MFRs to operate VIN Look-up Tool	1,800	\$270,000
Maintenance of 15-year repair status for recalled motorcycles	832	
Maintenance of 15-year repair status for recalled vehicles	7,904	
Maintenance and updating of online recalls portal account contact information	480	
Quarterly-report submission (Major 17 passenger MFRs)	170	
Quarterly-report information gathering	5,875	
Updating Part 573 Reports with amendments	390	
Submission of Annual Completion Rate Reports	632	
Bankruptcy notification	20	
Prepare and finalize Part 577 owner notification letters (Major 17 passenger MFRs)	3,905	\$78,642,000
Prepare and finalize Part 577 owner notification letters (All other MFRs)	4,968	
Prepare Part 577 owner notification letters (interim letters)	340	\$2,359,260
MFR Communication Index (Major 17 passenger MFRs)	1,065	
MFR Communication Index (All other MFRs)	310.5	
Total Annualized Labor Hours and Cost for Part 573 and Part 577 requirements	68,733.50	\$81,271,260
Total Annualized Cost Estimate		\$85,624,152

Table 17

13. Provide estimates of the total annual cost to the respondents or record keepers resulting from the collection of information.

Recurring Costs for 9 MFRs to operate VIN Look-up Tool

We continue to estimate another 100 burden hours will be incurred on web/application developer support. These burdens include: Operating system and security patch management; application/web server management; and application server system and log files management. We continue to estimate these burdens will total 1,800 hours each year (9 MFRs × 200 hours). We also continue to estimate the recurring costs of these burden hours will be \$30,000 per manufacturer.⁴ Furthermore, we continue to estimate that the total cost to the industry from these recurring expenses will total \$270,000, on an annual basis (9 MFRs × \$30,000).

Costs for Preparation and finalization of Part 577 owner notification letters (Major 17 passenger MFRs)

Costs for Preparation and finalization of Part 577 owner notification letters (All other MFRs)

Costs for Preparation of Part 577 owner notification letters (interim letters)

As for costs associated with notifying owners and purchasers of recalls, to reflect an increase in postage rates, we are revising our estimate of the cost of first-class mail notification to \$1.53 per notification, on average. This cost estimate includes the costs of printing and mailing, as well as the costs vehicle manufacturers may pay to third-party vendors to acquire the names and addresses of the current registered owners from state and territory departments of motor vehicles. In reviewing recent recall figures, we determined that an estimated 51.4 million letters are mailed yearly totaling \$78,642,000 (\$1.53 per letter × 51,400,000 letters). The requirement in 49 CFR part 577 for a manufacturer to notify their affected customers within 60 days would add an additional \$2,359,260 (51,400,000 letters × .03 requiring interim owner notifications = 1,542,000 letters; 1,542,000 × \$1.53 = \$2,359,260). In total, we estimate that the current 49 CFR part 577 requirements cost manufacturers a total of \$81,001,260 annually (\$78,642,000 for owner notification letters + \$2,359,260 for interim notification letters = \$81,001,260).

Utilizing these variables, we now estimate an initial annualized cost, other than labor in addition to IT costs (\$270,000), over the next three years of \$81,271,260 per year.

Because of the forgoing burden estimates, we are revising the burden estimate associated with this collection. The 49 CFR Part 573 and 49 CFR Part 577 requirements found in today's notice will require 68,735 hours each year. NHTSA estimates the labor cost for compiling and submitting the required information under 49 CFR Parts 573 and 577 to be \$44.71 per hour using the Bureau of Labor's mean hourly wage estimate for technical writers in the motor vehicle manufacturing industry (Standard Occupational Classification # 27-3042).⁵ NHTSA thus estimates that it will cost vehicle manufacturers

⁴ \$8,000 (for data center hosting for the physical server) + \$12,000 (for web/application developer support) = \$30,000.

⁵ National Industry-Specific Occupational Employment and Wage Estimates NAICS 336100—Motor

\$3,073,141.85 in wage costs to comply with the Part 573 and 577 requirements. The Bureau of Labor Statistics estimates that for private industry workers, wages represent 70.6% of total compensation.⁶ Therefore, the total labor cost associated with the hourly burden is estimated to be \$4,352,892. Accordingly, manufacturers impacted by 49 CFR Part 573 and 49 CFR Part 577 requirements will incur a recurring annual cost estimated at \$85,624,152 total.

14. Provide estimates of the annualized costs to the Federal government.

The Agency estimates an annualized cost of \$638,995 to the federal government, based on salaries of staff to manage the program. This figure represents the average salary for a GS-12 FTE in the DC region (\$47.32 per hour), with 12 staff working an average of 1,125 hours per year.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.

Adjustments to the estimates detailed in Items 13 and 14 are due, first, to a change in the number of safety recalls and number of distinct manufacturers filing recalls. We previously estimated that NHTSA administers an average of 963 recalls each year, with 274 distinct manufacturers filing. However, NHTSA now administers an average of 976 recalls each year (using updated figures from 2019, 2020, and 2021), with 240 distinct manufacturers. Second, adjustments are also due to a change in the average number of tire recalls a year, from 12 now to 11. Third, adjustments are due to incorporating labor-related costs using data from the BLS.

And fourth, adjustments to the estimates detailed in Items 13 and 14 are due to additional congressionally mandated annual and quarterly completion reports.

16. For collections of information whose results are planned to be published for statistical use, etc.

Not applicable.

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 not sought to not display the expiration date for OMB approval.

18. Explain each exception to the certification statement identified in Item 19, “Certification for Paperwork Reduction Act Submissions,” of OMB Form 83-I.

No exceptions to the certification statement are made.

Vehicle Manufacturing – May 2022, https://www.bls.gov/oes/current/naics4_336100.htm, last accessed February 7, 2024; US Office of Management and Budget. *Standard Occupation Classification Manual*, 2018.

⁶ Employer Costs for Employee Compensation–December 2023, <https://www.bls.gov/news.release/eccec.nr0.htm>, last accessed February 7, 2024.