

SUPPORTING STATEMENT

A. JUSTIFICATION

1. Title 49, United States Code, Section 13712, allows the carrier industry to provide free or reduced rates to the Government for movement of personal property. Department of Defense Directive 4500.34-R requires Military Surface Deployment and Distribution Command to analyze and determine the reasonableness of rates for transportation and related services which are submitted voluntarily by bid.
2. The SDDC Form 43-R is used by intrastate household goods carriers to file rates semi-annually, 1 May – 31 October, and 1 November – 30 April. These rates are compared with other SDDC Form 43-Rs for each CONUS personal property shipping office to determine which carrier has the lowest rate for moving personal property. If the Department of Defense did not accept voluntary submissions from the carriers, this would result in the Government paying higher costs for services to move Department of Defense intrastate shipments.
3. The electronic technology enhancement for SDDC Form 43-R was fully implemented upon renewal of the form over three years ago. The enhanced form is currently available through the SDDC website and has been praised by the Transportation Service Providers as most efficient in filing rates. It has saved the government and the carrier industry tremendous amount in time and money in e-mailing the rate tenders instead of mailing them.
4. There are no duplication of efforts. SDDC Form 43-R is submitted only to Military Surface Deployment and Distribution Command.
5. Collection of this information does not have a significant impact on small businesses.
6. The method SDDC uses to procure rates for domestic personal property shipments is the voluntary submission by carriers during two intrastate filing cycles each year, 1 May to 31 October and 1 November to 30 April. Historically, carriers file higher rates in the winter cycle. By accepting rates in two cycles, the Government experiences lower costs during the summer months for the same services. If rates were filed less frequently, shipments would move at higher costs.
7. There are no special circumstances. The collection of information will be conducted in a manner consistent with the guidelines in 5 CFR 1320.5(d)(2).
8. The 60-day Federal Register notice was published on October 29, 2007 (72 FR 61118). No comments were received.

Consultation with potential respondents resulted in the following:

Kirkland, WA

Western Data Corporation
13715 116th Place NE
Kirkland, Washington 98034

Mr. Leo Pakkala (425) 216-1227
December 2007
No difficulties

No other contacts were made.

9. No payments or gifts will be made to respondents, other than remuneration to contractors.

10. No assurance of confidentiality is provided to respondents.

11. Sensitive questions are not asked.

12. Estimates of the hour burden of the collection of information. Estimates were based on an average filing cycle. Actual number of tender submissions vary from cycle to cycle.

Intrastate rate tenders (responses) are manual submissions.

813 Intrastate household goods carriers (respondents) submit responses semi-annually.

Each Intrastate household goods carrier (respondent) can submit up to 4 rate tenders (responses) per installation

1,124 rate tenders (responses) are submitted each six-month cycle (2,248 tenders annually)

The estimated preparation time for an average tender (response) is 30 minutes.

Estimated preparation cost is \$25 per rate tender (response) plus 15 per cent overhead.

$2,248 \text{ rate tenders} = 1,124 \text{ burden hours} @ \$25 = \$28,100 + 15\% = \$32,315$

13. There are no capital or start-up costs associated with this information collection.

14. Estimated annualized Cost for the Government

Intrastate rate tenders are manual submissions

813 Intrastate household goods carriers submit rate tenders

Each carrier can submit up to 4 tenders per installation

Rate tenders are submitted semi-annually

1,124 rate tenders are submitted each six-month cycle (2,248 tenders annually)

Estimated time required by technician to process a rate tender is 10 minutes

10 minutes @ GS-12 (\$36.44 per hour) = \$6.07 per 10 minutes

\$6.07 per form @ 2,248 submissions plus 20 per cent overhead = \$16,374.32

15. Burden change due to a decrease in the number of respondents.

16. Results will not be published for statistical purposes.

17. Approval not to display the expiration date is not being sought.

18. No exceptions to the certification statement are being sought.

B. STATISTICAL METHODS

Statistical methods are not employed for collection of this information.