

Supporting Statement
for
Information Collection Request

Reporting and Recordkeeping Requirements for
Importation of Nonroad Engines and Recreational Vehicles

EPA ICR 1723.09

OMB Control Number: 2060-0320

Compliance Division
Office of Transportation and Air Quality
Office of Air and Radiation
U.S. Environmental Protection Agency

1. IDENTIFICATION OF THE INFORMATION COLLECTION

(a) TITLE OF THE INFORMATION COLLECTION

Reporting and Recordkeeping Requirements for Importation of Nonroad Engines and Recreational Vehicles (Renewal), OMB #2060-0320, ICR #1723.08.

(b) SHORT CHARACTERIZATION (ABSTRACT)

The Clean Air Act requires that motor vehicles and motor vehicle engines imported into the U.S. conform with applicable emission requirements. The Clean Air Act Amendments of 1990 extended these requirements to nonroad engines. This Information Collection Request (ICR) includes the importation of outboard spark ignition (SI) marine engines; personal watercraft SI marine engines; non-propulsion compression ignition (CI) engines used in marine applications; small nonroad SI engines (less than 25 horsepower), used, for example, in some lawn and garden equipment; and other nonroad CI engines such as construction equipment and farm tractors. Finally, this ICR was previously broadened to include the importation of other recently regulated categories of engines that will, like the above, all be listed on the same importation form, EPA Form 3520-21: locomotives and locomotive engines; large (greater than 50 horsepower) marine CI engines; nonroad recreational vehicles such as snowmobiles, all-terrain vehicles (ATVs), and off-highway motorcycles; and large nonroad SI engines used in such things as forklifts and compressors. This form also covers stationary compression-ignition and spark ignition engines.

The Compliance Division (CD) in the Office of Air and Radiation collects this information and requires some recordkeeping to help ensure that nonconforming engines are brought into compliance with Federal emission requirements, unless eligible for exemption or exclusion. Also, the information is used by the U.S. Customs and Border Protection (CBP), State regulatory agencies, businesses, and individuals to determine whether engines are in compliance.

Information collected includes identification of the importer, the entry date, the manufacturer, engine model and serial number, and an indication, by checking the appropriate boxes, of the regulatory category of engine and of the relevant regulatory provision under which it is being imported. The information is retained in document form. The information is used to monitor compliance of imports with the law and regulations and to respond to inquiries from the public concerning the compliance status of specific imported engines.

The reporting and recordkeeping burden covered by this ICR and the ICR for Emission Control System Performance Warranty Regulations and Voluntary Aftermarket Part Certification Program (OMB Control Number 2060-0060, EPA ICR Number 0116.11) is being consolidated into a new ICR, Importation of On-highway Vehicles and Nonroad Engines, Vehicles, and Equipment (OMB Control Number 2060-NEW, EPA ICR Number 2583.01). Once that overarching consolidation ICR is approved by OMB, this ICR will be discontinued.

2. NEED FOR AND USE OF THE COLLECTION

(a) NEED/AUTHORITY FOR THE COLLECTION

Joint EPA and US Customs and Border Protection (CBP) regulations at 40 CFR 90.601 *et seq.* and 19 CFR 12.74 promulgated under the authority under the Clean Air Act (Sections 203, 208 and 213) give authority for the collection of information. The collection of this information helps ensure the compliance of imported nonroad engines with Federal emissions requirements, which helps meet the Agency goal of reducing air pollution. Without this information, EPA and

CBP could not confirm that engines being imported conform to the emission requirements of the Act, and, consequently, would not be able to allow importation of these engines.

(b) PRACTICAL UTILITY/USERS OF THE DATA

The Compliance Division receives the information either directly from the importers or indirectly from the importers through CBP. The information is used by Agency enforcement personnel to verify that all nonroad vehicles and engines subject to Federal emission requirements have been declared upon entry or that the category of exclusion or exemption from emissions requirements has been identified in the declaration. The information is also used to identify and prosecute violators of the regulations and to monitor the program in achieving the objectives of the regulations.

3. NONDUPLICATION, CONSULTATIONS, AND OTHER COLLECTION CRITERIA

(a) NONDUPLICATION

Because the information collected is specific to identifying the appropriate regulated category and appropriate regulatory provisions for imported nonroad engines under the Clean Air Act, the information is highly specific to EPA and not likely amenable to combining with other programs or agencies. Note that the form is currently already shared between EPA and Customs.

(b) PUBLIC NOTICE

EPA solicited public comment by means of a Federal Register Notice published on July 1, 2014, 79 Federal Register 37311. The draft ICR was also placed in the docket.

(c) CONSULTATIONS

The following representatives and manufacturers of imported nonroad engines were also consulted to further define the burden that will be involved in handling Form 3520-21.

Mark Perk
General Motors, Electromotive Division
2021 Oxford St.
London, Ontario N5V2Z7
Canada
519-459-5953

Bruce Bradley and Edward Meyer
Nissan Forklift Corp., North America
240 North Prospect Street
Marengo, Illinois 60152
815-568-0061 and 815-568-4779

Ed Klim

International Snowmobile Manufacturers Association
1640 Haslett Rd., St. 170
Haslett, MI 48840
517-339-7788

(d) EFFECTS OF LESS FREQUENT COLLECTION

Since reporting is done only at the time of entry, less frequent collection would seriously undermine the Agency's ability to determine whether engines being imported meet applicable emission requirements. Consequently, the Agency would not be able to allow entry of engines being imported. Therefore, less frequent collection is not feasible. Note that one form per shipment may be used, provided attachments including all the information required to describe each engine is included. In addition CBP is moving to accepting electronic submissions of these forms which will reduce burden.

(e) GENERAL GUIDELINES

This ICR requires that in the event of nonroad CI ICI imports, the importer notify EPA when requesting final admission for vehicles (Form 3520-8); this might occasionally result in reporting more often than quarterly. This requirement is necessary for EPA to inspect vehicles prior to release from the ICI. If EPA required quarterly reports, either the ICI would have to hold engines and only release them on a quarterly basis or EPA would likely not have the opportunity to inspect engines imported by the ICI.

Additionally, EPA's regulations require that any such nonroad CI ICIs retain records for eight years from the date of final admission (40 CFR 86.607(a)). For comparison, the Clean Air Act requires that light duty vehicles meet Federal emission standards throughout their useful lives, which is defined by the Clean Air Act to be 10 years or 100,000 miles. The imports regulations further specify that the useful life period starts from the date that the vehicle is delivered to the owner by the ICI. Therefore, because of this requirement, compliance documentation must ordinarily be maintained six years from the date of entry.

(f) CONFIDENTIALITY

Any information submitted to the Agency for which a claim of confidentiality is made will be safeguarded according to policies set forth in Title 40, Chapter 1, Part 2, Subpart B - Confidentiality of Business Information (see 40 CFR 2.201 *et seq.*). The public is not permitted access to information containing personal or organizational identifiers. This collection complies with the Privacy Act of 1974 and OMB Circular A-130.

(g) SENSITIVE QUESTIONS

No sensitive questions are asked.

4. THE RESPONDENTS AND THE INFORMATION REQUESTED

(a) RESPONDENTS/NAICS CODES

Information collected is from individual importers and both small and large companies who import, or import and manufacture nonroad engines and recreational vehicles. The NAICS codes for the respondents are as follows:

Non-road compression ignition engines

333618	Manufacturers of nonroad diesel engines
333111	Manufacturers of farm machinery and equipment
333112	Manufacturers of lawn and garden tractors (home)
333924	Manufacturers of industrial trucks
333120	Manufacturers of construction machinery
333131	Manufacturers of mining machinery and equipment
333132	Manufacturers of oil and gas field machinery and equipment
811112, 811198	Commercial importers of vehicles and vehicle components
33631	Manufacturers of motor vehicle gasoline engine and engine parts
336312	Manufacturers of gasoline engine and engine parts
33639	Manufacturers of other motor vehicle parts

Small nonroad spark-ignition engines

333618	Other engine equipment manufacturing
336312	Gasoline engine and engine parts manufacturing
336999	Other transportation equipment manufacturing
336911	Motorcycle, bicycle and parts manufacturing

Marine outboard and personal watercraft engines

333618	Manufacturers of marine spark ignition engines
333112	Manufacturers of recreational marine vessels
336611	Ship building and repair
336612	Boat building
336999	Other marine outboard and personal watercraft manufacturing
441222	Motorcycle, boat, and other motor vehicle dealers

Locomotive engines

333618	Manufacturers of locomotives and locomotive engines
48211, 482111, 482112	Railroad owners and operators
488210	Engine repair and maintenance

Large marine compression ignition engines

333618	Manufacturers of marine diesel engines
33661, 346611	Ship and boat building; ship building and repair

811310	Engine repair and maintenance
483	Water transportation, freight and passenger
336612	Boat building (watercraft not built in shipyards and typically of the type suitable or intended for personal use)
441222	Motorcycle, boat, and other motor vehicle dealers

Recreational vehicles, including snowmobiles, all-terrain vehicles, and certain high-speed utility vehicles

336991	Motorcycle manufacturers
336999	Snowmobile and all-terrain vehicle manufacturers
441222	Motorcycle, boat, and other motor vehicle dealers

Large nonroad spark-ignition engines

333618	Manufacturers of new nonroad spark-ignition engines
333111	Manufacturers of farm equipment
333112	Manufacturers of construction equipment
333924	Manufacturers of industrial trucks
811310	Engine repair and maintenance

(b) INFORMATION REQUESTED

(i) Data Items

The data requested in reports include:

- engine identification number
- engine make
- engine model
- model year of the engine
- port of entry
- date of entry
- entry number
- importer name, address and telephone number
- broker name, address and telephone number (optional)
- owner name, address and telephone number (optional)
- identification of the type of vehicle or engine by regulatory category
- identification of the provision under which the vehicle or engine is being imported
- EPA exemption number, if applicable

(ii) Respondent Activities

To complete the collection, the respondent would:

- read form instructions
- collect data and complete forms

INFORMATION REQUIREMENTS FOR
IMPORTATION OF NONROAD CI ENGINES
40 CFR PART 89 SUBPARTS G AND J

<u>INFORMATION REQUIREMENTS</u>	<u>CITATION</u>
I. ICI requirements	
Reporting	
- Certification application and production changes	89.603(d)
- Notification of transfer to another ICI	89.604(c)(4)
- Notification of acceptance of responsibility	89.604(d)
- Application for final admission (certified engine)	89.605(a)
- Application for final admission (modification/test engine)	89.609(b)
- Attestation regarding maintenance instructions, warranties and emission labeling	89.610
- Reply to notice of suspension or revocation	89.612(e)(3)(ii)
- Request for hearing	89.612(e)(3)(iii)
Recordkeeping	
- Vehicle disposition	89.607
- Owners or ultimate purchasers	89.608(b)
- Maintenance instructions, warranties and emission labeling	89.610
II. Requirements applying to all importers	
- Notification of conditional admission	89.604(a)
- Request for prior approval	89.611

INFORMATION REQUIREMENTS FOR
IMPORTATION OF SMALL NONROAD SI ENGINES

40 CFR PART 90 SUBPARTS G AND J

<u>INFORMATION REQUIREMENTS</u>	<u>CITATION</u>
- Notification of conditional admission	90.604(c), 90.611(a)
- Request for prior approval	90.612 90.909

INFORMATION REQUIREMENTS FOR
IMPORTATION OF MARINE SI ENGINES
INCLUDING MARINE OUTBOARD AND PERSONAL WATERCRAFT ENGINES
40 CFR PART 91 SUBPARTS H AND K

<u>INFORMATION REQUIREMENTS</u>	<u>CITATION</u>
- Notification of conditional admission	91.703 (b)
- Request for prior approval	91.704 91.1009

INFORMATION REQUIREMENTS FOR
IMPORTATION OF NON-PROPULSION CI ENGINES
USED IN MARINE APPLICATIONS
40 CFR PART 89 SUBPARTS G AND J

<u>INFORMATION REQUIREMENTS</u>	<u>CITATION</u>
- Notification of conditional admission	89.604(a)
- Request for prior approval	89.611 89.909

INFORMATION REQUIREMENTS FOR
IMPORTATION OF LOCOMOTIVES OR LOCOMOTIVE ENGINES
40 CFR PART 92, SUBPARTS I AND J

<u>INFORMATION REQUIREMENTS</u>	<u>CITATION</u>
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B Notification of conditional admission 92.803

B Request for prior approval 92.804
92.909

INFORMATION REQUIREMENTS FOR
LARGE MARINE CI ENGINES
40 CFR PART 94, SUBPARTS I AND J

INFORMATION REQUIREMENTS CITATION

B Notification of conditional admission 94.803

B Request for prior approval 94.804
94.909

INFORMATION REQUIREMENTS FOR
IMPORTATION OF OTHER NONROAD ENGINES
40 CFR PART 1068 SUBPARTS C AND D

INFORMATION REQUIREMENTS CITATION

B Notification of conditional admission 1068.301

B Request for prior approval 1068.301

5. THE INFORMATION COLLECTED--AGENCY ACTIVITIES, COLLECTION
METHODOLOGY, AND INFORMATION MANAGEMENT

(a) AGENCY ACTIVITIES

The Compliance Division receives the information as required from CBP, individuals, and businesses. After receiving the information, EPA and CBP use the information to determine whether the engines and vehicles meet EPA requirements and retains the information in order to respond to public, State government, and Federal government inquiries.

(b) COLLECTION METHODOLOGY AND MANAGEMENT

CBP and the Compliance Division use the information to determine if engines meet EPA requirements. The Compliance Division does not retain the forms themselves, but rather regulations require that the importers retain the forms for 5 years after importation and make them available upon request in order to respond to public, State government, and Federal government inquiries, which are handled by Compliance Division staff.

(c) SMALL ENTITY FLEXIBILITY

Small entities are required to submit the forms covered by this ICR when applicable. There is no exemption for small entities. EPA does endeavor to provide small entities the maximum feasible flexibility in submitting the data.

(d) COLLECTION SCHEDULE

The information is not subject to a collection schedule, but is collected at the time of engine entry and, in the event of a non-road ICI import, when the engine is ready for approval by EPA of final admission.

6. ESTIMATING THE BURDEN AND COST OF THE COLLECTION

6(a) ESTIMATING RESPONDENT BURDEN

I. ICI Recording, Recordkeeping and Testing Burden for Nonroad CI engines

A. Reporting	Burden Est. (hrs/instance)	Est. # of instances/yr	Est. of Burden (hrs)
Form 3520-8	0.81	1	0.81
B. Recordkeeping			
Form 3520-8 & other required ICI records (see 4(b))	0.5	1	0.5
C. Testing:			
	28.0	1	28.0

II. Reporting Burdens, Form 3520-21

	Burden Est. (hrs/form)	Est. # of forms/yr	Est. of Burden (hrs)
All categories	0.50	12,000	6,000

TOTAL BURDEN = 6,029.31 hrs

6(b) ESTIMATING RESPONDENT COST

LABOR COSTS:

I. ICI Recording, Recordkeeping, and Testing for Nonroad CI engines

Estimated	Labor
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	Units	Costs
A. Reporting	1 form @\$61.73 per hour	\$50.00
B. Recordkeeping	1 engine @\$35.87 per hour	\$17.94
C. Testing	1 engine @\$61.73 per hour	\$1,728.44

II. Reporting Form 3520-21

	Hours	Cost
All categories	6,000 @61.73 per hour	\$370,380
Total Labor Cost		\$372,176.38

CAPITAL/STARTUP & O&M

I. ICI Recording, Recordkeeping, and Testing for Nonroad CI engines

Brokerage cost covering testing and application-related

1 engine at \$14,000 per engine	\$14,000
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II. O&M Costs For Record Storage

12,001 forms at \$2 per form	\$24,002
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Total Capital/Startup and O&M Costs	\$38,002
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(i) Labor Costs

Rates for engineering managers, mechanical engineers, and secretaries (except legal, medical, and executive) are from the May 2013 BLS National Occupational Employment and Wage Estimates (http://www.bls.gov/oes/current/naics4_336100.htm, accessed June 4, 2014). With a 160% overhead multiplier, these are \$93.12, \$61.73, and \$35.87, respectively. Test labor costs are \$61.73 per hour

(ii) Capital/Start-up Costs

Capital/start-up costs are predominantly incurred by ICIs during the required certification process, which is covered by other ICRs. ICIs in the on-road program typically obtain the

necessary testing and certification work from a broker, who also provides testing services, or who obtains from a testing facility the test results necessary for the final importation form. The figure here is a placeholder for the possibility of extension of this program to nonroad CI engines, and is taken from the previous renewal of this ICR.

(iii) Operations and Maintenance Costs

This cost is estimated as a component of overall broker activities to import a vehicle or engine, and incorporates a \$2 per form recordkeeping cost for broker form retention.

6(c) ESTIMATING AGENCY BURDEN AND COST

The imports program is administered by EPA's Compliance Division. Forty percent of one Full Time Equivalent employee (FTE), GS 12/3; twenty percent of one Senior Environmental Employment (SEE) Program employee¹ (about 400 hours); and a portion of the work assignment under a government contract are allocated to imports activities. Based on the 2014 Office of Personnel GS pay schedule for Detroit, EPA estimates a yearly \$80,578 for the FTE, then multiplies the hourly rate by the standard government benefits multiplication factor of 1.6, for a cost of \$51,400 plus \$11,600 for the SEE, and \$92,400 is estimated for the contractor.

6(d) ESTIMATING THE RESPONDENT UNIVERSE AND TOTAL BURDEN COSTS

Recording, Recordkeeping, and Testing:	29.81 hrs
Reporting Burdens, Form 3520-21:	6,000 hrs
Total Hours	6,029.81

Recording, Recordkeeping, and Testing:	\$1728.44
Reporting Burdens, Form 3520-21:	\$370,380
Total Cost	\$372,176.38

6(e) BOTTOM LINE BURDEN HOURS AND COST TABLES

(i) Respondent Tally

The information collection will involve an estimated 4,801 respondents who have an estimated number of annual responses of 12,001 and an estimated labor cost of \$372,176.38 and a capital/startup and O&M cost of \$38,002.

(ii) The Agency Tally

The contractor estimate is based upon the work assignment rather than an estimate of hours. An

¹ The SEE Program is an employment program for older workers authorized by the Environmental Programs Assistance Act, passed by Congress in 1984, and provides employment opportunities to senior citizens aged 55 and over.

estimated total Agency cost of \$92,400 per year is allocated to imports activities for Form 3520-21.

(iii) Variations in the Annual Bottom Line

There are no variations in the annual bottom line.

6(f) REASONS FOR CHANGE IN BURDEN

There is no change in burden.

6(g) BURDEN STATEMENT

The annual public reporting and recordkeeping burden for this collection of information is estimated to average 30 minutes per response. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information. 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. The OMB control numbers for EPA's regulations are listed in 40 CFR part 9 and 48 CFR chapter 15.

To comment on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including the use of automated collection techniques, EPA has established a public docket for this ICR under Docket ID Number EPA-HQ-OAR-2007-1138, which is available for online viewing at www.regulations.gov, or in person viewing at the Air and Radiation Docket in the EPA Docket Center (EPA/DC), EPA West, Room 3334, 1301 Constitution Avenue, NW, Washington, D.C. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the Air and Radiation Docket is (202) 566-1742. An electronic version of the public docket is available at www.regulations.gov. This site can be used to submit or view public comments, access the index listing of the contents of the public docket, and to access those documents in the public docket that are available electronically. When in the system, select "search," then key in the Docket ID Number identified above. Also, you can send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, D.C. 20503, Attention: Desk Officer for EPA. Please include the EPA Docket ID EPA-HQ-OAR-2007-1138 and OMB Control Number 2060-0320 in any correspondence.