

## DEPARTMENT OF TRANSPORTATION

### INFORMATION COLLECTION SUPPORTING STATEMENT

#### Disadvantaged Business Enterprise Program Collections OMB CONTROL NUMBER: 2105-0510

#### INTRODUCTION

This is to request the Office of Management and Budget's (OMB) renewed three-year approved clearance for the information collection entitled, "Disadvantaged Business Enterprise Program Collections" (Collection). The Collection includes five information collections that the U.S. Department of Transportation (DOT or Department) combined into one OMB control number in 2014 and OMB approved on August 5, 2015.

#### **Part A. Justification**

**1. Circumstances that make the collection of information necessary. 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.**

DOT's Disadvantaged Business Enterprise (DBE) program is mandated by statute, including Section 1101(b) of the Fixing America's Surface Transportation Act (FAST Act) (Pub. L. 114-94) and 49 U.S.C. 47113. The Department's final regulations implementing these statutes are 49 C.F.R. parts 23 and 26. The program is implemented by recipients of DOT financial assistance (State highway agencies, transit authorities, and airports). The information collections support DOT's second strategic objective (mission efficiency and support) by promoting small business development opportunities. The collections also help ensure that State and local recipients that let federally funded contracts carry out their mandated responsibility to ensure that only eligible small businesses owned and controlled by socially and economically disadvantaged individuals may compete for such contracts as a DBE or Airport Concession DBE (ACDBE). Hereinafter, DBE and ACDBE are referred to collectively (for purposes of this renewal request) as "firm," or "DBE."

- The "Uniform Report of DBE Awards or Commitments and Payments" is necessary for the Department to be able to carry out its oversight responsibilities because the Department must be able to obtain information from the recipients about the DBE participation they obtain in their program. It implements statutory reporting requirements and 49 C.F.R. §§26.11 and 26.47.

- The “Uniform Certification Application Form” is necessary to implement 49 C.F.R. §26.83(c)(7)(i) and completion and submission of this collection by the DBE applicant is necessary for certifying agencies in the Unified Certification Programs (UCPs) to determine whether a particular firm qualifies for certification as a DBE. This collection, therefore, serves the important goal of ensuring that firms participating in the program are owned and controlled by socially and economically disadvantaged individuals.
- The “Annual Affidavit of No Change” is mandated under 49 C.F.R. §26.83(j) and is necessary to ensure the integrity of the DBE program, which requires DBEs to annually state that they remain eligible for the program. A firm that fails to submit this form will be deemed to have failed to cooperate and could be subject to decertification. This collection is necessary to ensure the integrity of the DBE program because it requires DBEs to affirm in a notarized affidavit that they are still eligible to participate in the program. Since DBEs are not required to reapply after they are certified, this affidavit (along with information documenting the firm’s gross receipts (such as tax returns)) is the only information DBEs are required to submit regularly to the UCP to maintain their certification, absent certain changes in circumstances identified in §26.83(i) of the DBE rule.
- The “Personal Net Worth Form” is necessary to implement the requirement found in 49 C.F.R. §26.67(a)(2) that a firm applying for DBE status must certify that the personal net worth (PNW) of the qualifying owners does not exceed the current maximum (currently \$1.32 million) and support that certification with a PNW statement. When submitted as part of the initial application, this collection allows recipients to determine whether a firm is truly owned and controlled by a disadvantaged individual with a PNW below the regulatory cap and is therefore necessary to ensure that only properly qualified firms are certified.
- The “Percentages of DBEs in Various Categories” collection is necessary to implement a long-standing statutory requirement calling on States to report the percentages of white women, minority men, and minority women who control DBE firms. This requirement is most recently stated at section 1101(b)(4)(A) and (B) of the FAST Act. Submission of this information will also satisfy 49 C.F.R. §26.11(e).

**2. How, by whom, and for what purpose the information is to be used. INDICATE HOW, BY WHOM, AND FOR WHAT PURPOSE THE INFORMATION IS TO BE USED. EXCEPT FOR A NEW COLLECTION, INDICATE THE ACTUAL USE THE AGENCY HAS MADE OF THE INFORMATION RECEIVED FROM THE CURRENT COLLECTION.**

- The “Uniform Report of DBE Awards or Commitments and Payments” must be submitted bi-annually or annually by each recipient having an approved DBE program. The report form, collected bi-annually from recipients by the Department’s Federal Highway Administration (FHWA) and Federal Transit Administration (FTA), and

annually from recipients of the Federal Aviation Administration (FAA), is used to enable DOT to conduct program oversight of recipients' DBE programs and to identify trends or problem areas in the program. All three Operating Administrations use an electronic collection system to collect these reports. The form requires recipients to include information about their DBE goals for that year and the DBE participation they managed to achieve during that time. The collection of this information is necessary to ensure that the DBE program is achieving its goal of encouraging DBE participation in Federal transportation-related contracts.

- For the “Uniform Certification Application Form,” businesses that wish to become certified as a DBE submit this information to a recipient of FAA/FHWA/or FTA funds that are members of the Unified Certification Program (UCP) and perform certification functions. The exact method of submission varies by recipient, but most applications, including the notarized form, and necessary attachments, are submitted electronically. The application is then used by the UCP to determine whether a firm qualifies as a DBE and satisfies the eligibility requirements set forth in the Regulation. In reviewing an application, the UCP looks to the information provided to determine whether, among other things, the applying business is under the mandatory gross receipts cap for a DBE, and owned and controlled by a disadvantaged individual(s) whose personal net worth does not exceed the current cap. If a UCP is satisfied by the information provided in this collection, it will certify the DBE after conducting a site-visit. Certification as a DBE allows the firm to compete for federally assisted contracts with DBE contract goals and to be included in statewide DBE usage rates. The information provided in this collection will also be used as a basis for DOT to determine whether a UCP correctly rejected an application in the event the decision is appealed to the Department.
- For the “Annual Affidavit of No Change,” firms certified as DBEs must submit this affidavit annually to the UCP of every State for which they are certified. The affidavit requires that the DBE affirm that “there have been no changes in the firm’s circumstances affecting its ability to meet size, disadvantaged status, ownership, or control requirements of this part or any material changes in the information provided in its application form, except for changes about which you have notified the recipient under paragraph (i) of this section,” and that the firm “continues to meet SBA business size criteria and the overall gross receipts cap of this part, documenting this affirmation with supporting documentation of your firm's size and gross receipts.”
- The “Personal Net Worth Form” will be used in the same manner as Small Business Administration Form 413 is currently used. That is, prospective DBEs will submit this form and necessary supporting documentation.
- For the “Percentages of DBEs in Various Categories” collection, States, through their UCPs are the respondents. To carry out this requirement, UCPs go through their statewide Directories and count the number of firms controlled, respectively, by white women, minority or other men, and minority women. They then convert the numbers to

percentages and send the result to the Departmental Office of Civil Rights. The Department uses this statutorily required information to respond to public and governmental questions regarding the DBE program, determine which States may need assistance in conducting outreach to DBEs, and assist in determining whether States' DBE goals are in line with the current make-up of DBE availability.

**3. Extent of automated information collection. 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.**

- Most recipients already use computer systems for many of these information collection tasks. FTA uses the Transit Award Management System (TrAMS) (formerly the “Transportation Electronic Awards and Management system”) to receive reporting data (<https://faces.fta.dot.gov/suite/>). FAA’s system is called the dbE-Connect (<https://faa.dbconnect.com/FAAfaa/login.asp>). FHWA uses a system called Civil Rights Connect (<https://fhwa.civilrightsconnect.com/FHWA/login.asp>).
- For the “Uniform Certification Application Form,” the decision regarding how a UCP will accept this form is left to the recipient. The Department has available on the DBE website copies of this form (in screen-fillable format) and links and contact information for all State UCPs. Nearly all recipients provide additional information about the application process on their websites. However, recipients generally require that application forms be submitted to the UCP by either mail or (more likely) through electronic means.
- For the “Annual Affidavit of No Change,” the Department provides examples of an accepted affidavit on its website, as well as contact information for all State UCP members. The UCP members also provide copies of the affidavit on their websites and many accept submission of the affidavit electronically.
- For the “Personal Net Worth Form,” the Department makes the form available online in a screen fillable format, on both the DBE website. A PDF copy is also available in the Code of Federal Regulations. The Department encourages UCPs to make the form available online as well. However, as with the Application Form and Annual Affidavit, the Department anticipates that most recipients will continue the submission of this form electronically.

- For the “Percentages of DBEs in Various Categories” collection, the Department anticipates that States will provide this information to the Departmental Office of Civil Rights via letter or e-mail.

**4. Describe efforts to identify duplication. 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 “Uniform Report of DBE Awards or Commitments and Payments” does not have duplicative information on it. Some recipients may also collect similar information for their own purposes, but the extent of this collection is not known.
- For the “Uniform Certification Application Form,” the Department has attempted to minimize the burden of this collection in three ways. First, by maintaining the UCP program, a DBE need only apply once for each State in which it seeks to be certified, not for each DOT recipient within that State. That is, a DBE certified by a UCP member for work it has done on a contract with the member agency is not required to resubmit this form if the DBE next wishes to perform work on a contract for a municipal transit agency or for any other recipient in that state. Next, once certified in a State, a DBE is certified until it is decertified through the procedures found in 49 C.F.R. §26.87. Thus, there is no requirement that a DBE must resubmit this form at any regular interval to remain certified. Finally, although DBEs are certified on a State-by-State, not Federal, basis, the Department has taken steps to ease the process of a DBE that is already certified in one State to become certified in another State. Most importantly, all States are required to use this form and are not permitted to create their own form. Additionally, the Department has adopted an interstate certification process in §26.85 that attempts to expedite the process for a DBE already certified in one State gaining certification in another State without submitting a new application. The information being requested in the form is not duplicative of other information requested as part of this program.
- For the “Annual Affidavit of No Change,” as with all parts of the DBE program, if a State has established a UCP, firms are only required to submit one affidavit to each State UCP, regardless of how many different recipients within that State they engage in contracts with. For example, a DBE that does work on contracts involving both a State DOT and municipal transit agency within that State need only submit one affidavit to that State’s UCP. However, DBEs must submit an affidavit to each State in which it is certified; this is because certain aspects of DBE eligibility, for example the requirement of control, may vary from State to State. The Department, though, does not view this as creating any significant additional burden, since the DBE may create the affidavit and go through the notarization process for each State at the same time.

- The “Personal Net Worth Form” does not lead to the collection of duplicative information because it replaced the Department’s prior approach of requesting the SBA form with the Application Form. Beyond basic identifying information, the Personal Net Worth and Application Forms do not request the same information and are unique collections.
- The “Percentages of DBEs in Various Categories” is statutorily mandated, and is a different collection than the Uniform Report of Awards/Commitments and Payments. This information will be reported separately (once per year) in a letter to the Director of the Departmental Office of Civil Rights with the Office of the Secretary.

**5. Efforts to minimize the burden on small businesses. IF THE COLLECTION OF INFORMATION IMPACTS SMALL BUSINESSES OR OTHER SMALL ENTITIES, DESCRIBE ANY METHODS USED TO MINIMIZE BURDEN.**

The Department does not foresee any increase in burden if the collections are renewed. In the past, the Department took steps to lessen the potential burden of these collections, as explained in greater detail below.

- For the “Uniform Report of DBE Awards or Commitments and Payments,” FTA and FAA have funding thresholds that exempt their smaller recipients from the DBE program requirements, including this report. As noted above, reporting frequencies are only annual (for FAA recipients) or semi-annual (for FTA recipients). The information on these matters is found in the DOT DBE regulation (*see* 49 C.F.R. §§ 26.11 and 26.21, and Appendix B). For this renewal request, the Department corrected an error in the instruction page to this form.
- For the “Uniform Certification Application Form,” the Department attempted to make this collection as streamlined and user-friendly as possible to minimize the burden on applicants, while requiring sufficient information to maintain the integrity of the program. For example, in its 2014 revision to the rule, DOT shortened the form and removed redundant and/or unnecessary fields. Further, the Department made discretionary some supporting documentation that was previously mandatory. In this renewal request, minor technical and organizational changes were made (particularly to section 5 of the form, which is only applicable to ACDBE applicants). A few clarifying entries were added in this section that differ from the original form; the Department believes these changes obviate the need for applicant firms to provide this information at some later point to the applicable certifying agency.
- The “Annual Affidavit of No Change” minimizes as much as possible the burden on DBEs, all of which (by definition) are small businesses. Firms are only required to submit this affidavit on an annual basis and the affidavit is essentially a “fill-in-the blank” statement, copies of which are available online on both the Department’s and States’ websites. In addition, the annual affidavit causes considerably less burden than any

foreseeable alternative, such as a requirement that DBEs go through a recertification process after a period of time.

- For the “Personal Net Worth Form,” the Department streamlined the document in 2014 and no longer requires that all DBEs include with the form various supporting documents and, instead, leaving it up to the UCP recipient to request additional documentation on a case-by-case basis. Minor technical corrections were made to this form.
- The “Percentages of DBEs in Various Categories” collection only burdens State Departments of Transportation (FHWA recipients), not DBEs, airports, transit agencies, or other local government entities. (See 49 C.F.R. § 26.11(e)). There were no technical corrections made to this collection.

**6. Impact of less frequent collection of information. 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.**

- For the “Uniform Report of DBE Awards or Commitments and Payments,” no change has been made regarding the frequency of collection. Thus, without this information collection, there would be no way to determine whether the program’s objectives were being met, it would be impossible to determine whether the program was being administered consistent with legal and constitutional requirements, and there would be no accountability for any participants.
- For the “Uniform Certification Application Form,” there is no opportunity for less frequent collections of this information, since a DBE is only required to fill out this form when applying to a State for the first time. The Department notes that it has long rejected any mandate that the DBEs would be required to reapply after a set period of time, leaving it to the UCP’s discretion what additional information would be required periodically as part of the UCP’s program documents. The form was streamlined in 2014.
- The Department believes that less frequent collection of the “Annual Affidavit of No Change” (e.g., every two years rather than annually) would greatly affect the integrity of the DBE program and would lead to situations where Federal money would be awarded to contracts without the participation of firms that are correctly certified as DBEs. On the one hand, a less frequent collection would lead to an increased risk of fraud, such as in situations where a DBE knowingly continues to participate despite changes in its circumstances. There were no revisions to this form and the frequency of collection continues to be annual.

- For the “Personal Net Worth Form, the requirement that the form be included with each application for certification cannot be reduced, as it is a necessary part of the initial application process. The Department streamlined this form in 2014 and made minor editorial corrections in this renewal submission.
- For the “Percentages of DBEs in Various Categories” collection, the clear and unambiguous language of the DBE Program’s statutory language, most recently contained in the FAST Act, mandates that this information be collected annually. Historically, the Department has collected this information toward the end of the calendar year.

**7. Special Circumstances. EXPLAIN ANY SPECIAL CIRCUMSTANCES THAT WOULD CAUSE AN INFORMATION COLLECTION TO BE CONDUCTED IN A MANNER:**

**- REQUIRING RESPONDENTS TO REPORT INFORMATION TO THE AGENCY MORE OFTEN THAN QUARTERLY;**

**- REQUIRING RESPONDENTS TO PREPARE A WRITTEN RESPONSE TO A COLLECTION OF INFORMATION IN FEWER THAN 30 DAYS AFTER RECEIPT OF IT;**

**- REQUIRING RESPONDENTS TO SUBMIT MORE THAN AN ORIGINAL AND TWO COPIES OF ANY DOCUMENT;**

**- REQUIRING RESPONDENTS TO RETAIN RECORDS, OTHER THAN HEALTH, MEDICAL, GOVERNMENT CONTRACT, GRANT-IN-AID, OR TAX RECORDS FOR MORE THAN THREE YEARS;**

**- 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;**

**- REQUIRING THE USE OF A STATISTICAL DATA CLASSIFICATION THAT HAS NOT BEEN REVIEWED AND APPROVED BY OMB;**

**- 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**

**- REQUIRING RESPONDENTS TO SUBMIT PROPRIETARY TRADE SECRET, 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.**

These information collection requirements are consistent with this and other applicable laws and regulations.

**8. Compliance with 5 CFR §1320.8(d). 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 THOSE 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 (IF ANY), AND ON THE DATA ELEMENTS TO BE RECORDED, DISCLOSED, OR REPORTED.**

**CONSULTATION WITH REPRESENTATIVES OF THOSE FROM WHOM INFORMATION IS TO BE OBTAINED OR THOSE WHO MUST COMPILE RECORDS SHOULD OCCUR AT LEAST ONCE EVERY 3 YEARS--EVEN IF THE COLLECTION OF INFORMATION ACTIVITY IS THE SAME AS IN PRIOR PERIODS. THERE MAY BE CIRCUMSTANCES THAT MAY PRECLUDE CONSULTATION IN A SPECIFIC SITUATION. THESE CIRCUMSTANCES SHOULD BE EXPLAINED.**

The Department published a 60-day Federal Register Notice addressing these five collections on June 4, 2018, FR Vol. 83, No. 107, page 25734. The Department reviewed one comment submitted during the 60-day comment period. The commenter expressed support of the Disadvantaged Business Enterprise Program, but concern with Department of Education practices. The Department published a 30-day Federal Register Notice on August 13, 2018, FR Vol. 83, No. 156, page 40117.

**9. Payment or gifts to respondents. EXPLAIN ANY DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS, OTHER THAN REMUNERATION OF CONTRACTORS OR GRANTEEES.**

None.

**10. Assurance of confidentiality. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS AND THE BASIS FOR THE ASSURANCE IN STATUTE, REGULATION, OR AGENCY POLICY.**

Only two of the collections here contain these assurances: the “Uniform Certification Application Form” and the “Personal Net Worth Form.” These two collections include statements that the Department will comply with both the Freedom of Information Act and the Privacy Act in collecting, using and disclosing this information. Further, 49 C.F.R. §26.109 of the DBE regulations contains assurances of confidentiality for any information provided by a DBE as part of the DBE program. Section 109(a)(2) states that recipients “must not release any information that may reasonably be construed as confidential business information to any third party without the written consent of the firm that submitted the information. This includes applications for DBE certification and supporting information. However, you must transmit this information to DOT in any certification appeal proceeding under §26.89 of this part or to any other state to which the individual's firm has applied for certification under §26.85 of this part.”

**11. Justification for collection of sensitive information. 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.**

This is not applicable to this collection. The “Uniform Certification Application Form,” “Personal Net Worth Form,” and “Annual Affidavit of No Change” ask for information from the owners of the business. Only the application and personal net worth forms contain information that is primarily commercial in nature.

**12. Estimate of burden hours for information requested. PROVIDE ESTIMATES OF THE HOUR BURDEN OF THE COLLECTION OF INFORMATION. THE STATEMENT SHOULD:**

- INDICATE THE NUMBER OF RESPONDENTS, FREQUENCY OF RESPONSE, ANNUAL HOUR BURDEN, AND AN EXPLANATION OF HOW THE BURDEN WAS ESTIMATED. UNLESS DIRECTED TO DO SO, AGENCIES SHOULD NOT CONDUCT SPECIAL SURVEYS TO OBTAIN INFORMATION ON WHICH TO BASE HOUR BURDEN ESTIMATES. CONSULTATION WITH A SAMPLE (FEWER THAN 10) OF POTENTIAL RESPONDENTS IS DESIRABLE. IF THE HOUR BURDEN ON RESPONDENTS IS EXPECTED TO VARY WIDELY

**BECAUSE OF DIFFERENCES IN ACTIVITY, SIZE, OR COMPLEXITY, SHOW THE RANGE OF ESTIMATED HOUR BURDEN, AND EXPLAIN THE REASONS FOR THE VARIANCE. GENERALLY, ESTIMATES SHOULD NOT INCLUDE BURDEN HOURS FOR CUSTOMARY AND USUAL BUSINESS PRACTICES.**

**- IF THIS REQUEST FOR APPROVAL COVERS MORE THAN ONE FORM, PROVIDE SEPARATE HOUR BURDEN ESTIMATES FOR EACH FORM AND AGGREGATE THE HOUR BURDENS.**

**- PROVIDE ESTIMATES OF ANNUALIZED COST TO RESPONDENTS FOR THE HOUR BURDENS FOR COLLECTIONS OF INFORMATION, IDENTIFYING AND USING APPROPRIATE WAGE RATE CATEGORIES. THE COST OF CONTRACTING OUT OR PAYING OUTSIDE PARTIES FOR INFORMATION COLLECTION ACTIVITIES SHOULD NOT BE INCLUDED HERE. INSTEAD, THIS COST SHOULD BE INCLUDED IN ITEM 14.**

- **Uniform Report of DBE Awards/Commitments and Payments**

The Department does not anticipate that the revisions will lead to any measurable change in burden, as they exist primarily to make filling out the form easier but do not do so in a way that the Department is yet able to quantify.

*Affected Public:* DOT financially-assisted State and local transportation agencies

*Number of Respondents:* 1,250

*Frequency of Response:* Once/twice per year

*Estimated Average Burden per Response:* 5 hours

*Estimated Total Burden:* 9,000 hours. This is derived from approximately 550 respondents who prepare two reports per year; approximately 700 recipients prepare one report per year. Estimating 5 hours per report, this gives us the 9,000-hour figure.

- **Uniform Certification Application Form**

Based on discussions with DBEs, it is estimated that the total burden hours per applicant to complete its DBE certification application with supporting documentation to be approximately 8 hours. In addition, new applicants will have to submit a Personal Net Worth Form (see below). The number of new applications received each year by UCPs is difficult to estimate. There is no central repository for DBE certification applications, and DOT predicts that the frequency of submissions at times varies according to construction season (high applications when the season is over), the contracting

opportunities available in the marketplace, and the number of new transportation related business formations or expansions. In 2014, the Department sought some estimate by contacting recipients, who reported receiving between 1–2 per month, 5–10 per month, or on the high end 80–100. There are likely several reasons for the variance. Jurisdictions that are geographically contiguous to other States (such as Maryland) and/or have a high DBE applicant pool may receive a higher number whereas jurisdictions in remote areas of the country with smaller numbers of firms may have lower applicant requests for DBE certification. These rough numbers likely do not include requests for expansion of work categories from existing firms that are already certified.

*Affected Public:* Firms applying to be certified as DBEs

*Number of Respondents:* 9,500

*Frequency of Response:* Once during initial certification

*Estimated Average Burden per Response:* 8 hours

*Estimated Total Burden:* 76,000 hours per year

- **Annual Affidavit of No Change**

*Affected Public:* Certified DBEs

*Number of Respondents:* The approximately 38,465 certified DBE firms

*Frequency of Response:* Once per year

*Estimated Average Burden per Response:* 1.5 hours. This will allow sufficient time for the DBE to generate the Affidavit, have it notarized, and collect together its Federal tax information.

*Estimated Total Burden:* 57,698 hours

- **Personal Net Worth Form**

*Affected Public:* Firms applying to be DBEs

*Number of Respondents:* 9,500 applicants each year

*Frequency of Response:* Once during initial DBE certification. For the DBE programs, information regarding the assets and liabilities of individual owners is necessary for UCP member agencies performing certification functions to make responsible decisions

concerning an applicant's economic disadvantage under the rule. All persons who claim to own and control a firm applying for DBE certification and whose ownership and control are relied upon for the certification will complete the form.

*Estimated Average Burden per Response:* 2 hours. The estimated burden hours are based on the Department's experience in working with DBE and UCP agencies and the Department's intent to produce a DBE-specific PNW form that includes the information typically needed to perform the certification function, but is not overly burdensome. Further, the proposed rule's estimate of 8 hours to complete the proposed PNW form is greater than the 1.5 hours SBA estimates for its form, which was designed to take into account the different purposes between the two programs and the fact that DBE applicants often need to supplement their form with supporting documentation.

*Estimated Total Burden:* 19,000 hours per year for applications

- **Percentages of DBEs in Various Categories**

*Affected Public:* States (through their UCPs)

*Number of Respondents:* 53 (50 states, plus the District of Columbia, Puerto Rico, and the Virgin Islands)

*Frequency of Response:* Once per year

*Estimated Average Burden per Response:* 3 hours, 3 minutes

*Estimated Total Burden:* 161.6 hours

**13. Estimate of the total annual costs burden. PROVIDE AN ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS OR RECORDKEEPERS RESULTING FROM THE COLLECTION OF INFORMATION. (DO NOT INCLUDE THE COSTS OF ANY HOUR BURDEN SHOWN IN ITEMS 12 AND 14).**

**-THE COST ESTIMATES SHOULD BE SPLIT INTO TWO COMPONENTS: (A) A TOTAL CAPITAL AND START-UP COST COMPONENT (ANNUALIZED OVER ITS EXPECTED USEFUL LIFE); AND (B) A TOTAL OPERATION AND MAINTENANCE AND PURCHASE OF SERVICES COMPONENT. THE ESTIMATES SHOULD TAKE INTO ACCOUNT COSTS ASSOCIATED WITH GENERATING, MAINTAINING, AND DISCLOSING OR PROVIDING THE INFORMATION. INCLUDE DESCRIPTIONS OF METHODS USED TO ESTIMATE MAJOR COSTS FACTORS INCLUDING SYSTEM AND TECHNOLOGY ACQUISITION, EXPECTED USEFUL LIFE OF CAPITAL EQUIPMENT, THE DISCOUNT RATE(S), AND THE TIME PERIOD OVER**

**WHICH COSTS WILL BE INCURRED. CAPITAL AND START-UP COSTS INCLUDE, AMONG OTHER ITEMS, PREPARATIONS FOR COLLECTING INFORMATION SUCH AS PURCHASING COMPUTERS AND SOFTWARE; MONITORING, SAMPLING, DRILLING AND TESTING EQUIPMENT; AND RECORD STORAGE FACILITIES.**

**-IF COST ESTIMATES ARE EXPECTED TO VARY WIDELY, AGENCIES SHOULD PRESENT RANGES OF COST BURDENS AND EXPLAIN THE REASONS FOR THE VARIANCE. THE COST OF PURCHASING OR CONTRACTING OUT INFORMATION COLLECTION SERVICES SHOULD BE A PART OF THIS COST BURDEN ESTIMATE. IN DEVELOPING COST BURDEN ESTIMATES, AGENCIES MAY CONSULT WITH A SAMPLE OF RESPONDENTS (FEWER THAN 10), UTILIZE THE 60-DAY PRE-OMB SUBMISSION PUBLIC COMMENT PROCESS AND USE EXISTING ECONOMIC OR REGULATORY IMPACT ANALYSIS ASSOCIATED WITH THE RULEMAKING CONTAINING THE INFORMATION COLLECTION, AS APPROPRIATE.**

**-GENERALLY, ESTIMATES SHOULD NOT INCLUDE PURCHASES OF EQUIPMENT OR SERVICES, OR PORTIONS THEREOF, MADE (1) PRIOR TO OCTOBER 1, 1995, (2) TO ACHIEVE REGULATORY COMPLIANCE WITH REQUIREMENTS NOT ASSOCIATED WITH THE INFORMATION COLLECTION, (3) FOR REASONS OTHER THAN TO PROVIDE INFORMATION OR KEEP RECORDS FOR THE GOVERNMENT, OR (4) AS PART OF CUSTOMARY AND USUAL BUSINESS OR PRIVATE PRACTICES.**

Information not available, as costs to recipients and DBEs for these collections are not broken out in any way that allows the Department to identify costs specific to this task.

**14. Estimates of costs to the Federal Government. PROVIDE ESTIMATES OF ANNUALIZED COST TO THE FEDERAL GOVERNMENT. ALSO, PROVIDE A DESCRIPTION OF THE METHOD USED TO ESTIMATE COSTS, 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. AGENCIES ALSO MAY AGGREGATE COST ESTIMATES FROM ITEMS 12, 13, AND 14 IN A SINGLE TABLE.**

Two collections here have costs to the Federal government:

The “Uniform Report of DBE Awards or Commitments and Payments” is submitted to the Federal government. The Department estimates that its tasks related to the information requirements cited in this request that are submitted to us for review (i.e., report of accomplishments) will result in 1,800 hours (i.e., assuming an hour of staff review time for each report). Assuming the reports are reviewed by a GS-13 step 5 in Washington, DC at

\$52.66/hour, the Federal cost of review would be \$94,788.

For the “Percentages of DBEs in Various Categories” collection, the Department estimates that its tasks related to the information requirements cited in this request that are submitted to us for review (i.e., report of percentages) will result in 26 hours (i.e., assuming a half hour of staff review time for each report). Assuming the reports are reviewed and tabulated by a GS-13 step 5 in Washington, D.C. at \$52.66/hour, the Federal cost of review would be \$1,369.16.

**15. Explanation of the program change or adjustments. EXPLAIN THE REASONS FOR ANY PROGRAM CHANGES OR ADJUSTMENTS REPORTED IN ITEMS 13 OR 14.**

There were no revisions to the collections other than minor typographical and editorial changes, which were made to clarify instructions or entries on the forms. These changes, while minor, were made in an attempt to minimize burden as much as possible, while continuing to require information necessary for the programs’ successful operation. The adjustment to the total burden hours mentioned in this supporting statement is due solely to the number of firms certified as DBEs, which increases each year. As stated in this collection, these firms must submit an annual affidavit and the burden hours reflected account for this increase.

**16. Publication of results of data collection. 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.**

The Departmental Office of Civil Rights is in the beginning planning stages to publicize information contained in the “Uniform Report of Awards or Commitments and Payments,” and the “Percentages of DBEs in Various Categories” collections.

**17. Approval for not displaying the expiration date of OMB approval. IF SEEKING APPROVAL TO NOT DISPLAY THE EXPIRATION DATE FOR OMB APPROVAL OF THE INFORMATION COLLECTION, EXPLAIN THE REASONS THAT DISPLAY WOULD BE INAPPROPRIATE.**

Not applicable.

**18. Exceptions to the certification statement. EXPLAIN EACH EXCEPTION TO THE CERTIFICATION STATEMENT "CERTIFICATION FOR PAPERWORK REDUCTION ACT SUBMISSIONS."**

Not applicable.