

**Department of Transportation
Federal Motor Carrier Safety Administration**

**SUPPORTING STATEMENT
Licensing Applications for Motor Carrier Operating Authority**

INTRODUCTION

The Federal Motor Carrier Safety Administration (FMCSA) submits to the Office of Management and Budget (OMB) its request to renew a currently-approved information collection request (ICR) titled “*Licensing Applications for Motor Carrier Operating Authority*,” covered by OMB Control Number 2126-0016. This ICR, which is due to expire on January 31, 2020, applies to:

- 1) Existing registrants⁽¹⁾ that are subject to FMCSA’s licensing, registration, and certification regulations and that wish to apply for additional authorities, and
- 2) Mexico-domiciled carriers that wish to operate beyond the U.S. municipalities on the U.S.-Mexico border and their commercial zones.

Existing registrants seeking additional authorities must use forms from the OP-1 series, including OP-1, OP-1(P), OP-1(FF), and OP-1(NNA). Mexico-domiciled carriers must apply for authority using Form OP-1(MX). FMCSA is requesting that information collection approval for the OP-1 form series, including Form OP-1(MX), continue to be effective for the 3-year period covered by this ICR.

Part A. Justification

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

FMCSA registers:

- For-hire motor carriers of regulated commodities and of passengers, under 49 U.S.C. § 13902(a) (Attachment A);
- Surface freight forwarders, under 49 U.S.C. § 13903 (Attachment B);
- Property brokers, under 49 U.S.C. § 13904 (Attachment C); and
- Certain Mexico-domiciled motor carriers, under 49 U.S.C. § 13902(c) (Attachment A).

These motor carriers may conduct transportation services in the United States only if they are registered with FMCSA. Each registration is effective from the date specified and remains in effect for such period as the Secretary of Transportation (Secretary) determines by

¹ Existing registrants are entities that already have a USDOT number and/or operating authority.

regulations.

The Final Rule titled “Unified Registration System,” (78 FR 52608) dated August 23, 2013, implemented statutory provisions for an online registration system for entities that are subject to FMCSA’s licensing, registration, and certification regulations (Attachment D). The Unified Registration System (URS) streamlines the registration process and serves as a clearinghouse and repository of information on motor carriers, brokers, freight forwarders, intermodal equipment providers (IEPs), hazardous materials safety permit (HMSP) applicants, and cargo tank facilities required to register with FMCSA. When developing URS, FMCSA planned that the OP-1 series of forms (except for OP-1(MX)) would ultimately be folded into one overarching form (MCSA-1), which would be used by all motor carriers seeking authority.

FMCSA began a phased rollout of URS in 2015. The first phase, which became effective on December 12, 2015, impacts only first-time applicants seeking an FMCSA-issued registration. FMCSA had planned subsequent rollout phases for existing registrants; however, there have been substantial delays, and subsequent phases have not been rolled out to date.

On January 17, 2017, FMCSA issued a Final Rule titled “Unified Registration System; Suspension of Effectiveness,” which indefinitely suspended URS effectiveness dates for existing registrants only (82 FR 5292) (Attachment E). Pursuant to this Final Rule, FMCSA is still accepting forms OP-1, OP-1(P), OP-1(FF), and OP-1(NNA) for existing registrants wishing to apply for additional authorities. Separately, FMCSA requires Form OP-1(MX) for Mexico-domiciled carriers that wish to operate beyond the U.S. municipalities on the U.S.-Mexico border and their commercial zones.

As described above, only first-time applicants seeking an FMCSA-issued registration must apply via URS. Under URS, all forms described in the current ICR, except OP-1(MX), are folded into Form MCSA-1. Information collection activities associated with MCSA-1 are covered under a different ICR, titled “FMCSA Registration/Updates,” OMB Control No. 2126-0051.

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

There are five forms in the OP series:

- 1) OP-1 “Application for Motor Property Carrier and Broker Authority” (Attachment F).
- 2) OP-1(P) “Application for Motor Passenger Carrier Authority” (Attachment G).
- 3) OP-1(FF) “Application for Freight Forwarder Authority” (property or household goods) (Attachment H).
- 4) OP-1 (NNA) “Application for U.S. Department of Transportation (USDOT) Registration by Non-North America-Domiciled Motor Carriers” (Attachment I).
- 5) OP-1(MX) “Application to Register Mexican Carriers for Motor Carrier Authority to Operate Beyond U.S. Municipalities and Commercial Zones on the U.S.- Mexico

Border” (Attachment J).

Information collected through these forms aids FMCSA in determining the type of operation a company may run, the cargo it may carry, and the resulting level of insurance coverage the applicant will be required to obtain and maintain to continue its operating authority. The OP-1 series requests information on the applicant’s familiarity with relevant safety requirements, the applicant’s willingness to comply with those requirements during its operations, and the applicant’s willingness to meet any specific statutory and regulatory requirements applicable to its proposed operations.

FMCSA also uses information from these forms to prepare (for each applicant) a public notice of the registration application, which is published in the “FMCSA Register.” Publication of this notice initiates a 10-day period during which an interested party may file a complaint seeking denial of the registration on a limited number of statutory grounds.

If no complaints are filed, FMCSA will issue the registration authorizing surface transportation operations (i.e., operating authority), given (1) the applicant is willing and able to comply with all applicable statutory and regulatory provisions and safety fitness requirements, and (2) the applicant has made the required insurance and process agent filings.

For Form OP-1(MX) applications, such FMCSA publication will occur only after the motor carrier successfully completes the Pre-authorization Safety Audit (PASA) and FMCSA approves the application. Such publication of an application summary as a preliminary grant of authority in the FMCSA Register is not an issuance of registration authority, but notice to the public to permit interested parties wishing to oppose the authority to submit a protest to FMCSA.

A preliminary grant of authority cannot become effective as an active operating authority for a minimum of 10 days after publication.

3. EXTENT OF AUTOMATED INFORMATION COLLECTION

Effective December 12, 2015, OP-1 series forms, with the exception of OP-1(MX), can only be used to apply for additional authorities, not for initial registration with FMCSA. These forms request information to identify the applicant, the nature and scope of its proposed operations, a narrative description of the applicant’s safety policies and procedures, and information regarding the drivers and vehicles it plans to use in U.S. operations.

Forms OP-1, OP-1(P), OP-1(FF), and OP-1(NNA) can be filed online or in paper format. For the purposes of this ICR, FMCSA assumes that all existing registrants using forms OP-1, OP-1(P), OP-1(FF), or OP-1(NNA) will file online. Currently, Form OP-1(MX) can only be filed using the paper format.

4. EFFORTS TO IDENTIFY DUPLICATION

There are no similar filings made with any other Federal Agency or within the Department of Transportation that would result in duplication of this information.

5. EFFORTS TO MINIMIZE THE BURDEN ON SMALL BUSINESSES

The paperwork burdens associated with completing OP-1 series forms are minimal for small businesses, as the forms are easy to understand and complete. However, non-U.S. domiciled applicants are required to provide basic information and additional safety information and certifications of compliance to demonstrate their willingness and ability to comply with applicable safety regulations. The requested information cannot be obtained from any other source, since all Mexico-domiciled applicants will be located outside of the United States, and this ICR requests no more information than is necessary to ensure compliance with applicable safety regulations.

6. IMPACT OF LESS FREQUENT COLLECTION OF INFORMATION

OP-1, OP-1(P), OP-1(FF), and OP-1(NNA): There is no requirement that any of these forms be filed on a periodic basis. The forms are filed on an “as needed” basis. Since the rollout of URS Phase I, the sole purpose of these forms is to allow existing registrants to apply for additional authorities.

OP-1(MX): A new application form is currently required only if a Mexico-domiciled carrier wishes to extend the scope of its authority or is applying for new authority. Under the current registration rules, where a Mexico-domiciled carrier wishes to expand its authority, it must make an “initial filing” of the Form OP-1(MX) and go through the full application process to obtain the additional authority. All Mexico-domiciled carriers are required to report changes in basic identifying information, such as addresses and telephone numbers, through supplemental filings as the changes occur. FMCSA does not require Mexico-domiciled registrants to re-file the entire form in these circumstances.

7. SPECIAL CIRCUMSTANCES

No special circumstances apply to this information collection

8. COMPLIANCE WITH 5 CFR 1320.8:

On September 11, 2019 FMCSA published a 60-day notice (84 FR 48000) in the Federal Register requesting public comments on the proposed revision of this information collection. FMCSA did not receive any comments. FMCSA published a 30-day Federal Register notice (84 FR 66452) on December 4, 2019.

9. PAYMENTS OR GIFTS TO RESPONDENTS

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

10. ASSURANCE OF CONFIDENTIALITY

There is no assurance of confidentiality. The OP-1 series of forms call for information identifying the applicant and the scope of its proposed operations. All registration applications filed with FMCSA become part of a public docket and are open to the public for inspection and review.

11. JUSTIFICATION FOR COLLECTION OF SENSITIVE INFORMATION

The information requested and collected is not of a sensitive nature.

12. ESTIMATE OF BURDEN HOURS FOR INFORMATION REQUESTED

ASSUMPTIONS FOR BURDEN ESTIMATES

The estimates provided in Table 1 are based on the numbers of OP-1 series forms collected by FMCSA during calendar years 2016, 2017, and 2018. The annual respondent estimate is calculated by averaging the total number of forms received across the 3 years. The average annual burden is calculated by multiplying the number of respondents by the estimated form completion time. FMCSA expects completion and submission of forms in the OP-1 series to be performed by a carrier compliance officer or equivalent. The Agency estimates the loaded hourly wages for this occupation to be \$51.97, comprising a median wage of \$33.10 per hour⁽¹⁾ multiplied by a load factor of 1.57.^(2,3) Forms OP-1, OP-1(P), and OP-1(FF) are estimated to take 2 hours to complete. Forms OP-1(MX) and OP-1(NNA) are estimated to take 4 hours to complete. FMCSA anticipates the following annual burden hours for the OP-1 series:

- OP-1: The associated annual burden for OP-1 is 135,442 hours (67,721 estimated annual respondents x 2 hours).
- OP-1(P): The associated annual burden for OP-1(P) is 2,898 hours (1,449 estimated respondents x 2 hours).
- OP-1(FF): The associated annual burden for OP-1 (FF) is 8,688 hours (4,344 estimated respondents x 2 hours).

¹ U.S. Department of Labor, Bureau of Labor Statistics. (2018). "May 2018 National Industry-Specific Occupational Employment and Wage Estimates, NAICS 484000 - Truck Transportation." (See 13-1041, Compliance Officers). Retrieved July 23, 2019, from: www.bls.gov/oes/current/naics3_484000.htm#13-0000.

² The load factor for carrier compliance officers is calculated by multiplying the total cost of compensation for private industry workers of the transportation and warehousing series (\$40.49) by the average cost of hourly wages and salaries (\$25.80), as reported by the Bureau of Labor Statistics ($\$40.49/\$25.80 = 1.57$).

³ U.S. Department of Labor, Bureau of Labor Statistics. (2018). "Table 10. Employer costs per hour worked for employee compensation and costs as a percentage of total compensation: private industry workers, by industry group, June 2018," in News Release: Employer Costs for Employee Compensation—June 2018. Retrieved July 19, 2019, from: https://www.bls.gov/news.release/archives/ecec_09182018.pdf.

- OP-1(MX): The associated annual burden for OP-1 (MX) is 88 hours (22 estimated respondents x 4 hours).
- OP-1(NNA): The associated annual burden for OP-1 (NNA) is 8 hours (2 estimated respondents x 4 hours).
- OP-1 series total: The associated annual burden for all forms in the OP-1 series is 147,124 hours (135,442 + 2,898 + 8,688 + 88 + 8 hours).

Table 1. Estimated annualized burden hours for the OP-1 series of forms.

Form	Respondents	Responses	Burden Hours per Response	Total Burden Hours
IC-1: OP-1	67,721	67,721	2.0	135,442
IC-2: OP-1(P)	1,449	1,449	2.0	2,898
IC-3: OP-1(FF)	4,344	4,344	2.0	8,688
IC-4: OP-1(MX)	22	22	4.0	88
IC-5: OP-1(NNA)	2	2	4.0	8
Total	73,538	73,538	-	147,124

Source: FMCSA, Licensing & Insurance (L&I) data for calendar years 2016, 2017, and 2018, accessed May 2019.

Estimated Total Number of Annual Respondents: 73,538

Estimated Total Number of Annual Responses: 73,538

Estimated Total Annual Burden Hours: 147,124

shows the estimated annual labor burden cost for respondents of the OP-1 series to be **\$7,646,034.28** (number of respondents x burden hours per application x the associated labor per hour).

Table 2. Estimated annualized burden hours cost for the OP-1 series of forms.

Form	Respondents	Responses	Burden Hours per Response	Labor Cost	Total Annual Respondent Labor Cost
IC-1: OP-1	67,721	67,721	2.0	\$51.97	\$7,038,920.74
IC- 2: OP-1(P)	1,449	1,449	2.0	\$51.97	\$150,609.06
IC- 3: OP-1(FF)	4,344	4,344	2.0	\$51.97	\$451,515.36
IC- 4: OP-1(MX)	22	22	4.0	\$51.97	\$4,573.36
IC- 5: OP-1(NNA)	2	2	4.0	\$51.97	\$415.76

Total	73,538	73,538	–	–	\$7,646,034.28
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13. ESTIMATE OF TOTAL ANNUAL COSTS TO RESPONDENTS

In addition to labor costs, applicants are required to pay a \$300 filing fee for forms in the OP-1 series, except for Form OP-1(NNA), if the applicant is a private carrier. All forms are available to submit electronically, except Form OP-1(MX). As a result, Form OP-1(MX) incurs postage costs associated with mailing the form to FMCSA. The Agency assumes the cost of mailing one OP-1(MX) application is approximately \$1.00, accounting for an envelope and postage.

shows the estimated annual fee costs to respondents of the OP-1 series to be **\$22,061,400** (number of respondents x application fee).

Table 4 shows the estimated annual cost to mail Form OP-1(MX) to be **\$22** (number of respondents x cost to mail application).

shows the fees and application mailing costs of the OP-1 series forms to respondents.

The overall costs to respondents is the total annual respondent labor costs added to the total annual respondent form fees and the total costs to mail applications, which is equal to \$29,707,456.28.

FMCSA anticipates the following for the OP-1 series cost to respondent:

Table 3. *Estimated annual fees for the OP-1 series of forms.*

Form	Respondents	Responses	Respondent Form Fee	Total Annual Respondent Form Fees
IC-1: OP-1	67,721	67,721	\$300	\$20,316,300
IC-2: OP-1(P)	1,449	1,449	\$300	\$434,700
IC-3: OP-1(FF)	4,344	4,344	\$300	\$1,303,200
IC-4: OP-1(MX)	22	22	\$300	\$6,600
IC-5: OP-1(NNA)	2	2	\$300	\$600
Total	73,538	73,538	–	\$22,061,400

Table 4. *Estimated annual cost to mail OP-1(MX) forms.*

Form	Respondents	Response	Mailing Cost	Total Cost to Mail
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	nts	s	per Application	Applications
IC- 4: OP-1(MX)	22	22	\$1	\$22
Total	22	22	–	\$22

Table 5. Estimated fees and mailing costs to respondents of the OP-1 series of forms.

Form	Total Annual Respondent Form Fees	Total Cost to Mail Application
IC-1: OP-1	\$20,316,300	N/A
IC- 2: OP-1(P)	\$434,700	N/A
IC- 3: OP-1(FF)	\$1,303,200	N/A
IC- 4: OP-1(MX)	\$6,600	\$22.00
IC- 5: OP-1(NNA)	\$600	N/A
Total	\$22,061,400	\$22.00

14. ESTIMATE OF COST TO THE FEDERAL GOVERNMENT

The OP-1 form series, except for OP-1(MX), is processed by a Transportation Specialist (Grade 9) at FMCSA’s Washington, D.C. headquarters. The OP-1(MX) form is processed by a Transportation Specialist (Grade 9) at the Trans-Border Office. The estimated loaded hourly cost for processing forms OP-1, OP-1(P), OP-1(FF), and OP-1(NNA) is estimated to be \$39.66 per hour, comprising wages of \$30.99 per hour⁽⁴⁾ and benefits equal to 28 percent of wages.⁽⁵⁾ The average labor cost for OP-1(MX) is estimated to be \$34.08 per hour, comprising wages of \$26.62 per hour⁽⁶⁾ and benefits equal to 28 percent of wages.⁽⁷⁾ Processing an OP-1, OP-1(P), or OP-1(FF) form is estimated to take 6.5 hours; processing an OP-1(MX) or OP-1(NNA) form is estimated to take 8.5 hours.

As shown in Table 6, the total cost to the Federal Government of collecting and processing the OP-1 form series is **\$18,958,221.24**. As discussed in item 13 above, an estimated **\$22,061,400** of that cost is recouped via fees charged to applicants.

Table 6. Estimated annualized cost to the Federal Government.

Form	Number of Responses	Hours per Response	Cost per Hour	Total Annual Cost
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⁴ Office of Personnel Management. Salary Table 2018-Dcb for the Locality Pay Area of Dallas-Fort Worth, TX-OK. Available at https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2018/DFW_h.pdf . Accessed July 24, 2019.

⁵ Consistent with other FMCSA ICRs.

⁶ Office of Personnel Management. Salary Table 2018-Dcb for the Locality Pay Area of Dallas-Fort Worth, TX-OK. Available at https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2018/DFW_h.pdf . Accessed July 24, 2019.

⁷ Consistent with other FMCSA ICRs.

IC-1: OP-1	67,721	6.5	\$39.66	\$17,457,796.59
IC-2: OP-1(P)	1,449	6.5	\$39.66	\$373,537.71
IC-3: OP-1(FF)	4,344	6.5	\$39.66	\$1,119,839.76
IC-4: OP-1(MX)	22	8.5	\$34.08	\$6,372.96
IC-5: OP-1(NNA)	2	8.5	\$39.66	\$674.22
Total				\$18,958,221.24

Estimated Annualized Cost to the Federal Government: \$18,958,221.24

15. EXPLANATION OF PROGRAM CHANGES OR ADJUSTMENTS

The previously approved version of this ICR estimated the average annual burden to be 24,853 hours [(74,464 hours for Year 1) + (48 hours for Year 2) + (48 hours for Year 3) = 74,560 hours/3 year approval for ICR = 24,853 estimated average number of annual burden hours], with 37,240 total annual respondents [(37,216 respondents and responses for Year 1) + (12 respondents and responses for Year 2) + (12 respondents and responses for Year 3)]. The current ICR estimates **147,124** annual burden hours, with **73,538** total annual respondents. The program change increase of **122,271** estimated annual burden hours and **36,298 respondents** is due to a change in assumptions and circumstances.

In the previous iteration of this ICR, FMCSA expected that the OP-1 series of forms—except for OP-1(MX)—would be rolled into one form (MCSA-1) in URS, and that all transportation entities subject to FMCSA’s registration requirements would register and/or apply for additional authorities via URS by 2017. Thus, in the previously approved ICR, FMCSA calculated the burden estimate for forms OP-1, OP-1(P), OP-1(FF), and OP-1(NNA) for only 1 year. FMCSA rolled out Phase I of URS (which applies to all first-time applicants for an FMCSA-issued registration) in December of 2015. However, as discussed above in item 1, FMCSA has experienced delays in rolling out Phase II of URS (which applies to existing registrants) and has indefinitely suspended the effective date of URS requirements for such entities. Until further notice, existing registrants must still use the OP-1 series of forms to apply for additional authorities. FMCSA is assuming that this will be the case for the 3-year period covered by this ICR. This has resulted in an increase in the number of annual responses and burden hours.

16. PUBLICATION OF RESULTS OF DATA COLLECTION

FMCSA uses a portion of the collected data to prepare a public notice of the registration application, which is published in the “FMCSA Register.” Publication of this notice initiates a 10-day period during which an interested party may file a complaint seeking denial of the registration on a limited number of statutory grounds.

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

FMCSA is not seeking an exemption from displaying the expiration date.

18. EXCEPTIONS TO CERTIFICATION STATEMENT

None

ATTACHMENTS:

- A. 49 U.S.C. § 13902(a)
- B. 49 U.S.C. § 13903
- C. 49 U.S.C. § 13904
- D. Final Rule titled “Unified Registration System,” (78 FR 52608, dated August 23, 2013)
- E. Final Rule titled “Unified Registration System; Suspension of Effectiveness,” (82 FR 5292, dated January 17, 2017)
- F. Form OP-1
- G. Form OP-1(P)
- H. Form OP-1(FF)
- I. Form OP-1(MX)
- J. Form OP-1 (NNA)