

the facility, if any, that will be used instead.

Deadline for Fulfilling One-Time Reporting Requirements

The proposed amendments would require those already holding RI status to submit the additional information that would have to be submitted by new applicants not later than 30 days after the effective date of the final rule adopting the amendments. However, if an RI has previously provided any of the additional information to NHTSA in its registration application, annual statement, or notification of change, it would not be required to resubmit that information under the proposed amendments. In this circumstance, the RI would be allowed to incorporate the information by reference in its response, provided it clearly indicates the date, page, and entry of the previously provided document.

Description of the Need for the Information and Proposed Use of the Information—NHTSA would rely on the information provided under the proposed amendments by RIs and applicants for RI status to better ensure that RIs are meeting their obligations under the statutes and regulations governing the importation of nonconforming vehicles and to make more informed decisions in conferring RI status on applicants and in permitting RI status to be retained by those currently holding registrations. In this manner, those lacking the capability to responsibly provide RI services, or who have committed or are associated with those who have committed past violations of the vehicle importation laws, could be more readily denied registration as an RI, or if they already hold such a registration, have that registration suspended or revoked when circumstances warrant such action.

Description of the Likely Respondents (Including Estimated Number and Proposed Frequency of Responses to the Collection of Information)—Currently 172 RIs are registered with NHTSA. Within 30 days from the date that a final rule adopting the amendments is published, these RIs would be required to submit information updating the information they have previously submitted to the agency, including all new information items that would be required from applicants for RI status. In recent years, NHTSA has received approximately 20 applications per year from individuals and entities seeking to acquire RI status. Over the past year, however, a number of RIs have gone out of business. From reports in the trade press, this development appears to have occurred on account of a reduction in

the demand for imported used vehicles caused by currency fluctuations and the availability of incentive programs such as zero-percent financing and rebates on new cars purchased in the United States. For the first five months of this year, the number of nonconforming vehicles imported from Canada is 56 percent lower than the number imported during the first five months of 2002 (50,948 vehicles imported from January 1 through May 31 of 2003 vs. 114,930 imported in the same period of 2002). Given the profound reduction in the volume of Canadian imports, it is reasonable to assume that there will be a concomitant reduction in applications from those seeking to import such vehicles. The additional information that would be required from RIs and applicants for RI status under the proposed regulations would need to be submitted only once.

Estimate of the Total Annual Reporting and Recordkeeping Burden of the Collection of Information in the Amended Regulations—It is estimated that it should take each RI and applicant for RI status approximately two hours to assemble and supply the additional information that would be required under the proposed amendments. There are currently 172 RIs in active status, and the agency receives approximately 20 applications per year from those seeking to become RIs. Based on the agency's estimate that it would take approximately 2 hours to assemble and supply the additional information that would be required under the proposed amendments, the total estimated reporting burden on the entire industry would be approximately 344 hours to comply with the one-time reporting requirement ($172 \text{ importers} \times 2 \text{ hours} = 344 \text{ hours}$). The total estimated reporting burden on those seeking to become RIS would be approximately 40 hours per year ($20 \text{ applicants} \times 2 \text{ hours} = 40 \text{ hours}$). In addition, it should take each RI that is required to conduct a safety recall campaign approximately one hour to compile information for and prepare each of the two reports it would be required to submit to the agency detailing the progress of the recall campaign. Since vehicle manufacturers in most cases include vehicles imported by RIs in their own recall campaigns, it is likely that very few of these reports would have to be prepared or submitted by RIs.

Estimate of the Total Annual Costs of the Collection of Information in the Amended Regulations—Other than the cost of the burden hours, the only additional costs associated with this information collection are those incident to the storage, for a period of

an additional two years, of records pertaining to the nonconforming vehicles that each RI imports into the United States. The agency's regulations at 49 CFR 592.6(b) state that those records must consist of "correspondence and other documents relating to the importation, modification, and substantiation of certification of conformity to the Administrator." The regulations further specify that the records to be retained must include: (1) A copy of the HS-7 Declaration Form furnished for the vehicle at the time of importation, (2) all vehicle or equipment purchase or sales orders or agreements, conformance agreements with importers other than RIs, and correspondence between the RI and the owner or purchaser of each vehicle for which the RI furnishes a certificate of conformity to NHTSA, (3) the last known name and address of the owner or purchaser of each vehicle for which the RI furnishes a certificate of conformity, and the vehicle identification number (VIN) of the vehicle, and (4) records, both photographic and documentary, reflecting the modifications made by the RI, which were submitted to NHTSA to obtain release of the conformance bond furnished for the vehicle at the time of importation. See 49 CFR 592.6(b)(1) through (b)(4).

The latter records are referred to as a "conformity package." Most conformity packages submitted to the agency covering vehicles imported from Canada are comprised of approximately six sheets of paper (including a check-off sheet identifying the vehicle and the standards that it was originally manufactured to conform to and those that it was modified to conform to, a statement identifying the recall history of the vehicle, a copy of the HS-474 conformance bond covering the vehicle, and a copy of the mandatory service insurance policy obtained by the RI to cover its recall obligations for the vehicle). In addition, most conformity packages include photographs of the vehicle, components that were modified or replaced to conform the vehicle to applicable standards, and the certification labels affixed to the vehicle. Approximately 120 conformity packages can be stored in a cubic foot of space. Based on projected imports of 100,000 nonconforming vehicles per year, 833 cubic feet of space will be needed on an industry-wide basis to store one year's worth of conformity packages. Assuming an annual cost of \$20 per cubic foot to store the information, NHTSA estimates the aggregate cost to industry for storing a