FEDERAL DEPOSIT INSURANCE CORPORATION

Agency Information Collection Activities: Renewal of a Currently Approved Collection (3064–0127);
Comment Request

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: Notice and request for comment.

SUMMARY: In accordance with requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.), the FDIC may not conduct or sponsor, and the respondent is not required to respond to, an information collection unless it displays a currently valid Office of Management and Budget (OMB) control number. The FDIC hereby gives notice that it is seeking public comment on the proposed renewal of its Occasional Qualitative Surveys information collection (OMB No. 3064–0127). At the end of the comment period, any comments and recommendations received will be analyzed to determine the extent to which the FDIC should modify the collection prior to submission to OMB for review and approval.

DATES: Comments must be submitted on or before April 26, 2010.

ADDRESSES: Interested parties are invited to submit written comments. All comments should refer to the name of the collection. Comments may be submitted by any of the following methods:

- E-mail: comments@fdic.gov.
- Hand Delivery: Comments may be hand-delivered to the guard station at the rear of the 550 17th Street Building (located on F Street), on business days between 7 a.m. and 5 p.m.

A copy of the comments may also be submitted to the FDIC Desk Officer, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, Washington, DC 20503.

FOR FURTHER INFORMATION CONTACT: For further information about this renewal, please contact Gary A. Kuiper, by telephone at 202.898.3877 or by mail at the address identified above.

SUPPLEMENTARY INFORMATION: The FDIC is proposing to renew this collection:

Title: Occasional Qualitative Surveys.

Estimated Number of Respondents and Burden Hours:

<table>
<thead>
<tr>
<th>FDIC document</th>
<th>Number of surveys</th>
<th>Hours per survey</th>
<th>Number of respondents</th>
<th>Burden hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Occasional Qualitative Surveys</td>
<td>15</td>
<td>1</td>
<td>850</td>
<td>12,750</td>
</tr>
<tr>
<td>Total</td>
<td>15</td>
<td>1</td>
<td>850</td>
<td>12,750</td>
</tr>
</tbody>
</table>

General Description of Collection: The information collected in these surveys is anecdotal in nature, that is, samples are not necessarily random, the results are not necessarily representative of a larger class of potential respondents, and the goal is not to produce a statistically valid and reliable database. Rather, the surveys are expected to yield anecdotal information about the particular experiences and opinions of members of the public, primarily staff at respondent banks or bank customers. The information is used to improve the way FDIC relates to its clients, to develop agendas for regulatory or statutory change, and in some cases to simply learn how particular policies or programs are working, or are perceived in particular cases.

Current Action: The FDIC is proposing to renew this information collection.

Request for Comment

Comments are invited on: (a) Whether this collection of information is necessary for the proper performance of the FDIC’s functions, including whether the information has practical utility; (b) the accuracy of the estimate of the burden of the information collection, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the information collection on respondents, including through the use of automated collection techniques or other forms of information technology. All comments will become a matter of public record.
Federal Deposit Insurance Corporation.
Robert E. Feldman, 
Executive Secretary.
[FR Doc. 2010–3411 Filed 2–22–10; 8:45 am]
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FEDERAL MARITIME COMMISSION

[Petition P1–08]

Petition of the National Customs Brokers and Forwarders Association of America, Inc., for Exemption From Mandatory Tariff Publication

Comments of the U.S. Department of Justice

Christine A. Varney, Assistant Attorney General.
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U.S. Department of Justice, Antitrust Division, Transportation, Energy & Agriculture Section.
450 Fifth Street, N.W., Washington, DC 20530.

Comments

The United States Department of Justice (“Department”) files these comments in support of the petition of the National Customs Brokers and Forwarders Association of America, Inc. (“the Petition”) requesting an exemption for non-vessel-operating common carriers (“NVOCCs”) from certain tariff publishing and enforcement requirements. NVOCC tariff publishing requirements impose significant costs that limit competition, resulting in higher shipping rates. These costs far outweigh any justification. The Department has long supported exempting NVOCCs from all tariff-publishing requirements to produce the greatest competitive benefits. Granting the relief requested by the Petition would represent a meaningful step in that direction by reducing unnecessary burden and enhancing competition.

A. NVOCC Tariff-Publishing Requirements

Many shippers of overseas cargo, particularly smaller ones, book shipments through NVOCCs instead of contracting directly with the operators of ocean-going vessels (“vessel-operating common carriers” or “VOCCs”). NVOCCs provide a variety of services for their shipper customers. By negotiating service contracts with VOCCs for the aggregated volume of their shipper customers’ cargo, NVOCCs can obtain better rates than individual shippers could obtain on their own. In addition, many NVOCCs provide intermodal combinations of ocean and inland transportation services. Some add still other services to their transportation packages, such as packing, loading, labeling, warehousing, customs clearance, supply-chain management and other logistical services.

The Shipping Act of 1984 requires that each common carrier, including NVOCCs, publish tariffs showing all “rates, charges, classifications, rules, and practices between all points or ports.” Tariffs must be published for all rates that are charged shippers regardless of whether the particular rate has been individually negotiated and, in addition to detailing the rates to be charged, must provide information about the places between which cargo will be carried, each classification of cargo in use, any rules that affect the total of the rates or applicable charges, and samples of contracts and bills of lading. The Act provides for substantial fines for each instance of non-compliance.

Tariff publishing requirements place a particularly high burden on NVOCCs due to the nature of their business. As explained in multiple comments filed in this proceeding, NVOCCs typically handle small to mid-size shipments on a spot basis rather than through long-term contracts. Shippers routinely contact NVOCCs to negotiate rate quotes to move a particular shipment at a specific time. NVOCCs in turn deal with multiple VOCCs to provide the actual transportation, and the VOCCs frequently adjust rates and surcharges they impose on the NVOCCs. As a result, NVOCCs typically tailor their charged rates to the specific circumstances of each shipment and, accordingly, must make frequent tariff filings and adjustments to meet the regulatory requirements. This is a costly and burdensome process.3

The Federal Maritime Commission ("Commission") has issued rule changes in which it has used its exemption authority under § 16 of the 1984 Shipping Act, later broadened by the Ocean Shipping Reform Act ("OSRA"),4 to relieve NVOCCs from certain tariff publication requirements. Most notably, the Commission has exempted from full tariff-publishing requirements certain formal written contracts between NVOCCs and shippers (“NVOCC Service Arrangements” or “NSAs”).5 The rule allows the contracting parties to keep competitively sensitive aspects of the agreement (such as price and quantity) confidential. However, NVOCCs still have to file the agreements with the Commission and publish their essential terms in tariff form.6 This raises the same cost and burden issues NVOCCs face under the general tariff publishing rules.7 NSAs are not widely used.8

For example, the National Customs Brokers and Forwarders Association of America, Inc. ("NCBFAA") estimates that tariff publishing expenses can be as much as $240,000 per year. NCBFAP Petition at 8; see also Comments of Global Link Logistics at 2 ("The cost to a small NVOCC to comply with tariff publishing requirements is a hardship. At GLL we spend in excess of $100,000 annually."); Comments of N.A. Deringer at 2 ("Our rate tariff publishing and management costs are an additional expense. The labor needed to produce the number of quotes, manage carrier updates, and keep our tariff current requires an additional investment of over $75,000 annually."); Comments of C.H. Robinson Worldwide at 2 ("The average cost for tariff filings per annum exceeds over $160,000."); and Comments of NACA Logistics (USA) at 2 ("The full costs of establishing a tariff Web site, rate tariff publication, maintenance of same, internal IT development and the costs of personnel assigned to tariff compliance is estimated at $100,000 annually in resources. We feel this is a high cost for a system that is not utilized by the shipping public.").


An NSA is essentially a contract between an NVOCC and a shipper in which the shipper makes a commitment to provide a certain quantity or portion of its cargo or freight revenue over a fixed time period, and the NVOCC commits to a certain rate or rate schedule and a defined service level. See 46 CFR 531.3(p) (2005).


3 See, e.g., Comments of RS Express at 1–2 (filing NSAs is a cumbersome process that is worthwhile only for major contracts).

4 In 1998, OSRA gave VOCCs and their shipper customers the right to enter freely into confidential service contracts, without the need to publish commercially sensitive terms and conditions. VOCCs typically enter into long-term contracts with large shippers that routinely ship significant quantities of cargo. In contrast, NVOCCs enter into formal, long term contracts less frequently. The Petition states that in 2007, VOCCs filed 43,699 original service contracts compared to 762 original NSAs filed by NVOCCs for the same time period. NCBFAP Petition at 8.

2 See 46 U.S.C. 40501 (formerly Section 8 of the Shipping Act).