



9110-05-P

**DEPARTMENT OF HOMELAND SECURITY**

**Transportation Security Administration**

**[Docket No. TSA-2001-11120]**

**Intent to Request Extension From OMB of One Current Public Collection of Information: Imposition and Collection of Passenger Civil Aviation Security Service Fees**

**AGENCY:** Transportation Security Administration, DHS.

**ACTION:** 60-day notice.

**SUMMARY:** The Transportation Security Administration (TSA) invites public comment on one currently approved Information Collection Request (ICR), Office of Management and Budget (OMB) control number 1652-0001, abstracted below that we will submit to OMB for an extension in compliance with the Paperwork Reduction Act (PRA). The ICR describes the nature of the information collection and its expected burden. The collection involves air carriers maintaining an accounting system to account for the passenger civil aviation security service fees collected and reporting this information to TSA on a quarterly basis, as well as retaining the data used for these reports for three fiscal years.

**DATES:** Send your comments by **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

**ADDRESSES:** Comments may be e-mailed to TSAPRA@tsa.dhs.gov or delivered to the TSA PRA Officer, Office of Information Technology (OIT), TSA-11, Transportation Security Administration, 601 South 12th Street, Arlington, VA 20598-6011.

**FOR FURTHER INFORMATION CONTACT:** Christina A. Walsh at the above address, or by telephone (571) 227-2062.

**SUPPLEMENTARY INFORMATION:**

**Comments Invited**

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The ICR documentation will be available at <http://www.reginfo.gov> upon its submission to OMB. Therefore, in preparation for OMB review and approval of the following information collection, TSA is soliciting comments to--

- (1) Evaluate whether the proposed information requirement is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- (2) Evaluate the accuracy of the agency's estimate of the burden;
- (3) Enhance the quality, utility, and clarity of the information to be collected; and
- (4) Minimize the burden of the collection of information on those who are to respond, including using appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Consistent with the requirements of Executive Order (EO) 13771, Reducing Regulation and Controlling Regulatory Costs, and EO 13777, Enforcing the Regulatory

Reform Agenda, TSA is also requesting comments on the extent to which this request for information could be modified to reduce the burden on respondents.

### **Information Collection Requirement**

*OMB Control Number 1652-0001; Imposition and Collection of Passenger Civil Aviation Security Service Fees.* In accordance with the Aviation Transportation Security Act (ATSA) (49 U.S.C. 44940) and relevant TSA Regulations (49 CFR part 1510), TSA imposes a Passenger Civil Aviation Security Service Fee (September 11th Security Fee) on passengers of both foreign and domestic air carriers (“air carriers”) on air transportation originating at airports in the United States.

The September 11th Security Fee is used to help defray the costs of providing Federal services including civil aviation security services. This information collection requires air carriers to submit to TSA the amount of September 11th Security Fees an air carrier has imposed, collected, refunded to passengers, and remitted to TSA. The retention of this data is necessary for TSA to ensure the proper imposition, collection, and regulation the Security Fee. Additionally, TSA collects the information to monitor carrier compliance with the fee requirements and for auditing purposes. Air carriers are required to retain this information for three years. Specifically, information collected during a given fiscal year (October 1 through September 30) must be retained through three subsequent fiscal years. For example, information collected during fiscal year 2017 must be retained through fiscal year 2020.

TSA rules require air carriers to impose and collect the fee on passengers, and to submit the fee to TSA by the final day of the calendar month following the month in which the fee was collected. 49 CFR 1510.13. Air carriers are further required to submit

quarterly reports to TSA, which indicate the amount of the fees imposed, collected, and refunded to passengers, and remitted to TSA. 49 CFR 1510.17. In December 2013, the fee was statutorily restructured to be based on one-way trips rather than enplanements. The statute was further amended in December 2014 to include a round-trip limitation on the security service fee. TSA published two interim final rules (IFRs)<sup>1</sup> to implement changes to the regulations required by these amendments to 49 U.S.C. 44940. Thus, the fee is currently imposed at \$5.60 per one-way trip for air transportation originating at an airport in the United States, and passengers may not be charged more than \$5.60 per one-way trip or \$11.20 per round trip. 49 CFR 1510.5.

Each air carrier that collects security service fees from more than 50,000 passengers annually is also required under 49 CFR 1510.15 to submit to TSA an annual independent audit, performed by an independent certified public accountant, of its security service fee activities and accounts. Although the annual independent audit requirements were suspended on January 23, 2003 (68 FR 3192), TSA conducts its own audits of the air carriers. 49 CFR 1510.11. Notwithstanding the suspension of the audit requirements, air carriers must establish and maintain an accounting system to account for the security service fees imposed, collected, refunded to passengers and remitted to TSA. 49 CFR 1510.15(a).

TSA is seeking an extension of this collection to require air carriers to continue submitting the quarterly reports to TSA, and to require air carriers to retain the information for three fiscal years after the fiscal year in which the information was collected. This requirement includes retaining the source information for the quarterly

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<sup>1</sup> 79 FR 35461 (June 20, 2014) and 80 FR 31850 (June 4, 2015).

reports remitted to TSA as well as the calculations performed to create the reports submitted to TSA. Should the annual audit requirement be reinstated, the requirement would include information and documents reviewed and prepared for the independent audit; the accountant's working papers, notes, worksheets, and other relevant documentation used in the audit; and, if applicable, the specific information leading to the accountant's opinion, including any determination that the accountant could not provide an audit opinion. Although TSA suspended the independent audit requirement, TSA conducts audits of the air carriers, and therefore, requires air carriers to retain and provide the same information as required for the quarterly reports and independent audits.

TSA has incorporated minor adjustments to the figures used to estimate the costs of this ICR. The adjustments consider changes in the number of regulated air carriers and various administrative cost rates since the previous extension. TSA estimates that 195 total respondent air carriers will each spend approximately 1 hour to prepare and submit each quarterly report. TSA estimates that these respondents will incur a total of 780 hours (195 carriers x 4 quarterly reports x 1 hour per report) to satisfy the quarterly reporting requirements annually.

Should TSA reinstate the audit requirement, TSA estimates that 105 air carriers, of the 195 total respondent carriers that collect fees from more than 50,000 passengers annually, would be required to submit annual audits. These carriers would take approximately 20 hours for audit preparation, for a total of 2,100 hours (105 carriers x 20 hours per audit) annually.

TSA estimates 300 total responses from all respondent air carriers (195 plus 105, should the annual audit requirement be reinstated), with 2,880 burden hours (780 hours

for quarterly reports and 2,100 hours for audits) annually to satisfy the quarterly report and audit requirements.

TSA estimates that the 195 air carriers will each incur an average cost of \$413.76 annually to satisfy the quarterly reporting requirement. This estimate includes \$340.80 in labor for preparation of each quarterly report (4 reports x \$85.20 per hour, each quarterly report is estimated to take 1 hour to prepare), \$71.00 in annual records storage related costs, and \$1.96 for postage to submit the report (4 stamps at 49 cents each). TSA estimates an aggregate annual cost of \$80,683.20 (\$413.76 cost x 195 air carriers) for all air carriers to prepare, store, and submit quarterly reports and a cost of \$242,049.60 for the three-year extension period requested.

Should TSA reinstate the annual audit requirement, TSA estimates that 105 air carriers would be required to submit annual audits and would incur an average cost of \$3,187.30 per audit. This estimate includes \$3,112.80 in labor for preparation of each audit (20 hours per report x \$155.64 per hour), \$71.00 in annual records storage related costs, and \$3.50 for postage to submit the report. TSA estimates an aggregate annual cost of \$22,322.26 (\$3,187.30 cost x 105 air carriers x .0667 likelihood of audit to occur) for all air carriers to prepare, store, and submit the annual audit should the requirement be reinstated and \$66,966.76 for the three-year extension period requested.

Dated: September 15, 2017.

**Christina A. Walsh,**

*TSA Paperwork Reduction Act Officer,*

*Office of Information Technology.*

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