

**Federal Maritime Commission  
Office of Information Technology  
Privacy Impact Assessment (PIA)**

**Date of this Submission:** June 5, 2007

**Title of System or Information Collection:** FORM FMC-18

**Is this System or Information Collection new or is it an existing one being modified?**

The information collection involving Form FMC-18 was previously approved under OMB Control Number 3072-0018. Data collection requirements remain the same; however, an automated system to allow electronic filing and storage of Form FMC-18 data is new.

**Identifying Numbers (Use N/A, where appropriate)**

**Unique Project Identifier Number:** N/A

**Systems of Records Number:** FMC-7

**OMB Information Collection Approval Number and Expiration Date:** 3072-0018, expires 08/31/2010

**Other Identifying Number(s):** N/A

**Description**

- 1. Provide an overview of the system or collection and indicate the legislation authorizing this activity.**

Section 19 of the Shipping Act of 1984, 46 U.S.C. 40901-40904 (2006), as modified by Public Law 105-258 (The Ocean Shipping Reform Act of 1998) and Section 424 of Public Law 105-383 (The Coast Guard Authorization Act of 1998), requires that all ocean transportation intermediaries (OTIs) in the U.S. be licensed by the Federal Maritime Commission (FMC). These requirements are implemented in regulations contained in 46 CFR Part 515.

The information collected under this part and in Form FMC-18 is used to determine the qualifications of OTIs and to enable the Commission to discharge its duties under the Act by ensuring that OTIs continuously maintain their qualifications for licensing and acceptable evidence of financial responsibility.

- 2. Describe the information the agency will collect and how the agency will use the collected information. Explain how the data collected are the minimum necessary to accomplish the purpose for this effort.**

The agency collects all or some of the following data: OTIs' names, addresses, and taxpayer identification numbers (which may be the Social Security Numbers), as well as the names, addresses, and Social Security Numbers (or alternatively, driver's license numbers, passport numbers or alien registration numbers) of the qualifying individual,

stockholders, officers, and directors of individual OTIs; date of birth of the qualifying individual; descriptions of the relationships the OTI may have with other business entities; corporate organizational documents and business licenses; a record of the OTI's past experience in providing or procuring ocean transportation services; surety bond information with respect to licensed OTIs; and any financial background information and/or criminal convictions pertinent to the licensing of the OTIs.

The agency uses the information to determine whether an applicant for a license as an OTI meets the necessary qualifications as to character, experience and financial integrity set forth in 46 CFR Part 515 to be eligible for such license, and to validate the information provided in the license application. After a license is granted, this information is also needed for the purpose of contacting and monitoring licensees to ensure they remain in compliance with statutory requirements and Commission regulations.

The data collected are the minimum necessary for the FMC to determine the qualifications of OTIs, and minimize the privacy risks for applicants.

**3. Explain why this information is being collected.**

This information is being collected to determine whether an applicant possesses the necessary qualifications to be eligible for an OTI license and to retain such license, in accordance with 46 CFR 515.

**4. Identify with whom the agency will share the collected information.**

The FMC may use information obtained in the licensing process to provide or update account records maintained in the U.S. Customs and Border Protection's (CBP) Automated Commercial Environment/International Trade Data System (ACE/ITDS) to verify licensed or registered status of OTIs under the Trade Act of 2002 and related CBP requirements. In furnishing information to be used in the ACE system, all such data is input or keyed in by FMC personnel with no system-to-system interface.

**5. Describe how the information will be obtained, from whom it will be collected, what the suppliers of information and the subjects will be told about the information collection, and how this message will be conveyed to them (e.g., written notice, electronic notice if a web-based collection, etc.). Describe any opportunities for consent provided to individuals regarding what information is collected and how the information will be shared.**

The information will be obtained through Form FMC-18 from OTIs and applicants for OTI licensing. Under the Shipping Act of 1984, as amended, OTIs may be either an ocean freight forwarder, a non-vessel-operating common carrier, or both.

Applicants are advised, on the Form FMC-18, to familiarize themselves with the rules and regulations pertaining to OTIs, and where this information can be found. Form FMC-18 also contains a Privacy Act and Paperwork Reduction Act Notice preceding the Instructions.

Applicants are advised in the Privacy Act Notice that where there is an indication of a violation, or potential violation of law, or regulatory requirements, the agency may also

disclose information to the appropriate federal, state or local agencies. The applicant is expected to read the Privacy Act Notice and click the "I Agree" button to indicate that he/she has read the agreement, understands it, and accepts it. Applicants are also advised that applications that do not provide all of the applicable information required on Form FMC-18 will not be processed by the agency.

**6. Describe how the information will be secured.**

The FMC is following IT security requirements and procedures required by federal law and policy to ensure that this information is appropriately secured. The filing system is password-protected to ensure the security of information being collected and to appropriately restrict external access to data to the applicant and its authorized filing agents. A risk assessment has been conducted, and the appropriate security controls have been implemented. The information will be secured on Microsoft based SQL servers using HTTPs, NTFS system security and SQL security. The data will be encrypted within the SQL Database. These procedures are referenced in the System Security Plan as mandated by the Federal Information Security Management Act of 2002. The system will be assessed and audited on a quarterly basis by FMC's Office of Information Technology.

The data is accessible from within the FMC, and applicants or their authorized filing agents can access their data or data submitted on their behalf. Authorized personnel designated by the Bureau of Certification and Licensing will have access to the data, as will the Area Representatives and other FMC personnel having demonstrated a need-to-know. The point of contact for any additional questions from users is the Bureau of Certification and Licensing, Office of Transportation Intermediaries, Telephone (202) 523-5843, e-mail: [OTI@fmc.gov](mailto:OTI@fmc.gov).

**7. Describe plans for retention and destruction of data collected.**

Currently, applicant and licensee files are maintained in a secured environment as long as the application and/or license is active. Files for withdrawn and denied applicants, and revoked licenses remain in the Record Location Center for ten years after final action and are then destroyed. Because the automated filing system for FMC-18 has not yet been fully implemented or recognized as the Commission's new system of records for Form FMC-18 data, the electronic records pertaining to Form FMC-18 have not yet been scheduled. Record retention requirements applicable to the automated system currently are expected to track those of the paper records.

8. Identify whether a system of records is being created under section 552a of Title 5, United States Code (the Privacy Act), or identify the existing Privacy Act system of records notice under which the records will be maintained.

The electronic Form FMC-18 is included under the FMC's System of Records known as FMC-7.

IT Security Officer

Date 6/5/2007

IT Director approval

Date 6/5/07

Privacy Officer approval

Date: 6-5-07

CIO approval (if necessary)

Date: 6-5-07