

JUSTIFICATION FOR DEFENSE PRODUCTION ACT AMENDMENTS
9000-0133

A. Justification

1. Administrative requirements. Title III of the Defense Production Act of 1950 authorizes various forms of Government assistance to encourage expansion of production capacity and supply of industrial resources essential to national defense. The DPA Amendments of 1992 provide for the testing, qualification, and use of industrial resources manufactured or developed with assistance provided under Title III of the DPA.

The FAR requires contractors, upon the direction of the contracting officer, to test Title III industrial resources for qualification, and provide the test results to the Defense Production Act Office. The rule expresses Government policy to pay for such testing and provides definitions, procedures, and a contract clause to implement the policy.

2. Uses of this information. This information is used by the Defense Production Act Office, Title III Program, to determine whether the Title III industrial resource has been provided an impartial opportunity to qualify.

3. Consideration of information technology. We use improved information technology to the maximum extent practicable. Where both the Government agency and contractors are capable of electronic interchange, the contractors may submit this information collection requirement electronically.

4. Efforts to identify duplication. This requirement is being issued under the Federal Acquisition Regulation (FAR) which has been developed to standardize Federal procurement practices and eliminate unnecessary duplication.

5. If the collection of information impacts small businesses or other entities, describe methods used to minimize burden. The burden applied to small businesses is the minimum consistent with applicable laws, Executive Orders, regulations, and prudent business practices.

6. Describe consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently. Similar information is not already available to the contracting officer or buyer. Reduction of frequency of collection of information is not applicable. The contractor is

required to submit information to the Government only when Title III industrial resources have been tested.

7. Special circumstances for collection. Collection is consistent with guidelines in 5 CFR 1320.6.

8. Efforts to consult with persons outside the agency. Under the procedures established for development of the FAR, agency and public comments were solicited and each comment addressed before finalization of the text. A notice in July 20, 2006, Federal Register made this requirement available to the public and requested comments.

9. Explanation of any decision to provide any payment or gift to respondents, other than reenumeration of contractors or guarantees. Not applicable.

10. Describe assurance of confidentiality provided to respondents. The information to be provided by contractors is engineering data of a technical nature. Should any proprietary information be required, the confidentiality and rights associated with such information will be safeguarded by the Government in accordance with the existing requirements of the Federal Acquisition Regulation.

11. Additional justification for questions of a sensitive nature. The information to be provided by contractors is engineering data of a technical nature. Therefore, questions of a sensitive nature should not arise.

12 & 13. Estimated total annual public hour and cost burden.

Estimated hours preparation time. Some of the information contained in the test results will likely consist of computer generated technical data, and some information will likely be developed manually. Contractors will have to copy and mail the results to the Government. It is estimated that the average set of qualification test results will require approximately 100 hours of contractor preparation time. Therefore, (100 hrs. prep. time) X (18 responses) = 1,800 hours estimated annual preparation time.

Estimated cost of preparation. It is estimated that the test results will be prepared by the equivalent of a GS-11 program engineer, costing the contractor approximately \$24 per hour (fully burdened). Therefore, (1,800 hours prep. time) X (\$24/hr.) = \$43,200 estimated annual cost to the public.

Estimated hours to prepare each response..... 100
 Estimated number of responses..... 18
 Estimated cost per hour of preparation..... \$24
 Estimated annual cost to the public\$43,200

The burden placed on the respondents is the time required to prepare the test results and provide them to the Government. Some of the information contained in the test results will likely consist of computer-generated technical data, and some functions will likely be performed manually, including copying and mailing the results to the Government. It is estimated that the average set of qualification test results will require approximately 100 hours of contractor preparation time. Estimated burden to the public = (18 responses) X (100 hrs/response) = 1,800 hours.

Estimated number of respondents..... 6
 Estimated number of responses per respondent.....x3
 Estimated total annual responses..... 18
 Preparation hours per responses x100
 Total response burden hours.....1,800

14. Estimated cost to the Government.

Estimated number of responses: There are presently 11 producers of Title III industrial resources. It is estimated that about 6 of these may request qualification testing approximately 3 times per year. Therefore, the estimated number of responses is (3) X (6) = 18.

Estimated hours for Government review of test results: It is estimated that review of the test results will take approximately 40 hours per response. Therefore, the estimated annual hours of Government review = (40 hrs/response) X (18 estimated responses) = 720 hours.

Estimated cost of Government review: The test results submitted by contractors will be reviewed by a program engineer, typically at the GS-11 grade level. The fully burdened hourly cost to the Government of such an employee is \$24/hour. Therefore, the estimated cost to the Government = (720 hours of review) X (\$24/hr) = \$17,280.

Total annual responses..... 18
 Review time per response.....x40
 Total burden hours..... 720
 Estimated cost per hour of review.....x\$24

Estimated annual cost to the Government.....\$17,280

15. Explain reasons for program changes or adjustments reported in Item 13 or 14. This submission requests an extension of OMB approval of an information collection requirement in the FAR. The information collection requirement in the FAR remains unchanged.

16. Outline plans for published results of information collections. Results of this collection will not be tabulated or published.

17. Approval not to display expiration date. Not applicable.

18. Explanation of exception to certification statement. Not applicable.

B. Collections of Information Employing Statistical Methods.

Statistical methods are not used in this information collection.