

SUPPORTING STATEMENT
U.S. Department of Commerce
Bureau of Industry and Security

Short Supply Regulations - Unprocessed Western Red Cedar
OMB No. 0694-0025
EAR Section 754.4

A. Justification

1. Explain the circumstances that make the collection of information necessary.

Section 7(i) of the Export Administration Act (EAA) of 1979, as amended, (50 U.S.C. app. 2401 et. seq) prohibits the export of unprocessed western red cedar harvested from State or Federal lands, except for unprocessed western red cedar harvested under contracts entered into before September 30, 1979. To enforce this prohibition, Section 754.4 of the Export Administration Regulations (EAR) requires a validated license for the export of unprocessed western red cedar harvested from private lands or from State or Federal lands under contracts entered into prior to October 1, 1979. Applications for export licenses must include affidavits, supported by a certificate of inspection issued by a log scaling and grading bureau, to prove the applicant's compliance with the EAA. The EAA is not permanent legislation, and when it has lapsed due to the failure to enact a timely extension, Presidential executive orders under the International Emergency Economic Powers Act (IEEPA) have directed and authorized the continuation in force of the EAR.

2. Explain how, by whom, how frequently, and for what purpose the information will be used. If the information collected will be disseminated to the public or used to support information that will be disseminated to the public, then explain how the collection complies with all applicable Information Quality Guidelines.

The affidavits and certificate of inspection submitted in support of a license are used by licensing officers to verify that the commodity(ies) to be exported is not subject to the EAA prohibition. Without this documentation, enforcement of the EAA would not be possible.

Use of License Exception WRC requires the exporter to obtain and retain on file the following documents:

- A) A statement by the exporter (or other appropriate documentation) indicating that the unprocessed western red cedar was not harvested from State or Federal lands

outside of Alaska, and did not become available for export through substitution of commodities so harvested or produced. If the exporter did not harvest or produce the timber, the records or statement must identify the harvester or producer and must be accompanied by an identical statement from the harvester or producer. If any intermediate party or parties held title to the timber between harvesting and purchase, the exporter must also obtain such a statement, or equivalent documentation from the intermediate party or parties and retain it on file;

- B) A certificate of inspection issued by a third party log scaling and grading organization, approved by the United States Forest Service, that specifies the quantity in cubic meters or board feet, scribner rule, of unprocessed western red cedar timber to be exported, and lists each type of brand, tag, and/or paint marking that appears on any log or unprocessed lumber in the export shipment or alternatively, on the logs from which the unprocessed timber was produced.

The Section 515 Information Quality Guidelines apply to this information collection and comply with all applicable information quality guidelines, i.e., OMB, Department of Commerce, and specific operating unit guidelines.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological techniques or other forms of information technology.

This collection requires the exporter to retain records in their files. There is no plan to automate this collection. .

4. Describe efforts to identify duplication.

BIS has reviewed the data programs of the Census Bureau and other agencies and have determined that information on the sources of unprocessed western red cedar in individual export shipments is not collected by the Government or published by industry.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize burden.

The requirement to retain documents imposes a minimal burden on small businesses and other small entities.

6. Describe the consequences to the Federal program or policy activities if the collection is not conducted or is conducted less frequently.

Information on the lands from which red cedar is harvested is routinely recorded and retained by each harvesting company and such information is readily available to exporting companies. The scaling certificates are copies of documents generated routinely for other purposes. The EAR information collection requires that sworn affidavits be executed by the exporter, asserting to information contained in documents

available to the exporter or to information provided by intermediate suppliers from documents available to the supplier. No similar information is available. Compliance with the EAA prohibition could not be enforced without the required documents.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

There are no circumstances that require the information collection to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.6.

8. Provide a copy of the PRA Federal Register notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the agency in response to those comments. Describe the efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

The notice requesting public comment was published in the Federal Register on Sept. 18, 2006, Vol. 71 No. 180, p. 54613. No comments were received.

9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

There is no plan to provide any payment or gift to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation, or agency policy.

Any information obtained by the Federal Government under this procedure is subject to the provisions of Section 12(c) of the EAA and its unauthorized disclosure is prohibited by law.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

There are no questions of a sensitive nature.

12. Provide an estimate in hours of the burden of the collection of information.

There are 35 hours of annual public burden associated with this collection of information. All burden relates to documentation that exported western red cedar was not harvested from state or federal lands.

BIS's Export Control Automated Support System (ECASS) reports no applications for exporting unprocessed western red cedar have been received over the past year.

The License Exception activities under this collection of information require the exporter to obtain and retain on file certain documents. The activities are listed below:

Activity 1 - Not harvested from State or federal lands

A statement by the exporter (or other appropriate documentation) indicating that the unprocessed western red cedar was not harvested from State or Federal lands outside of Alaska, and did not become available for export through substitution of commodities so harvested or produced.

Activity 2 - Harvester's statement

If the exporter did not harvest or produce the timber, the records or statement must identify the harvester or producer and must be accompanied by an identical statement from the harvester producer.

Activity 3 - If others held title

If any intermediate party or parties held title to the timber between harvesting and purchase, the exporter must also obtain such a statement, or equivalent documentation from the intermediate party or parties and retain it on file.

Activity 4 - Certificate of inspection

A certificate of inspection issued by a third party log scaling and grading organization, approved by the United States Forest Service, that specifies the quantity in cubic meters or board feet, scribner rule, of unprocessed western red cedar timber to be exported, and lists each type of brand, tag, and/or paint marking that appears on any log or unprocessed lumber in the export shipment or alternatively, on the logs from which the unprocessed timber was produced.

For clarity, ALL activities (licensed and license exception) are summarized below:

	<u>Respondents</u>	<u>minutes</u>	<u>Annual burden hours</u>
License Exception:			
Activity 1-	35 x	30	= 17.50
Activity 2-	15 x	30	= 7.50
Activity 3-	10 x	30	= 5.0

Activity 4-	30	x
		10
		=
		5.0

Total Annual Burden Hours: 35

There are 35 total annual burden hours associated with this collection of information.

13. Provide an estimate of the total annual cost burden to the respondents or record-keepers resulting from the collection (excluding the value of the burden hours in #12 above).

The annual cost to respondents is approximately \$875. This is based 35 hours of annual public burden to collect and submit the required information at \$25 an hour.

14. Provide estimates of annualized cost to the Federal government.

The License Exception activities under this collection impose no costs to the Federal Government.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB 83-I.

Not applicable.

16. For collections whose results will be published, outline the plans for tabulation and publication.

There are no plans to publish this information for statistical purposes.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why display would be inappropriate.

Not applicable.

18. Explain each exception to the certification statement identified in Item 19 of the OMB 83-I.

Not applicable.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

Not applicable.