

**SUPPORTING STATEMENT FOR
PAPERWORK REDUCTION ACT EMERGENCY SUBMISSION
Iran Democracy Program Grants Vetting
1405-xxxx, DS-4100**

A. JUSTIFICATION

1. A critical component of the Administration's Iran policy is the support for indigenous Iranian voices calling for freedom. President Bush himself has pledged this support and the State Department has made the awarding of grants for this purpose a key component of its Iran policy. As a condition of licensing these activities, the Office of Foreign Assets Control (OFAC) has requested the Department of State to follow certain procedures to effectuate the goals of Sections 481(b), 531(a), 571, 582, and 635(b) of the Foreign Assistance Act of 1961 (as amended); 18 U.S.C. §§ 2339A and 2339B; Executive Order 13224; and Homeland Security Presidential Directive 6. These licensing conditions mandate that the Department conduct a vetting of potential Iran democracy grantees and sub-grantees for counter-terrorism purposes. To conduct this vetting the Department will collect information from grantees and sub-grantees regarding the identity and background of their key employees and Boards of Directors.
2. As noted above, this information is collected as part of procedures to effectuate the goals of Sections 481(b), 531(a), 571, 582, and 635(b) of the Foreign Assistance Act of 1961 (as amended); 18 U.S.C. §§ 2339A and 2339B; Executive Order 13224; and Homeland Security Presidential Directive 6. Data will be collected and used primarily by the Department of State's Bureau of Near Eastern Affairs (NEA), Bureau of Democracy, Human Rights and Labor (DRL), and Bureau of Educational and Cultural Affairs (ECA), in conjunction with the Bureau of Intelligence and Research (INR).
3. Responses will be submitted electronically if possible as the most efficient means of collecting and processing the data.
4. The information collected is not duplicative of other information collections.
5. This collection of information does not impact small businesses or other small entities.
6. Not collecting this information may permit those involved in terrorist financial or supporting terrorism to gain access to U.S. Government funds.
7. There are no special circumstances that would require the information to be collected in the manner described.
8. A notice will be published in the *Federal Register* in accordance with 5 CFR 1320.13.
9. The Department does not make any type or form of payment to the respondent for the information other than payments to grantees.
10. Information relevant to the vetting of Iran democracy program grantees will be maintained in accordance with Privacy Act provisions. The information will not be made available to the public to the extent permitted by law. Appropriate measures will be taken to assess the credibility of the information obtained. A Privacy Act Statement will be incorporated into the reporting document. Data provided will be checked against relevant

and appropriate databases. If derogatory information is identified, a review and assessment of its reliability will be conducted by the affected Bureau at the Deputy Assistant Secretary level, which will either: (i) instruct the action officer to take appropriate action with respect to the funding request; or (ii) in those cases where interagency consultation may be useful or desired before the affected Bureau formulates a final decision, request further consultation with appropriate Agencies/Departments before rendering a decision. All records used or generated in this process will be maintained in accordance with an appropriate Privacy Act system of records notice. If determined to be reliable, appropriate action with respect to the funding request will be taken. This in-house screening process provides safeguards to make sure that applicants are screened in such a manner as to prevent a denial of application because of false or incorrect reporting or screening data.

11. The form does not directly request information of a sensitive nature
12. The following data was used in the preparation of the hour burden for the collection of the information required by the form.
 - a. Number of Respondents: 200
 - b. Number of Responses: 200
 - c. Frequency of Response: On occasion.
 - d. Estimated form completion time: 1 hour
 - d. Annual hour burden: 200
13. There are no costs to respondents associated with this collection .
14. Total cost to the Federal Government is \$0.
15. This is a new collection of information.
16. The information collected will not be published or routinely tabulated.
17. NEA, DRL and ECA will display the expiration date for OMB approval.
18. No exceptions to the certification statement identified in OMB Form 83-I are requested

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

This collection does not employ statistical methods.

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Cleared:	NEA	J Jeffrey	ok
	NEA	J Carpenter	ok
	P	H Mustafa	ok
	DRL	E Barks-Ruggles	ok
	ECA	L Korycki	ok
	L/M	B Seward	ok