

Supporting Statement for Paperwork Reduction Act Submission
Report of Suspicious Orders or Theft/Loss of Listed
Chemicals/Machines

OMB Approval Number 1117-0024

Part A. Justification

1. Necessity of Information:

The Chemical Diversion and Trafficking Act of 1988 (Public Law 100-690) levies reporting requirements on those who transact business with List I and List II chemicals, tableting machines and encapsulating machines. The items subject to control are used in the clandestine manufacture of controlled substances. Part 1310 of Title 21, Code of Federal Regulations sets these controls. These regulations require that suspicious orders and thefts or losses be reported to the Drug Enforcement Administration (DEA).

2. Needs and Uses:

The information provided on suspicious orders and thefts provides DEA with important, timely intelligence designed to identify suspected traffickers of the listed chemicals and machines.

3. Use of Technology:

Notification of suspicious orders and thefts does not occur using a form. Notification is provided in writing. DEA is investigating electronic options to fulfill this reporting requirement which would be secure and would allow for integrity and authentication of the sender.

4. Efforts to Identify Duplication:

The reports on suspicious orders and thefts or losses are unique to DEA. There is no other system of its kind in the Federal Government.

5. Methods to Minimize Burden on Small Businesses:

This collection does not have a significant economic impact upon small entities within the meaning and intent of the Regulatory Flexibility Act, 5 U.S.C. 601-612.

6. Consequences of Less Frequent Collection:

The information required is kept to the minimum necessary to fulfill the requirements of the law. Reports occur as needed. Not collecting this information would impede DEA's investigative ability and its ability to ensure that chemicals and machines are not diverted for the illicit manufacture of methamphetamine.

7. Special Circumstances Influencing Collection:

Reports are collected as needed, when circumstances warrant reporting of suspicious transactions, thefts and losses. It is possible that reports could be submitted more frequently than quarterly. There are no other special circumstances in Item 7 of the supporting statement applicable to this information collection.

8. Reasons for Inconsistencies with 5 CFR 1320.6:

There are no inconsistencies with the Paperwork Reduction Act. DEA meets regularly with the affected industry to discuss policies, programs and regulations. DEA did not receive any comments concerning this collection.

9. Payment or Gift to Claimants:

There are no such gifts or payments to respondents.

10. Assurance of Confidentiality:

Confidential business information is protected under Department of Justice regulations, 28 CFR 16.8 and 16.9.

11. Justification for Sensitive Questions:

Questions of a sensitive nature are not included in reporting requirements.

12. Estimate of Hour Burden:

Number of Respondents: 2,000
Frequency of Response: As Needed

Average time per response: 15 minutes
Total annual responses: 500

Total annual burden: 500 hours

Cost to Respondent:

Mailing Costs \$820.00

500 annual burden hours
@ \$10 per burden hour = \$5,000.00

Total Cost to Respondents: \$5,820.00

This estimate is based on the population of the regulated industry participating in this business activity. There are no costs associated with this information collection aside from the \$10 hourly charge businesses would experience to fulfill this information collection. This is a usual and customary business expense not directly associated with this information collection.

13. Estimate of Cost Burden:

There are no cost burdens beyond those which exist in the normal course of business and those burden hours listed above

14. Estimated Annualized Costs to Federal Government:

Estimated annual cost to the Federal government

2 full-time GS 12 positions: \$202,414.08

Total Cost to Federal Government: \$202,414.08

15. Reasons for Change in Burden:

There are no program changes. Changes are due to population adjustments. DEA reevaluated the number of persons filing reports, the number of reports filed, and the amount of time to complete each report. These estimates better reflect responses received by DEA.

16. Plans for Publication:

There are no plans to publish the information collected.

17. Expiration Date Approval:

Registrants report information using their own documents. No form is used for this information collection.

18. Exceptions to the Certification Statement:

There are no exceptions to the certification statement.

Part B. Statistical Methods

The Drug Enforcement Administration does not employ statistical methods in this information collection.