

Supporting Statement for Paperwork Reduction Act Submission
Report of Theft or Loss of Controlled Substances
DEA Form 106
OMB Approval Number 1117-0001

Part A. Justification

1. Necessity of Information:

Necessity of Information: DEA Form 106 is designed to provide a format through which a DEA registrant reports a theft or loss of controlled substances as required by 21 U.S.C. 827 and 21 CFR 1301.74(c) and 1301.76(b). Information from the DEA 106 is also utilized by the Federal Bureau of Investigation, which is required to investigate certain controlled substance thefts (P.L. 98-305).

2. Needs and Uses:

The form is entitled “Report of Theft or Loss of Controlled Substances” and is designed to serve as a record for the registrant of his loss. It is used by the Drug Enforcement Administration for determining quantities of controlled substances diverted into the illicit market and for developing investigative leads. DEA serves as a resource for information required by the Controlled Substance Registrant Protection Act of 1984. There would be no uniform method of reporting and accounting for controlled substance losses and thefts as mandated by law without this form.

3. Use of Technology:

Currently, the DEA Form 106 is available both for download and to be filled and submitted electronically on the DEA Diversion Control Program web site at <http://www.deadiversion.usdoj.gov>. The downloadable form is partially interactive—a registrant will complete the form online, print it, sign it, and mail it to DEA. DEA estimates that DEA Form 106 will be filled 70% paper and 30% electronically. DEA is also working with the National Association of Chain Drug Stores, an industry association, which operates the Retail Alert Network, an industry-sponsored mechanism which works in conjunction with local, state and federal law enforcement agencies to track and report thefts. As this industry-sponsored system collects the same information as is submitted to DEA on the DEA Form 106, DEA will be provided access to the Retail Alert Network to retrieve the data elements required to be completed on DEA Form 106 on a daily basis. This industry-sponsored system will provide DEA registrants an alternative reporting method for any theft or loss of controlled substances. DEA will have more accurate theft and loss data that will be accessible to investigators in a more timely manner.

4. Efforts to Identify Duplication:

There is no duplication by any other sources of the information provided on DEA Form 106.

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:

DEA Form 106 is submitted by registrants only when a theft or loss of controlled substances occurs. The form reflects essential information required by law.

7. Special Circumstances Influencing Collection:

The collection of information must take place upon each occurrence of theft or loss as mandated by law to maintain a closed distribution system of controlled substances. No other special circumstances are applicable to this 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. The 60 and 30 Day notices have been published in the Federal Register. 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:

DEA Form 106:

Number of Respondents: 6,250
Frequency of Response: As Needed
Average time per response: 30 minutes
Total annual responses: 9,500

Total annual burden: 4,750 hours

Paper: 70% (3,325 Hours)

Electronic: 30% (1,425 Hours)

13. Estimate of Cost Burden:

3,325 hours (Paper) @\$10 per burden hour = \$33,250

1,425 Hours (Electronic) @ \$10 per burden hour = \$14,250

Cost to mail completed form: \$0.41 per form = \$1,363.25

These estimates are 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, and the \$0.41 cost to mail the completed form.

14. Estimated Annualized Costs to Federal Government:

Estimated annual cost to Government:

Personnel costs:

Contract support: \$30,542

TOTAL COST TO GOVERNMENT: \$30,542

All costs to the government for operation of the Diversion Control Program, including the above costs, are recovered by DEA from registrants through registration fees, as required by the Department of Justice and Related Agencies Appropriations Act.

15. Reasons for Change in Burden:

There has been no program change. Changes in the number of respondents and responses vary with the number of thefts and losses reported to DEA

16. Plans for Publication:

There are no plans to publish the information collected.

17. Expiration Date Approval:

It would be an administrative burden to replace existing forms in all field locations when nothing of substance changed except Date of Expiration, therefore, approval is requested not to list Date of Expiration on the form.

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.