

**SUPPORTING STATEMENT FOR  
PAPERWORK REDUCTION ACT SUBMISSIONS**

**Application for Amendment to License for Export or Import of Classified or  
Unclassified Defense Articles and Related Classified Technical Data**

**OMB No. 1405-0092**

**(Forms DSP-6, DSP-62, DSP-74, DSP-84, DSP-119)**

**A. Justification**

1. The Directorate of Defense Trade Controls (DDTC), Bureau of Political-Military Affairs, U.S. Department of State, in accordance with §§38-40 of the Arms Export Control Act (AECA) (22 U.S.C. 2778-2780) and the International Traffic in Arms Regulations (ITAR) (22 CFR Parts 120-130), has the principal missions of taking final action on license applications and agreement requests for defense trade exports and handling matters related to defense trade compliance, enforcement, and reporting. By statute, executive orders, regulation, and delegation of authority, DDTC is charged with controlling the export and temporary import of defense articles and defense services covered by the U.S. Munitions List.

Under the AECA, the President is charged with the review of munitions license and agreement applications to determine, *inter alia*:

- Whether the transactions further U.S. foreign policy objectives, national security interests, and world peace;
- Eligibility of parties (*e.g.*, applicants, consignees, end-users) to participate in U.S. defense trade;
- Appropriate end-use of commodities subject to U. S. Government approval of munitions exports and transfers;
- Whether law enforcement concerns have been adequately addressed; and
- Whether the appropriateness of offers or payment of political contributions, gifts, commissions, and fees, has been adequately addressed.

The statutory authority of the President to promulgate regulations with respect to exports of defense articles and defense services was delegated to the

Secretary of State by Executive Order 11958, as amended. These regulations are primarily administered by the Deputy Assistant Secretary for Defense Trade and Regional Security and the Directorate of Defense Trade Controls, Bureau of Political-Military Affairs.

In accordance with Part 123 of the ITAR, any person who intends to permanently export, temporarily import, or temporarily export unclassified or classified defense articles or related technical data must obtain a license from DDTTC prior to export. “Application for Amendment to License for Export or Import of Classified or Unclassified Defense Articles and Related Classified Technical Data” is used to obtain permission for certain changes to previously approved licenses.

2. DDTTC uses the information provided by applicants to meet the mandate described in item 1 above. Form DSP-119 is used by private industry to make changes in an already approved DSP-5, DSP-61, DSP-73 or DSP-85 form. Upon approval, the amendment form along with the original license constitutes the authority to export. Without the DSP-119 to amend an existing license, exporters would be required to submit a new license application each time certain minor factors in the transaction change.

At U.S. ports, Customs and Border Protection officials use the Form DSP-119 to monitor outbound shipments. Shipments requiring but lacking the Form DSP-119 or other appropriate documentation are often detained pending consultation with DDTTC, at which time the shipment may be seized and the shipper fined and/or charged with a crime if it is determined that a license has not been obtained.

Approval has been received to provide specific amendment forms for various license forms. Accordingly, in 2008, forms DSP-6, DSP-62, and DSP-74 will be introduced for the purposes of amending forms DSP-5, DSP-61, and DSP-73, respectively. The DSP-119 will be used to amend the DSP-85 until the electronic version of this form is enabled. Development of the DSP-84, intended for amending the DSP-85, is planned at a later date. All the new amendment forms are intended for exclusive use through D-Trade, the electronic licensing subsystem of the Defense Trade Application System.

3. The DSP-119 must be submitted electronically over the Internet at [www.pmdtdtc.state.gov](http://www.pmdtdtc.state.gov) through the Electronic Licensing Entry System, (DDTTC’s legacy, partial-electronic licensing system) using a pin number assigned to a

registered company by DDTC. As mentioned in Item 2, the new amendment forms must also be submitted electronically, via DDTC's fully-electronic licensing system (D-Trade).

4. The Department of State is unaware of any other U.S. Government requirements that would cause U.S. industry to duplicate this reporting requirement.

5. Export control law and regulations are designed to safeguard U.S. Government foreign policy and national security interests and to further world peace. The law and regulations are applicable equally to large and small businesses or entities. Only registered exporters are required to complete the "Application for Amendment to License for Export or Import of Classified or Unclassified Defense Articles and Related Classified Technical Data" when there have been certain changes to an approved export licenses.

6. The AECA and the ITAR established the frequency of information collection. The information required for the proper assessment of a proposed permanent export request is reviewed on a case-by-case basis and is specific to the transaction under consideration. Absent this reporting requirement, it would be extremely difficult for DDTC to meet its legally mandated responsibilities to ensure oversight of defense trade exports in furtherance of foreign policy objectives, national security interests, and world peace.

7. Respondents may have to report information to the Department more often than quarterly because they need approval on a case-by-case basis when seeking to export defense articles and/or services and related technical data. The ITAR requires maintenance of records for a minimum period of five years from the expiration of the license or written approval.

8. The Department has published a notice in the *Federal Register* (73 FR 31731) in accordance with 5 CFR 1320.8(d) soliciting public comments on this collection and notifying the public that this collection has been submitted to OMB for review and approval. No public comments were received.

9. Not applicable. No payment or gift has been or will be provided to any respondent.

10. Respondents are engaged in the business of exporting defense articles/services and use the ITAR regularly in the course of their work. Thus,

respondents would be familiar with §126.10 of the ITAR, which describes protection of confidentiality given to respondents' information:

- Subchapter R of 22 CFR contains regulations on the availability to the public of information and records of the Department of State. The provisions of subchapter R apply to such disclosures by DDTC.
- Certain information of a proprietary nature required by the Department of State in connection with the licensing process may generally not be disclosed to the public unless certain determinations relating to the national interest are made in accordance with §38(e) of the AECA (22 U.S.C. 2778) and, by reference, certain procedures in the Export Administration Act.
- Information required under Part 130 of the ITAR (i.e., political contributions, gifts, commissions, and fees) is protected from general public disclosure.
- Information may be disclosed to foreign governments for law enforcement purposes or in the context of multilateral export regimes.

11. Not applicable. These amendment forms do not solicit any information regarding questions of a sensitive nature or matters commonly considered private.

12. The Department of State has reason to believe that the information that is required on the amendment forms export is already available to U.S. industry in some form due to other needs and requirements (e.g., business transactional records, tax records, quality assurance and productivity, and legal issues posed by other federal laws). An estimated 9,700 annual responses are expected from 750 respondents. Frequency of response is on occasion. The estimated time that the respondent devotes to each submission is approximately 30 minutes. Consequently, it can be reasonably assumed that the cost to industry in terms of money, time, and other resources is minimal. The estimated annual hour burden is 4,850 hours.

13. There are no anticipated additional costs to respondents.

14. The 9,700 responses received by DDTC during FY 2007 accounted for approximately 11% of its budget of \$13 million. The estimated annualized cost to the Federal Government was \$1,424,000 for reviewing these export applications.

15. Item 13(a) of OMB Form 83-I, “Number of Respondents,” has been adjusted from 5,000 to 750. Rather than report the total number of registrants, many of whom manufacture but do not export defense articles, the estimated number of actual exporters who use the DSP-119 is reported. Item 13(b), “Total Annual Responses,” has been adjusted from 9,000 to 9,700. Consequently, “Total Annual Hours Requested” (Item 13(c)) has been adjusted from 4,500 to 4,850. Item 13(b) (1) has been adjusted from 86% to 100%. There are no changes to Item 14.

16. Not applicable. Publication of the relevant information is not anticipated.

17. DDTC is planning to display the expiration date for OMB approval of the information collection on the form.

18. Not applicable. The Department of State does not seek any exception to the statement, “Certification for Paperwork Reduction Act Submissions,” of OMB 83-I.

#### **B. Collections of Information Employing Statistical Methods**

Not applicable. This collection of information does not employ statistical methods.