

**Supporting Statement
Administrative Rulings
1651-0085**

A. Justification

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

The collection of information in 19 CFR Part 177 is necessary in order to enable Customs and Border Protection (CBP) to respond, in a meaningful way, to requests by importers and other interested persons for the issuance of administrative rulings. These rulings pertain to the interpretation and application of the CBP and related laws with respect to prospective and current transactions and for the issuance of country-of-origin advisory rulings and final determinations relating to Government procurement. The collection of information in Part 177 of the CBP Regulations is also necessary to enable CBP to make proper decisions regarding the issuance of binding rulings that modify or revoke prior CBP binding rulings. It is also in accordance with 19 USC 66, 1202, (General Note 3(i), Harmonized Tariff Schedule of the United States).

The issuance of binding rulings on prospective transactions, including decisions on appeals of binding prospective rulings, affords importers and other interested persons an opportunity to know in advance what the legal consequences of a planned import transaction will be. Thus, importers and other interested person ruling recipients gain predictability and a guarantee, absent a subsequent modification or revocation, that CBP will apply the result in the binding ruling to the described transaction once it becomes a current transaction. The ruling process also benefits both CBP and the importing public in general by fostering uniformity and efficiency in the various ports.

The issuance of binding rulings on current transactions under the internal advice procedure, including decisions on appeals of internal advice decisions affords importers and other interested persons an early opportunity to obtain higher level administrative review of a transaction while it is still pending in a CBP field office, thus potentially avoiding the need to pursue the more formal protest. The internal advice procedure also helps CBP ensure greater uniformity of decisions in the ports and to ensure proper application of existing administrative precedents to the current transaction at issue.

This collection of information applies to the importing and trade community who are familiar with import procedures and with the CBP regulations.

- 2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

The information is to be used by CBP employees for the purposes of rendering an administrative ruling. Insufficient or incomplete information submitted to CBP with a ruling request will cause CBP to decline to issue the requested ruling, thus eliminating the benefit of the ruling process. A failure on the part of an importer or other interested person to provide relevant information to CBP in connection with an internal advice request may result in termination of the procedure or may result in an internal advice decision that does not take into account the views of that importer or other interested person.

- 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.**

CBP is currently experimenting with e-ruling requests. Currently about 21 percent of respondents are submitting their requests for rulings electronically. The link for the e-rulings system is <https://apps.cbp.gov/erulings>.

- 4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

This information is not duplicated in any other place or any other form.

- 5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

This information collection does not have an impact on small businesses or other small entities.

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

Failure to collect this information would have no consequences to the Federal government, however severely limit the public to receive advanced rulings from CBP.

7. **Explain any special circumstances that would cause an information collection to be conducted in a manner:**

This information is collected in a manner consistent with the guidelines of 5 CFR 1320.5(d)(2).

8. **If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

Public comments were solicited through two Federal Register notices published on September 28, 2009 (Volume 74, Page 49392) and on December 14, 2009 (Volume 74, Page 66136). No comments were received.

9. **Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

There is no offer of a monetary or material value for this information collection.

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

There are no assurances of confidentiality provided to the respondents of this information collection.

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. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

There are no questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information.

INFORMATION COLLECTION	TOTAL ANNUAL BURDEN HOURS	NO. OF RESPONDENTS	NO. OF RESPONSES PER RESPONDENT	TOTAL RESPONSES	TIME PER RESPONSE
Administrative Rulings	120,000	12,000	1	12,000	10 hours
Appeals	8,000	200	1	200	40 hours
TOTAL	128,000	12,200		12,000	

Public Cost

The estimated cost to the respondents is \$12,800,000. This is based on the estimated burden hours (128,000) multiplied (x) the average hourly rate (\$100.00).

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information.

There are no record keeping, capital, start-up or maintenance costs associated with this information collection.

14. Provide estimates of annualized cost to the Federal Government. Also provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.

The estimated annual cost to the Federal Government associated with the review of these records is **\$9,000,000**. This is based on the number of responses (12,000) that must be reviewed (x) the time to review request and write a ruling (15 hours) = 180,000 hours (x) the average hourly rate (\$50.00) = \$9,000,000.

15. Explain the reasons for any program changes or adjustments reported in Items 12 or 13.

There has been no increase or decrease in the estimated annual burden hours previously reported for this information collection

16. For collection of information whose results will be published, outline plans for tabulation, and publication.

This information collection will not be published for statistical purposes.

- 17. If seeking approval to not display the expiration date, explain the reasons that displaying the expiration date would be inappropriate.**

There is no form involved with this collection of information.

- 18. "Certification for Paperwork Reduction Act Submissions."**

CBP does not request an exception to the certification of this information collection.

B. Collection of Information Employing Statistical Methods

No statistical methods were employed.