

**Supporting Statement**  
**Distribution of Continued Dumping and Subsidy Offset to Affected Domestic**  
**Producers**  
**1651-0086**

**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.**

This collection of information is required in order for CBP to more effectively and efficiently process certifications and make distributions of funds pursuant to the Continued Dumping and Subsidy Offset Act of 2000 (CDSOA). 19 U.S.C. § 1675c (repealed by the Deficit Reduction Act of 2005, Pub. L. No. 109-171, § 7601 (Feb. 8, 2006)). This Act prescribes the administrative procedures, including the time and manner, under which antidumping and countervailing duties assessed on imported products are distributed to affected domestic producers (ADPs) that petitioned for or supported the issuance of the order under which the duties were assessed. The amount of any distribution afforded to these domestic producers is based upon certain qualifying expenditures that they incur after the issuance of the order or finding up to the effective date of the CDSOA's repeal, October 1, 2007. This distribution is known as the continued dumping and subsidy offset. The claims process for the CDSOA program is provided for in 19 CFR 159.61 and 159.63.

CBP Form 7401 captures the information from claimants that CBP needs to determine how the distributions are made. This form is published in the Federal Register in June of each year in order to inform claimants that they can make claims under the CDSOA program and also provide them with a copy of the form. The form can also be submitted electronically through [www.pay.gov](http://www.pay.gov).

In order to expedite the distribution process, CBP proposes to add two data elements to both the paper form and the electronic form, including: "Start Date of Qualifying Expenditures" and "End Date of Qualifying Expenditures".

- 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.**

This information is used by CBP to validate claims filed under the CDSOA. The additional data elements that CBP proposes information is to be used by CBP to ensure that claimed qualifying expenditures are not overstated and comply with the effective repeal date of the CDSOA.

- 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.**

This collection may be filed electronically using the internet site Pay.gov at <https://www.pay.gov/paygov/forms/formInstance.html?agencyFormId=8776895>

- 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 prevent CBP from processing claims from affected domestic producers that petitioned for or supported the issuance of the order or finding under which the duties were assessed.

Without these two additional questions, it is more likely that an ADP will present a certification that overstates its claim. Failure to properly state a claim could subject an ADP to the burden of reimbursing the Government, or the possibility of fines and penalties. Moreover, overstated claims adversely impact ADPs that file proper claims. Without this information collection it is likely that there will be more instances in which CBP will be required to continue the inefficient process of issuing individual requests for this information to each ADP submitting a certification which, on their face, appear to be overstating the ADP's claim based on the start and/or end date of the claimed qualifying expenditures.

**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 April 1, 2010 (Volume 75, Page 16493) and on June 24, 2010 (Volume 75, Page 36106).

One public comment was received by CBP from the Southern Shrimp Alliance (SSA), who expressly indicated that they do not object to the two additional questions proposed for inclusion on the CDSOA certification form (CBP Form 7401).

However, SSA also suggested that CBP should request that CDSOA claimants also provide a narrative description of how their qualifying expenditures are related to the production of the product covered by the respective dumping order or finding.

At this time, CBP intends to add the two questions related to the start and end dates of the claimed qualifying expenditures. CBP will not add a request for a narrative statement related to a claimant's qualifying expenditures.

CBP believes that adding a narrative section to CBP Form 7401 would not be beneficial and in fact could be detrimental to the processing of CDSOA certifications in a timely fashion as required by the statute. First, affected domestic producers who seek a CDSOA distribution are not required to use CBP Form 7401 to submit a certified claim. Even if a narrative section was added to CBP Form 7401, there is no requirement under the statute or regulations for an affected domestic producer to supply this information as part of their certified claim. Consequently, providing the narrative would be optional for the affected domestic producers utilizing CBP Form 7401, and any failure to provide an adequate description of claimed expenses would not prevent the certification from being processed for distribution.

Additionally, CBP believes that the proposed narrative statement portion of the form does not have additional utility that would assist CBP in distributing funds. The information collected on CBP Form 7401, Sections 1- 47, provides sufficient information for CBP to appropriately process claims as required in 19 CFR 159.63.

CBP will send SSA a letter in response to their comments making the points stated above.

**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
Form CBP-7401	2,000	2,000	1	2,000	60 minutes (1.0 hours)

**Public Cost**

The estimated cost to the respondents is \$56,000. This is based on the estimated burden hours (2,000) multiplied (x) the average hourly rate (\$28.00).

**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 **\$336,000**. This is based on the number of responses (2,000) that must be reviewed (x) the time to review and process each response (4 hours) = 8,000 hours (x) the average hourly rate (\$42.00) = \$336,000.

- 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. However, CBP proposes to add two additional data elements to this form including: "Start Date of Qualifying Expenditures" and "End Date of Qualifying Expenditures".

Although CBP proposes to add these two new data elements, we believe that the total time to complete the form should remain at one hour because the 7401 is a lengthy form that collects a substantial amount of data and adding the two elements should not raise the estimated time of one hour significantly.

- 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.**

CBP will display the expiration date for OMB approval of this information collection.

- 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.