

SUPPORTING STATEMENT
U.S. Department of Commerce
Bureau of Industry and Security
Simplified Network Application Process and Multipurpose Application
OMB Control No. 0694-0088

The Bureau of Industry and Security (BIS) is requesting a revision to existing collection OMB Control No. 0694-0088 “Simple Network Application Process and Multipurpose Application Form.” This revision will support publication of a final rule “Revisions to the Commerce Control List to Update and Clarify Crime Control License Requirements.” This rule will update and clarify export controls on crime control equipment. BIS estimates that there will be an increase of 1,200 licenses per year as a result of updating the existing export controls on saps to include law enforcement striking weapons.

A. Justification

1. Explain the circumstances that make the collection of information necessary.

Section 15(b) of the Export Administration Act (EAA) of 1979, as amended, authorizes the President and the Secretary of Commerce to issue regulations to implement the EAA including those provisions authorizing the control of exports of U.S. goods and technology to all foreign destinations, as necessary for the purpose of national security, foreign policy and short supply, and the provision prohibiting U.S. persons from participating in certain foreign boycotts. Export control authority has been assigned directly to the Secretary of Commerce by the EAA and delegated by the President to the Secretary of Commerce. This authority is administered by the Bureau of Industry and Security through the Export Administration Regulations (EAR). The EAA is not permanent legislation, and when it has lapsed due to the failure to enact a timely extension, executive orders under the International Emergency Economic Powers Act (IEEPA) have directed and authorized the continuation in force of the EAR.

This revision, associated with a proposed rulemaking (RIN 0694-AE42, copy in ROCIS), would update and clarify export and reexport license requirements on striking weapons, restraint devices, shotguns and parts, optical sighting devices, and electric shock devices. It would also add equipment designed for executions to the Commerce Control List.

BIS is publishing this rule as part of an ongoing review of crime control license requirements and policy.

2. Explain how, by whom, how frequently, and for what purpose the information will be used. If the information collected will be disseminated to the public or used to support information that will be disseminated to the public, then explain how the collection complies with all applicable Information Quality Guidelines.

This information is used by the Bureau of Industry and Security as the basis for decisions to grant licenses for export, reexport, for national security reviews of encryption items, and for classifications of items that are controlled for reasons of national security, short supply or foreign policy. These decisions are typically made on a case-by-case basis and are dependent upon both the information provided in either electronic or manual form data submission and the policies in effect at the time of the transaction. In many cases, this information is shared with other Federal agencies such as the Department of Defense, State Department, and Department of Energy, to obtain their recommendations on these decisions.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological techniques or other forms of information technology.

Export information is collected either electronically from the Simplified Network Applications Process (SNAP) system or from the Multipurpose Application form BIS-748P, 748P-A and 748P-B. BIS has redesigned the SNAP system to enhance security, support electronic submission of supporting documents and provide increased functionality.

Both the paper and electronic versions of the Multipurpose Application form contained in SNAP provide detailed instructions and explanations of what data is required in each field. In addition, the SNAP-R system includes a large number of software validations to insure high data quality.

4. Describe efforts to identify duplication.

The information received when applying for an export license, Classifications and advisory opinions, Encryption Review request, or License Exception AGR is unique to each application. The information is not duplicated anywhere else in Government nor is it available from any other source.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize burden.

The information required when applying for an export license, Classification requests, advisory opinions, Encryption Review requests, and License Exception AGR notification must be submitted by exporters or their designated agents, regardless of size. This

procedure, as part of the EAR, is governed by national security, foreign policy and proliferation of weapons of mass destruction requirements. BIS maintains an active seminar and counseling program to help all businesses understand and comply with BIS requirements. BIS also maintains an informative web site that provides detailed instructions on how to comply with our paperwork requirements. This web site is located at: www.bis.doc.gov.

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

If this information were submitted less frequently, it could result in exports to unapproved consignees with the possibility that illegal shipments would be made to countries of concern.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

There are no special circumstances that require the collection to be conducted in a manner inconsistent with the guidelines in 5 CFR 1320.6.

8. Provide information of the PRA Federal Register Notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the agency in response to those comments. Describe the efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and record keeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

The notice requesting public comment for this final regulation will be published in the Federal Register concurrent with review of this document.

The proposed rule was published on August 12, 2009 (Vol. 74, pg. 40117). Two comments were received. The summary of comments and responses are in the final rule (pgs. 4 thru 11, copy in ROCIS).

9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

Not Applicable.

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

Section 12(c) of the EAA provides for the confidentiality of export licensing information submitted to the Department of Commerce.

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.

Not Applicable.

12. Provide an estimate in hours of the burden of the collection of information.

BIS estimates that this revision will result in an annual increase of 1,200 applications and a burden increase of **560 hours**.

This is based on an average time of 26 minutes to complete a license application in SNAP and 2 minutes for recordkeeping.

The estimated increase in labor cost is 560 hours x \$40 per hour = \$22,400.

13. Provide an estimate of the total annual cost burden to the respondents or record-keepers resulting from the collection (excluding the value of the burden hours in Question 12 above).

Not Applicable.

14. Provide estimates of annualized cost to the Federal government.

The estimated annual cost to the Federal Government is **\$36,000**. This is based on a licensing officer spending 45 minutes to review 1,200 applications at \$40 per hour.

15. Explain the reasons for any program changes or adjustments.

There is an increase of 1,200 license applications and 560 hours. This increase is the result of a program change to update existing controls on saps to include law enforcement striking weapons.

16. For collections whose results will be published, outline the plans for tabulation and publication.

BIS publishes information based on aggregate data from export license applications. It does not publish information that would identify the details of specific applications or requests. Section 12(c) of the EAA restricts release of such detailed data to Congress, the GAO, or to situations in which the Secretary (authority delegated to the Under Secretary for Industry and Security) determines that release is in the national interest.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why display would be inappropriate.

Not Applicable.

18. Explain each exception to the certification statement.

Not Applicable.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

Not Applicable.