

SUPPORTING STATEMENT

A. Justification

1. *Information to be collected and circumstances that make the collection of information necessary*

The regulations codified at 16 CFR part 1019, establish procedures for export of noncomplying products. These regulations implement provisions of the Consumer Product Safety Act, the Federal Hazardous Substances Act, and the Flammable Fabrics Act, as amended by the Consumer Product Safety Improvement Act. Persons and firms are required to notify the Commission before exporting any product that fails to comply with an applicable standard or regulations enforced under provisions of those laws. The Commission is required to transmit the information relating to the proposed exportation to the government of the country of intended destination. In addition, for any consumer product that is not in conformity with an applicable consumer product safety rule, exports from the United States may be prohibited unless the importing country has notified the Commission that such country accepts the importation of such consumer product. 15 U.S.C. 2067.

2. *Use and sharing of collected information*

The Congressional intent of the export amendments was to assure that foreign countries would use the information to make informed choices about whether to permit the entry into their territories of products that are prohibited from commerce in this country.

Based on a review of the proposed information collection activities, staff has found the Privacy Act does not apply because no electronic information system or records subject to the Privacy Act will be created.

3. *Use of information technology (IT) in information collection*

No specific format is required for submitting the notification. Consequently, each exporter may use whatever automated, electronic, mechanical, or other form of information technology they prefer to notify the Commission.

4. *Efforts to identify duplication*

The rules in 16 C.F.R. 1019 were published as a proposal with opportunity for submission of written comments. Of the 22 comments received, none identified any other source of the information required to be submitted by the regulations in Part 1019. There is no similar information available since the information is developed only when a person or firm decides to export a non-complying product.

5. *Impact on small businesses*

The notification requirement may affect small organizations. However, no more information is requested than is necessary to satisfy the statutory requirements for notification.

6. *Consequences to Federal program or policy activities if collection is not conducted or is conducted less frequently*

Any reduction in the notification burden would result in the failure to comply with the appropriate statute and reduce CPSC's ability to notify the government of the country that is to receive the exported products. Foreign countries would be unable to make informed choices about whether to permit the entry into their territories of products that are prohibited from commerce in this country.

7. *Special circumstances requiring respondents to report information more often than quarterly or to prepare responses in fewer than 30 days*

The person or firm must notify the Commission at least 30 days before the scheduled exportation; therefore, frequency of reporting depends on a firm's or person's individual exportation plans.

8. *Agency's Federal Register Notice and related information*

The first FR notice announcing CPSC's intent to request an extension of approval of information collection requirements was published on May 18, 2010. Comments were not received.

9. *Decision to provide payment or gift*

Not applicable.

10. *Assurance of confidentiality*

If an exporter believes any of the information submitted should be considered trade secret or privileged or confidential commercial or financial information, the exporter must request confidential treatment, in writing, at the time the information is submitted or must indicate that a request will be made within 10 working days. The Commission's regulations under the Freedom of Information Act, 16 C.F.R. 1015, govern treatment of information submitted to the Commission.

11. *Questions of a sensitive nature*

There are no questions of a sensitive nature involved in a notification of intent to export non-complying products.

12. *Estimate of hour burden to respondents*

Based on a review of the number of export requests during the last three years, the Commission staff estimates that approximately 44 notifications will be received from an estimated 20 firms per year. The staff further estimates that the average time for each response is one hour, for a total of 44 hours of annual burden.

13. *Estimate of total annual cost burden to respondents*

The annualized cost to respondents would be \$2,505 based on 44 hours at \$56.93/hour (based on total compensation of all management, professional, and related occupations in goods-producing industries in the U.S., September 2009, Bureau of Labor Statistics).

14. *Estimate of annualized costs to the Federal government*

The Commission staff estimates that it takes about three hours to process an export notification and enter the information in the appropriate database. The receipt and processing of 44 notifications would require approximately 132 staff hours or approximately 1 staff month per year, or about \$14,000.

15. *Program changes or adjustments*

Burden estimate has been reduced based on actual experience and changes in the law (Consumer Product Safety Improvement Act of 2008), which prohibits the export of recalled or violative products for sale, causing the number of export requests to likely fall relative to previous years.

16. *Plans for tabulation and publication*

The Commission has no plans to publish this information. Because CPSC does not plan to disseminate the data collected, the requirements of the OMB and the CPSC Information Quality Guidelines do not apply.

17. *Rationale for not displaying the expiration date for OMB approval*

Not applicable.

18. *Exception to the certification statement*

Not applicable.

B. Statistical Methods – Collection of information will not employ statistical methods.