

**SUPPORTING STATEMENT  
U.S. Department of Commerce  
International Trade Administration  
Steel Import License  
OMB Control No. 0625-0245**

**A. JUSTIFICATION**

**This is to request an extension of the Office of Management and Budget approval.**

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

The Steel Import Monitoring and Analysis (SIMA) System is vital to facilitate the real-time monitoring of steel imports in a volatile market. This is a continuation of the licensing and monitoring system which began as part of the 201 steel safeguards. Extension of the SIMA system has been expanded to cover all steel mill products. SIMA is operating under authority as part of the Census Act (13 U.S.C. 301(a) and 302).

In order to monitor steel imports in real-time and to provide the public with real-time data, the Department of Commerce must collect and provide timely aggregated summaries about imports of certain steel products. The Steel Import License form (ITA-4141P) collects the necessary information. The Census Bureau currently collects import data and disseminates aggregate information about steel imports. However, the time required to collect, process, and disseminate this information through Census can take up to 90 days after importation of the product, giving interested parties and the public far less time to respond to injurious sales.

In 2009, ITA's request for a reusable low-value opt-out license (Request for a Low-Value Steel Import License Number) defined as "covering imports valued at less than \$5,000 per entry" was approved. This is a certification document.

**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.**

The import steel license information is necessary for the U.S. Government (USG) to assess import trends of covered products in real time and to share summary level information with the public via a website: <http://ia.ita.doc.gov/steel/license/>.

The information listed on the attached Steel Import License form is required of all importers of subject merchandise prior to, or at the time of, entry into the United States and has been deemed necessary by the Commerce Department and the Administration to adequately assess potential surges in imports of covered steel products. Commerce uses the information collected in an

online monitoring system to display aggregate statistical trends to the public. Standard Census Bureau procedures are followed for handling business proprietary information.

The licensing system uses information already required of an importer. Commerce does not charge a fee for the license. The U.S. Customs and Border Protection (CBP) will require the license number generated by the successful submission of the license form when a broker or importer files his/her CBP entry summary (which happens within 10 business days of importation). The license can be obtained up to 60-days prior to importation or on the date of Customs summary filing (Form 7501). If the license number is not submitted to CBP with the summary documents, CBP will consider the entry summary to be incomplete and may request that the shipment be redelivered.

**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.**

The Steel Import License is available to all importers through an Internet website. While importers without an Internet hookup can be accommodated via facsimile, all license applications can be filled out electronically through the online licensing system. Using electronic submission as the basis for this system allows for the quickest and most efficient means for collecting the required information and aggregating the information submitted in the form.

**4. Describe efforts to identify duplication.**

The Census Bureau reports similar official import statistics that are issued on a monthly basis, but with a significant lag time after the products have entered the United States. The lag time could be up to 75 to 90 days after importation of the covered products. The domestic steel industry has stated repeatedly that any remedy against injurious sales of steel can only be effective if information about these sales is made available quickly. The domestic steel industry has claimed that although the Census Bureau information is reliable, it is released too late. When the Census information is released, those sales have already had an impact on the market.

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

The vast majority of applicants are major steel importers, producers and brokers. There are very few small businesses that are users of the licensing system; however, for importers bringing in small amounts of steel, there is a low value license option which is less burdensome.

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

Failure to collect information about steel imports before or just after importation would disrupt the goals and objectives of the President's mandate. As a result of unmonitored surges, U.S. steel producers could continue to be injured by surges of imports.

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

The information collected will be consistent with the OMB guidelines.

**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 recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.**

A Federal Register Notice requesting comments from the public was recently announced in the Federal Register on Thursday, July 7, 2011 (Volume 76, Number 130, pg. 39846).

Comment: The commenter states that because there have been no filings of safeguard actions since the program was implemented, it has served its purpose and is no longer needed. The commenter also maintains that the cost to importers is understated because it does not include the price charged by brokers for obtaining the requested information and applying for the license on behalf of clients. In addition, the commenter believes that the licensing information is duplicative of import information reported to Customs and Border Protection which could be used instead.

Response: While the licensing program was instituted as part of the section 201 safeguard action, it was modified to be a broader public steel import monitoring program under the Commerce Department authority, a purpose which it continues to fulfill. With respect to the calculated cost to importers, the Department notes that it does not charge importers or their representatives a fee for registering or applying for a license. The cost to complete the licensing paperwork reported in the notice for comment is based on the average hourly rate for such work (\$20/hr) multiplied by an estimate of the average time required to fill out a license application (10 minutes). There were almost 600,000 of licenses issued by the system in 2010. Licenses may be applied for directly by the importer. Any decision to employ a broker or other representative is at the

discretion of the importer. Such optional costs are not applicable to this cost estimate.

While some information may be duplicative of that reported to CBP, the data that CBP collects cannot be released to the public prior to the current publication of official trade statistics. As a result, it cannot meet the current system's early release of accurate steel import data.

Members of the business community were consulted regarding the use of the form. Public comment was supportive of the information collection and the format utilized. One commenter provided comment on the extension of the authority to collect the information, preferring it to be made permanent. Government reached out to the commenter to clarify the intent of the notice was to collect comments on the form and information collected, and that the authority would be addressed at the appropriate time when it is up for renewal in March 2013.

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

No payments or gifts are being offered to the respondents.

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

To the extent that the information submitted by the parties contains trade secrets, the Department will protect such information from disclosure, including disclosure pursuant to requests under the Freedom of Information Act, as required by the Trade Secrets Act, 18 U.S.C. § 1905. Such assurance is not provided in writing, but general information regarding confidentiality and the Trade Secrets Act is available upon request.

To process the license online, at the bottom of the license form the applicant acknowledges that he recognizes this information will be aggregated and posted on the website to supplement other information publicly available about steel imports.

**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.**

No questions of a sensitive nature are asked.

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

It is estimated that 3,250 major brokers and importers will fill out the Steel Import License form. Each importer or broker must fill out the form for each entry of the subject merchandise. We estimate that 557,143 licenses will be issued each year. On average, each broker would apply for approximately 171 licenses each year. The average time to complete the form is estimated to be 10 minutes. This estimate includes the time necessary to complete the form using information that is necessary for the completion of the other documents required for entry of the product into the United States. We do not expect the response time to vary widely because some of the same information is used to fill out other Customs documents filed at the time of entry. The Opt-out Form information is listed below.

<b>Form Used</b>	<b>Number of Respondents</b>	<b>Time to Complete</b>	<b>Total Number of Responses</b>	<b>Total Hours</b>
License	3,250	10 min/license	557,143	92,857
Opt-out Form	250	5 min/form	250	21

**TOTAL RESPONDENTS = 3,500    TOTAL RESPONSES = 557, 393**

**TOTAL BURDEN HOURS = 92,878**

**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).**

None.

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

The average public sector salary for processing the licenses is \$25.00 per hour.

<b>Form Used</b>	<b>Time to Process</b>	<b>Number of Responses</b>	<b>Total Hours</b>
License	30 seconds	557,393	4,645
Opt-out Form	5 seconds	250	N/A

Cost to Government: Total Hours (4,645) x Avg. Salary (\$25/hour) = \$116,125.  
Processing and issuance of the license is done electronically.

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

N/A.

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

Summary data produced from the information collected in the Steel Import License form will be posted on the Internet and updated weekly to result in a rolling monthly average. No complex analytical techniques will be used.

**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.**

N/A.

**18. Explain each exception to the certification statement.**

N/A.

**B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS**

The collection does not employ statistical methods.