

## SUPPORTING STATEMENT

This filing contains the information required by the Office of Management and Budget pursuant to the Paperwork Reduction Act of 1995, 44 U.S.C. 3501-3520, and 5 CFR part 1320.

### **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 application is submitted to extend the information collection authority with regard to information collected from Travel Service Providers (“TSP”) and Carrier Service Providers (“CSP”) and provided to the Office of Foreign Assets Control (“OFAC”) pursuant to the Cuban Assets Control Regulations set forth in 31 CFR part 515 (the “Regulations”). These Regulations are implemented pursuant to the Trading With the Enemy Act (50 U.S.C. App. 1-44) and the Cuban Liberty and Democratic Solidarity Act (22 U.S.C. 6021-91).

Since 1989, OFAC has regulated certain businesses (TSPs and CSPs) that are authorized by OFAC to engage in limited and regulated business activity with Cuba in connection with travel to Cuba. TSPs and CSPs handle travel arrangements for persons subject to U.S. jurisdiction to, from, or within Cuba and provide the service of transporting such passengers to Cuba on chartered aircraft, respectively. In order for OFAC to ensure that all travel to Cuba on direct flights from the United States is in accordance with U.S. law, OFAC must collect certain personal data about the travelers from the TSPs and CSPs. The information is similar to that collected by a business for commercial purposes in the process of arranging travel, and the collection of the information is a condition of the TSPs’ and CSPs’ authorizations by OFAC to provide such services. The collection is as follows:

- 1) The TSPs first collect personal data (full name, including mother’s maiden name; address; date of birth; passport country of issuance and number; and category of travel under OFAC regulations permitting the travel) for each traveler when making a reservation for the traveler to travel to Cuba.
- 2) TSPs must provide this information to the CSPs before the CSPs may accept a reservation or sell a seat on a CSP flight.
- 3) CSPs then forward, for each traveler, the personal information collected by the TSPs, coupled with the U.S. departure and return dates and the name of the TSP that arranged for the travel, to OFAC in Washington, DC, no later than 72 hours after the departure of the flight.

As a result of policy changes announced by the President on April 13, 2009, and January 14, 2011, and reflected in regulatory changes published by OFAC on September 8, 2009 (74 FR 46000), and January 28, 2011 (76 FR 5072), respectively, there has been an increase in the frequency and duration of trips to Cuba by authorized travelers. In addition, OFAC has revised downward its estimate of the time required for a TSP and CSP to gather and enter personal data

for each authorized traveler. OFAC has revised its estimates of the burden under this information collection to reflect these changes.

*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 collected is used by OFAC to verify that all travel to Cuba on direct flights from the United States is in accordance with U.S. law. Specifically, the information is used by OFAC to verify that travelers to Cuba on direct flights are licensed by OFAC to engage in such travel and facilitate OFAC's learning of, and addressing, potential violations of the Regulations.

*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 is done completely by electronic mail (e-mail) in order to improve the timeliness, efficiency and effectiveness of relaying this enforcement-related data to OFAC.

*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.*

There is no duplication of records as each submission is specific to a particular person and a particular travel itinerary.

*5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.*

The TSPs, who collect this personal information from travelers, and the CSPs, who transmit these data to OFAC, are businesses that have been granted authorization from OFAC to engage in Cuba travel transactions for several reasons, including their capability to collect and process the information travelers to Cuba are required to provide.

CSPs, by their very nature, require sophisticated computer systems containing Internet and e-mail access, as a practical necessity. This fact allows CSPs to easily utilize our user-friendly e-mail format, and entering the data for each traveler should not exceed 4 minutes.

*6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.*

If the collection were not conducted by OFAC in this electronic format, OFAC's enforcement of the Regulations would suffer, as the information would not be timely.

Generally, the information could not be collected less frequently unless it was not collected at all. For example, the information is only collected on each traveler to Cuba when that traveler

makes the reservation and is only sent to OFAC once the traveler has purchased a seat on a CSP flight to Cuba. To collect the information less frequently would result in incomplete records regarding travel to Cuba, prevent OFAC from tracking and ensuring compliance with the Regulations, and jeopardize potential civil penalty or other enforcement actions.

7. *Explain any special circumstances that require the collection to be conducted in a manner:*

- X *requiring respondents to report information to the agency more often than quarterly;*  
Collection of information from the CSPs is required more often than quarterly because there are numerous flights a week to Cuba and OFAC needs the information no later than 72 hours after departure from the United States. TSPs must provide the specified information to CSPs with respect to every reservation on a flight sponsored by that CSP.
- X *requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;*  
See above.
- X *requiring respondents to submit more than an original and two copies of any document;*  
CSPs are required to submit only one electronic copy of the required documents.
- X *requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;*  
TSPs and CSPs are required to retain a copy of the information for five years as a condition of OFAC authorization to engage in Cuba-related travel transactions.
- X *in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;*  
The information collections are not part of a statistical survey.
- X *requiring the use of a statistical data classification that has not been reviewed and approved by OMB;*  
Not Applicable.
- X *that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use;*  
The information requested may include personal identification information needed for law enforcement purposes. OFAC will ensure that this information will not be publicly released except to the extent allowed by law. Information will only be released in accordance with the criteria for disclosure set forth in the Privacy Act, the Freedom of Information Act, and, as applicable, the Trade Secrets Act. Information about OFAC's privacy practices has been issued under OFAC's Privacy Act system of records notice: Treasury/DO .120 – Records Related to Office of Foreign Assets Control Economic Sanctions (75 FR 61853).
- X *requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect*

*the information's confidentiality to the extent permitted by law.*  
See above response.

*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.*

A notice for public comments was published in the Federal Register on October 25, 2011 (76 FR 66132). OFAC received no comments.

*Describe 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.*

We solicited comments through the Federal Register notice referenced above and received no responses. OFAC has determined that the number of respondents would only equal the number of TSPs and CSPs, as the information collection is required of those entities and not the traveler who provides the information. In the above-referenced Federal Register notice, the individual traveler entries, multiplied by two in order to reflect the submission of the information from the TSP to the CSP and then the submission by the CSP to OFAC for each traveler, were utilized as the number of respondents. The actual number of direct respondents is currently 303 (representing the 272 licensed TSPs and 31 licensed CSPs).

*Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years - even if the collection of information activity is the same as in prior periods. There may be circumstances that mitigate against consultation in a specific situation. These circumstances should be explained.*

Not applicable.

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

Respondents receive no payment or gifts for completing the subject electronic manifest.

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

The information requested may include personal identification information needed for law enforcement purposes. OFAC will ensure that this information will not be publicly released except to the extent allowed by law. Information will only be released in accordance with the criteria for disclosure set forth in the Privacy Act, the Freedom of Information Act, and, as applicable, the Trade Secrets Act. For further information about OFAC's privacy practices, please see OFAC's system of records notice: Treasury/DO .120 – Records Related to Office of Foreign Assets Control Economic Sanctions (75 FR 61853).

*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.*

OFAC makes no requests for sensitive information of the type described above.

*12. Provide estimates of the hour burden of the collection of information. The statement should:*

*X Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.*

The time it should take for each TSP to provide the required information with respect to each traveler to the CSPs is one to four minutes per entry. We anticipate there will be up to 250,000 entries annually, for all of the TSPs in the aggregate. At four minutes each, the entries to be made by the TSPs will take approximately 1,000,000 minutes (16,667 hours) annually in the aggregate. The estimate is based on several Treasury employees' attempts to compile the information that TSPs will forward to CSPs for each traveler.

Completing the electronic manifest form should take CSPs one to four minutes per entry, and there will be up to 250,000 entries annually, for CSPs in the aggregate. At four minutes each, the entries to be made by the CSPs will take approximately 1,000,000 minutes (16,667 hours) annually in the aggregate. The estimate is based on several Treasury employees' attempts to complete the electronic form that will be required of the CSPs.

*X If the request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.*

Not applicable.

*X Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 13.*

At 16,667 hours annually for TSPs in the aggregate, the hour burden amounts to 8.33 employees for the TSPs as an aggregate or an average of .03 employees per TSP. At 16,667 hours annually for CSPs in the aggregate, the hour burden amounts to 8.33 employees for the CSPs in the aggregate or an average of .27 employees per CSP.

13. Provide an estimate of the total annual cost burden to respondents or record-keeper resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14.)

*X* The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.

The burden imposed on the CSPs by this electronic form is minimal as OFAC has provided software and assisted in the installation and maintenance of such software.

The burden imposed on TSPs and CSPs is also minimal since the collection, maintenance and submission of the information has been required in the past and has been eased further through the use of software, the internet and e-mail.

*X* If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.

Not applicable.

*X* Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.

Not applicable.

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. Agencies may also aggregate cost estimates from paragraphs 12, 13, and 14 in a single table.

The cost to the U.S. Government attributable to this information collection effort is composed of maintenance and installation of the electronic manifest software, and the daily receipt of the e-

mail submissions from the CSPs. This is roughly 240 hours of time by a GS-14 employee. This cost is far below the alternative costs that would be incurred by the U.S. Government in receiving approximately 4,800 hardcopy submissions per week and entering the data into a database.

*15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.*

There has been an increase in the number of TSPs (currently there are 272) and CSPs (currently there are 31). This increase has had no effect on the total annual responses or hours.

*16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.*

Results will not be published.

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

Not applicable.

*18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.*

Not applicable.

## **B. Collections of Information Employing Statistical Methods.**

Not applicable.