

Supporting Statement for Paperwork Reduction Act Submissions
Report of Mail Order Transactions
OMB Approval #1117-0033

The Drug Enforcement Administration (DEA) seeks approval by the Office of Management and Budget (OMB) for an existing collection of information that was previously approved by OMB – OMB Approval #1117-0033, Report of Mail Order Transactions.

Part A. Justification

1. Necessity of information:

The Drug Enforcement Administration (DEA) collects information regarding mail order transactions conducted between a person regulated by the agency and a nonregulated person (that is, someone who does not further distribute the product) involving the chemicals ephedrine, pseudoephedrine, and phenylpropanolamine. Transactions must use, or attempt to use, the United States Postal Service or any private or commercial carrier. This collection of information is mandated by 21 U.S.C. 830(b)(3), and permits the agency to monitor the distribution of ephedrine, pseudoephedrine and phenylpropanolamine, chemicals which are subject to diversion for the illicit manufacture of methamphetamine.

2. Needs and Uses:

The DEA uses this information collection to monitor the distribution of the chemicals ephedrine, pseudoephedrine, and phenylpropanolamine in their varying forms. These chemicals are subject to diversion for the illicit production of methamphetamine.

3. Use of Information Technology:

The DEA permits electronic submissions of information for this collection. Respondents create accounts on the DEA Office of Diversion Control Web site (<http://www.deadiversion.usdoj.gov>). The accounts are used to submit reports and update contact information. Approximately 90% of reports are submitted electronically.

4. Efforts to Identify Duplication:

The DEA has made efforts to identify and prevent duplication of the collection of information. The collection of this information is unique to the DEA.

5. Impact on Small Businesses or Entities:

This information collection will not have a significant economic impact on small businesses or other small entities within the meaning and intent of the Regulatory Flexibility Act, 5 U.S.C. 601-612.

6. Consequences of Less Frequent Collection:

This monthly collection of information is authorized and required by the Controlled Substances Act (21 U.S.C. 830(b)(3)). The DEA has no discretion in this matter. This monthly reporting requirement permits the DEA to carry out its policies and programs as they relate to the diversion of listed chemicals for the illicit manufacture of methamphetamine. Businesses and other for-profit entities conducting mail order transactions maintain the requested data as part of usual and customary business practice.

7. Special Circumstances Influencing Collection:

There are no special circumstances applicable to this information collection.

8. Consultation with persons outside the Agency:

Public comment was solicited in the 60-day Federal Register Notice of Information Collection, 81 FR 6889, published February 9, 2016 and the 30-day Federal Register Notice of Information Collection, 81 FR 22316, published April 15, 2016. The DEA did not receive any comments concerning this collection.

The DEA meets regularly with the affected industry to discuss policies, programs, and regulations. These meetings provide an open forum to discuss matters of mutual concern with representatives of those entities from whom the information is obtained.

9. Payment or Gift to Claimants:

This information collection does not propose to provide any payment or gift to respondents.

10. Assurance of Confidentiality:

Information requested in this collection may be considered confidential business information if marked as such in accordance with 28 CFR 16.8(c) and Exemption 4 of the Freedom of Information Act (FOIA). Submitters who are required to furnish commercial or financial information to the government are protected from the competitive disadvantages that could result from disclosure of such information. The information is protected by the DEA through secure storage, limited access, and federal regulatory and DEA procedures. In the event a FOIA request is made to obtain information that has been designated as confidential business information per 28 CFR 16.8(c) and Exemption 4 of FOIA, the DEA will give written notice to the submitter to allow an opportunity to object within a reasonable time prior to any disclosure by the DEA.

11. Justification for Sensitive Questions:

This information collection does not ask any questions of a sensitive nature.

12. Estimate of Hour Burden:

There are 10 respondents affected by this information collection request. The report is made monthly. However, subject transactions may not occur each month.

	Number of Responses	Average Time per Response (hours)	Total Annual Burden Hours
Paper	10	1.00	10.00
Electronic	88	0.25	22.00
Total	98		32.00

Number of Respondents: 10

Number of Responses per Respondent: 9.8 (average)

Total Number of Responses: 98

Total annual hour burden: 32

Average Burden: Per Collection: 0.33 hour

Per Respondent: 3.2 hour

Total registration applications received on paper: 10

Total registration applications received online: 88

Percentage of applications received electronically: 90%

Burden dollars:

Estimate hourly wage (\$/hour): ¹	\$56.54
Load for benefits (percent of labor rate): ²	43.5%
Loaded labor rate (\$/hour): ³	\$81.13

1 Hourly median wage, Bureau of Labor Statistics, Occupational and Employment and Wages, May 2014, 11-2022 Sales Managers for North American Industry Classification System code 446110 – Pharmacies and Drug Stores (<http://www.bls.gov/oes/current/oes>).

2 Bureau of Labor Statistics, “Employer Costs for Employee Compensation – September 2015” (ECEC) reports that average benefits for private industry is 30.3% of total compensation. The 30.3% of total compensation equates to 43.5% (30.3% / 69.7%) load on wages and salaries.

3 $\$56.54 \times (1 + 0.435) = \81.13 .

Total annual burden dollar: \$2,596

Average burden dollars per collection: \$26.49

13. Estimate of Cost Burden:

The estimated annual cost burden is zero. Respondents are not estimated to incur any a) additional start-up cost or capital expenditure, or b) additional operation and maintenance costs or purchase services as a result of this information collection.

14. Estimated Annualized Cost to Federal Government:

Estimated Annual Labor Cost to Government:

Labor Category	Number	% of time	Cost ⁴
Program Analyst – GS-13	1	5%	\$ 8,197
Total			\$ 8,197

*Figures are rounded.

Total costs to Government: \$8,197

All costs are recovered from registrants through registration fees, as required by the CSA. 21 U.S.C. 886a.

15. Reasons for Change in Burden:

Changes to the annual burden hours reflect fewer responses per respondent and greater use of online applications, which take less time to complete. Although there is a decrease in annual burden hours there is an increase in annual burden dollars due to a change in calculation method.* There have been no statutory or regulatory changes affecting this information collection. The table below summarizes the changes since the last renewal of this information collection.

	2013 Approved Burden	2016 Requested Burden	Difference
Annual responses	132	98	(34)
Annual burden hours	60	32	(28)
Annual burden dollars	16	2,596	2,580

(* In prior information collection requests, the estimated annual burden dollars was described as “a usual and customary business expense not directly associated with this information collection.” The DEA believes the estimated annual burden associated with this information collection should be included. This change in calculation method is employed in this and future information collection requests.)

⁴ Government salary figures include 57% load for benefits based on the ECEC for “State and local government.” The ECEC does not include figures for the Federal Government.

16. Plans for Publication:

The DEA will not publish the results of the information collected.

17. Expiration Date Approval:

The DEA does not use a form for this information collection. Therefore, this question is not applicable.

18. Exceptions to the Certification Statement:

The DEA is not seeking an exception to the certification statement “Certification for Paperwork Reduction Act Submissions” for this collection of information.

Part B. Statistical Methods:

The DEA does not employ statistical methods in this information collection.