

**SUPPORTING STATEMENT**  
**U.S. Department of Commerce Bureau of Industry and Security**  
**Multipurpose Application**  
**OMB No. 0694-0088**

The Bureau of Industry and Security (BIS) is requesting an extension of existing collection OMB 0694-0088 “Multipurpose Application.”

**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, Presidential executive orders under the International Emergency Economic Powers Act (IEEPA) have directed and authorized the continuation in force of the EAR.

BIS administers a system of export and re-export controls in accordance with the EAR. In doing so, BIS requires that parties wishing to engage in certain transactions apply for licenses, submit Encryption Review Requests, or submit notifications to BIS. BIS also reviews, upon request, specifications of various items and determines their proper classification under the EAR. Currently, members of the public submit these applications, requests and notifications to BIS in one of four ways, via:

1. BIS' Simplified Network Application Process - Redesign (SNAP-R);
2. BIS' System for Tracking Export License Applications (STELA);
3. Multipurpose Application, Form BIS 748P, and its two appendices the BIS 748P-A (item appendix) and the BIS 748P-B (end-user appendix); or
4. Advisory opinion requests, pursuant to the instructions in § 748.3(c) of the EAR.

Specific to the submission of applications, requests and notifications, BIS will, under one or more the circumstances specified in § 748.1(d)(1) of the EAR, accept paper submissions of license applications, notifications and requests. However, BIS has not recently received any paper submissions of license applications, notifications or requests.

In many instances, BIS needs additional documents to act on the submission. For submissions made electronically via SNAP-R, the applicant must scan and attach the additional documents in SNAP-R.

For documents that relate to paper submissions, the documents can be mailed or delivered to BIS with the BIS 748P form, as appropriate.

**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.**

Export information collected either electronically or from the Multipurpose Application (Forms BIS-748P, 748P-A and 748P-B) is used by BIS as the basis for decisions to grant licenses for export and re-export, 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 the information provided 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.

Both the paper and electronic versions of the Multipurpose Application 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 quality data.

**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.**

BIS redesigned the SNAP system to enhance security, support electronic submission of supporting documents and provide increased functionality. BIS currently receives approximately 100% of all submissions of license applications, notifications and commodity classification and encryption registration requests electronically through the SNAP-R system. SNAP-R is located at: <https://snapr.bis.doc.gov/>.

Advisory opinion requests are delivered to BIS by mail, delivery service or via e-mail.

**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 request, advisory opinion, Encryption Review Request, 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: <https://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 decreases and delays in trade as well as a higher number of 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 a copy 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 the final regulation (RIN 0694-AC20) and paperwork burden was published in the Federal Register on February 29, 2016, page 10215. One commenter responded to the Bureau of Industry and Security's Proposed Information Collection "Simplified Network Application Process and Multipurpose Application Form." The commenter's response included multiple specific suggestions to revise the Simplified Network Application Process – Revised (SNAP-R) data entry form, including modifications to lengthen data fields and to clarify the messages sent out by the SNAP-R system to applicants. This commenter also requested that BIS modify the SNAP-R system to allow applicants to upload searchable documents created using a variety of software packages and to revise the face of the license applications issued by BIS to include more information. While BIS

appreciates receiving these comments, they are outside of the scope of this Proposed Information Collection. BIS has an ongoing effort to update and revise the SNAP-R system and will include these comments for consideration in that effort.

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

No payment or gift will be provided to respondents.

**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.**

There are no questions of a sensitive nature.

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

The total estimated burden of this collection is 31,833 hours. This estimate is based on a database search of activities for calendar year 2015. This estimate includes the changes projected as a result of the Export Control Reform (ECR) Initiative, which is transferring hundreds of items under the Department of State's Directorate of Defense Controls' jurisdiction to BIS's jurisdiction.

BIS estimates that exporters will require 17 minutes to input their application-specific data into the SNAP-R system. Seventeen additional minutes are required to submit supporting documents into SNAP-R for those applications that require supporting documentation.

Commodity classifications typically require more supporting documentation than other types of applications. About 75% of the commodity classifications and 33% of the other applications require supporting documentation. It is estimated to take one hundred and nine minutes per commodity classification to acquire the corresponding documentation. It is estimated to take twenty five minutes for all other types of applications.

There is also a record keeping requirement of two minutes associated with each application. In regard to the EAR amendments, BIS has historically requested and received approval of a 10% hourly burden to cover these anticipated nonsubstantive increases over the course of the three-year approval.

The burden hour estimate is detailed in the following table:

<b>Burden Activity</b>	<b>Annual Responses</b>	<b>Minutes per Response</b>	<b>Annual Burden Hours</b>
Submit SNAP-R Work Items <u>Without</u> Supporting Documentation (61,529 – 43,202)	18,327	17	5,194
Submit SNAP-R Work <u>With</u> Supporting Documentation (4,820 + 38,382)	43,202	34.9	25,101
Gather Supporting Documents for Commodity Classifications	4,820*	108.9	8,756
Gather Supporting Documents for Other Applications	38,382*	25.5	16,345
Annual record keeping burden	61,529	2	2,051
EAR Amendments	3,076	30	1,538
<b>Total</b>	<b>64,612</b>	<b>29.6</b>	<b>31,833</b>

\*Not considered separate responses; just the time to gather the documents.

The cost associated with this burden is estimated to be **\$954,990**. This is obtained by multiplying 31,833 hours times \$30 per hour.

**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 #12 above).**

The estimated total cost to the public is \$0.

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

The annual cost to the Federal Government is approximately \$1,845,540. This is based on a licensing officer spending 45 minutes to review 64,612 applications at \$40 per hour.

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

Not applicable.

**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 identified in Item 19 of the OMB 83-I.**

Not applicable.

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

Not applicable.