

**Supporting Statement
Administrative Rulings
1651-0085**

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.**

The collection of information in 19 CFR Part 177 is necessary in order to enable Customs and Border Protection (CBP) to respond to requests by importers and other interested persons for the issuance of administrative rulings. These rulings pertain to the interpretation of applicable laws related to prospective and current transactions involving classification, marking, and country of origin. The collection of information in Part 177 of the CBP Regulations is also necessary to enable CBP to make proper decisions regarding the issuance of binding rulings that modify or revoke prior CBP binding rulings. This collection of information is authorized by 19 USC 66, 1202, (General Note 3(i), Harmonized Tariff Schedule of the United States). The application to obtain an administrative ruling is accessible at: <https://apps.cbp.gov/erulings>.

This collection of information applies to the importing and trade community who are familiar with import procedures and with the CBP regulations.

- 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 is to be used by CBP employees for the purposes of rendering an administrative ruling.

- 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.**

Respondents may apply online at: <https://apps.cbp.gov/erulings>. Approximately 30 percent of applications are submitted electronically.

For respondents who do not want to submit their request using the website, they

may send a letter to CBP requesting a ruling. 19 CFR 177.2 provides guidance on the information that should be included in the letter and the address where to send it.

- 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.**

This information is not duplicated in any other place or any other form.

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

This information collection does not have an impact on small businesses or other small entities.

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

Failure to collect this information would have no consequences to the Federal Government, however it would limit the public's ability to receive advanced rulings from CBP.

- 7. Explain any special circumstances.**

This information is collected in a manner consistent with the guidelines of 5 CFR 1320.5(d)(2).

- 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.**

Public comments were solicited through two Federal Register notices published on January 14, 2016 (Volume 81, Page 1959) on which no comments were received, and on [April 4,xxx](#) 2016 (Volume 81, Page 19216) on which no comments have been received.

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

There is no offer of a monetary or material value for this information collection.

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

All data submitted and entered into ACE is subject to and protected by the Trade Secrets Act (18 U.S.C. 1905) and is considered confidential, except to the extent as otherwise provided by law. A PIA for the Automated Commercial Environment (ACE) dated July 31, 2015, and a SORN for the Import Information System, dated August 17, 2015 (Volume 80, Page 49256) will be included in this ICR. No assurances of confidentiality are provided to respondents.

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.

There are no questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information.

INFORMATION COLLECTION	TOTAL ANNUAL BURDEN HOURS	NO. OF RESPONDENTS	NO. OF RESPONSES PER RESPONDENT	TOTAL RESPONSES	TIME PER RESPONSE
Administrative Rulings	30,000	3,000	1	3,000	10 hours
Appeals	8,000	200	1	200	40 hours
TOTAL	38,000	3,200		3,200	

Public Cost

The estimated cost to the respondents is \$3,041,140. This is based on the estimated burden hours (38,000) multiplied (x) by the average loaded hourly rate (\$80.03) for attorneys. CBP calculated this loaded wage rate by multiplying the Bureau of Labor Statistics' (BLS) 2014 median hourly wage rate for Lawyers (\$55.27), which CBP assumes best represents the wage for attorneys, by the ratio of BLS' average 2014 total compensation to wages and salaries for Professional and Related occupations (1.448), the assumed occupational group.

for attorneys, to account for non-salary employee benefits.^{1,2} CBP bases this wage on loaded hourly wage data for the occupation from the U.S. Bureau of Labor Statistics (BLS), adjusted using a BLS wage rate multiplier.

Source: U.S. Bureau of Labor Statistics. Occupational Employment Statistics, “May 2014 National Occupational Employment and Wage Estimates, United States- Median Hourly Wage by Occupation Code.” March 25, 2015. Available at <http://www.bls.gov/oes/tables.htm>. Accessed June 15, 2015; U.S. Bureau of Labor Statistics. Employer Costs for Employee Compensation. Employer Costs for Employee Compensation Historical Listing March 2004 – December 2015, “Table 3. Civilian workers, by occupational group: employer costs per hours worked for employee compensation and costs as a percentage of total compensation, 2004-2015 by respondent type.” June 10, 2015. Available at <http://www.bls.gov/ncs/ect/sp/ececcqrtn.pdf>. Accessed June 15, 2015.

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information.

There are no record keeping, capital, start-up or maintenance costs associated with this information collection.

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.

The estimated annual cost to the Federal Government associated with reviewing and processing these records is \$2,683,680. This is based on the number of responses (3,200) that must be reviewed multiplied by (x) the time required to review and process each response (15 hours) = 48,000 hours multiplied by (x) the average hourly loaded wage rate of a General CBP Employee (\$55.91)³ =

1. Source of median wage rate: U.S. Bureau of Labor Statistics. Occupational Employment Statistics, “May 2014 National Occupational Employment and Wage Estimates, United States- Median Hourly Wage by Occupation Code: 23-1011.” Updated March 25, 2015. Available at <http://www.bls.gov/oes/2014/may/oes231011.htm>. Accessed June 15, 2015.

2. The total compensation to wages and salaries ratio is equal to the calculated average of the 2014 quarterly estimates (shown under Mar., June, Sep., Dec.) of the total compensation cost per hour worked for Professional and Related occupations (49.69) divided by the calculated average of the 2014 quarterly estimates (shown under Mar., June, Sep., Dec.) of wages and salaries cost per hour worked for the same occupation category (34.315). Source of total compensation to wages and salaries ratio data: U.S. Bureau of Labor Statistics. Employer Costs for Employee Compensation. *Employer Costs for Employee Compensation Historical Listing March 2004 – December 2015*, “Table 3. Civilian workers, by occupational group: employer costs per hours worked for employee compensation and costs as a percentage of total compensation, 2004-2015 by Respondent Type: Professional and related occupations.” June 10, 2015. Available at <http://www.bls.gov/ncs/ect/sp/ececcqrtn.pdf>. Accessed June 15, 2015.

3. CBP bases this wage on the salary and benefits of the national average of general, non-Officer/frontline CBP positions, which is a GS-12, Step 5. Source: Email correspondence with CBP’s Office of

\$2,683,680.

~~CBP bases this wage on the salary and benefits of the national average of general, non-Officer/frontline CBP positions, which is a GS-12, Step 5. Source: Email correspondence with CBP's Office of Administration on June 25, 2015.~~

15. Explain the reasons for any program changes or adjustments reported in Items 12 or 13.

There was a decrease in the number of requests for administrative rulings (from 120,000 to 30,000) due to updated estimates. There are no changes in the number of estimated appeals, and no changes to the information collected.

16. For collection of information whose results will be published, outline plans for tabulation, and publication.

This information collection will not be published for statistical purposes.

17. If seeking approval to not display the expiration date, explain the reasons that displaying the expiration date would be inappropriate.

CBP will display the expiration date for OMB approval of this information collection.

18. "Certification for Paperwork Reduction Act Submissions."

CBP does not request an exception to the certification of this information collection.

B. Collection of Information Employing Statistical Methods

No statistical methods were employed.

[Administration on June 25, 2015.](#)