

Supporting Statement for Paperwork Reduction Act Submissions
Import/Export Declaration for List I and List II Chemicals
(DEA Form 486 and DEA Form 486A)
OMB Approval # 1117-0023

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 # 1117-0023, Import/Export Declaration for List I and List II Chemicals (DEA Forms 486 and 486A).

Part A. Justification

1. Necessity of Information:

Section 1018 of the Controlled Substances Import and Export Act (CSIEA) (21 U.S.C. 971) and Title 21 Code of Federal Regulations (21 CFR) Part 1313 require any persons who import, export, or conduct international transactions involving list I and list II chemicals are required to establish a system of recordkeeping and report certain information regarding those transactions to the DEA. The chemicals subject to control are used in the clandestine manufacture of controlled substances.

For listed chemicals at or above thresholds set forth in § 1310.04(f) and listed chemicals for which no threshold has been established as identified in § 1310.04(g), regulated persons may import or export list I or II chemicals by filing a listed chemical import declaration (on DEA Form 486/486A) or an export declaration (on DEA Form 486) with the Administration not later than 15 calendar days prior to the date of the proposed importation or exportation (unless DEA has waived such advance reporting through regulation). 21 CFR 1313.12, 1313.13, 1313.21, 1313.22. The United States importer or exporter must include on their declaration the name and address of each person to whom the listed chemical(s) will be transferred (i.e., the transferee, consignee, and intermediate consignees), including the quantity. 21 U.S.C. 971(d); 21 CFR 1313.13(c), 1313.22(c). For an importer, the transferee is the person to whom the importer transfers the listed chemical (i.e., the downstream customer). For an export from the United States, the transferee/consignee is the foreign importer. For a broker or trader, the transferee/consignee is the foreign customer purchasing the listed chemicals. Importers are also required to list their foreign supplier on their declaration. The DEA Form 486/486A must be executed in triplicate. 21 CFR 1313.13, 1313.22. The three copies of the listed chemical import/export declaration are distributed among the importer/exporter, the CBP, and the DEA in accordance with § 1313.14 and 1313.23. If, after submission of the initial DEA Form 486/486A, the importer, exporter, broker, or trader will not be transferring the listed chemical to the transferee named on the declaration, or if the quantity of listed chemical to be imported, exported, or transferred is greater than the quantity originally indicated on the declaration, the importer, exporter, broker or trader must file an amended DEA Form 486/486A reporting the change. This amendment must provide the name of the new prospective customer and/or the greater quantity of the listed chemical to be transferred. The requirement to notify DEA of a change in the transferee or an increase in the quantity of the chemical to be transferred applies to amended DEA Forms 486 in the same manner that it applies to original submissions.

Within 30 days after an import or export of a listed chemical has occurred, the importer/exporter must file with the DEA a return declaration containing the particulars of the transaction, including the date, quantity, chemical, container, name of transferees, and any other information as the Administration may specify. 21 U.S.C. 971(g); 21 CFR 1313.17(a), 1313.27(a). An importer may file a single return declaration including the particulars of both the importation and the distribution. 21 CFR 1313.17(a). If the importer has not distributed all chemicals imported by the end of the initial 30-day period, the importer must file supplemental return declarations every 30 days until the distribution or other disposition of all chemicals imported under the declaration or amended declaration have been accounted for. 21 CFR 1313.17(a). If an import/export for which a declaration has been filed does not in fact take place, the importer/exporter must file an amended declaration notifying the DEA that the transaction did not in fact occur. 21 CFR 1313.17(b), 1313.27(b).

2. Needs and Uses:

The Controlled Substance Act (CSA) and DEA regulations have established a system of recordkeeping and reporting requirements that provide the DEA with a mechanism to track international movement of listed chemicals in order to prevent their being diverted for use in the clandestine manufacture of controlled substances. DEA Forms 486 and 486A provide the DEA with control measures over the importation, exportation, and international transactions of List I and List II chemicals. Analysis of these documents provides the DEA with important intelligence regarding the international commerce in chemicals. This information assists the DEA in the identification of suspected traffickers and trafficking routes. The additional requirements imposed by the Combat Methamphetamine Epidemic Act of 2005 ensure that the DEA has an accurate record of importations, exportations, and international transactions.

3. Use of Information Technology:

The referenced DEA Forms 486 and 486A are available to be submitted through the DEA Office of Diversion Control secure network application on the DEA Diversion Control Program Web site, (<http://www.deadiversion.usdoj.gov>). To send by “paper,” registrants may complete the form online, print it, sign it, and send or fax it to the DEA. Virtually all “paper” submissions are sent via facsimile. Currently, 66% of DEA Forms 486 and 486A is submitted electronically.

4. Efforts to Identify Duplication:

The DEA has made efforts to identify and prevent duplication of the collection of information. The existing DEA Form 486/486A is not duplicative. The collection of this information is unique to the DEA.

5. Impact on Small Businesses or Entities:

This is a routine three-year renewal of DEA Form 486/486A. The DEA does not anticipate any additional impact on small businesses or other small entities since the initial approval of this

form. The 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:

The DEA uses the information collected to monitor the import and export of listed chemicals. Information is provided each time the registrant proposes to import or export listed chemicals and therefore cannot be collected less frequently. Failure to collect the information would impair the DEA's enforcement activities and violate the requirements imposed by the Controlled Substance Act (CSA) and the United States' international obligations.

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 38218, published June 13, 2016 and the 30-day Federal Register Notice of Information Collection, 81 FR 53164, published August 11, 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:

1. This collection of information 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. This 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 in accordance with 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 collection of information does not ask any questions of a sensitive nature.

12. Estimated Hour Burden:

Respondents report imports, exports and international transactions of listed chemicals using DEA Forms 486 and 486A:

The below table presents information regarding the number of respondents, responses, and associated burden hours.

	Number of Annual Respondents*	Number of Annual responses	Average Time per Response (minutes)	Total Annual Hours
DEA-486 - Import (paper)	342	1,359	17	385
DEA-486 - Import (online)		855	17	242
DEA-486 - Export (paper)		2,533	20	844
DEA-486 - Export (online)		7,743	20	2,581
DEA-486 - International (paper)		422	17	120
DEA-486A - Import (paper)		333	20	111
DEA-486A - Import (online)		416	20	139
Total		342	13,661	

* Based on the number of unique respondent names. A respondent may import, export, or conduct international transactions using paper or online forms. Separately counting the number of respondents for each type of transaction and form would result in multiple counts of the same respondent. Therefore, the number of combined respondents is used.

Total number of respondents: 342

Number of responses per respondent per year: 39.9 (average)

Total annual responses: 13,661

Total annual hour burden: 4,069

Average Burden: Per Collection: 0.30 hour
Per Respondent: 11.9 hour

Total responses received on paper: 4,647

Total responses received electronically: 9,014

Percentage of responses received electronically: 66%

Burden dollars:

Estimate hourly wage (\$/hour):¹ \$41.65

¹Median hourly wage, Bureau of Labor Statistics, Occupational and Employment and Wages, May 2015, 11-3071 Transportation, Storage, and Distribution Managers (http://www.bls.gov/oes/current/oes_nat.htm).

Load for benefits (percent of labor rate): ²	43.3%			
Loaded labor rate (\$/hour): ³	\$59.67			
		<u>DEA 486</u>	<u>DEA 486A</u>	<u>Total</u>
Number of responses	12,912	749		13,661
Total annual hours	3,769	300		4,069
Average burden per response (hour)	0.2919	0.4000		
Burden dollars per response (\$)	\$ 17.4182	\$ 23.8682		
Total burden dollars	\$ 224,904	\$ 17,877	\$ 242,781	

13. Estimated Cost of 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:

Cost to Federal Government:

Labor Category	Number	Annual rate	Load	% of time	Cost ⁴
Unit Chief - GS-14	1	\$ 123,405	1.41	20%	\$ 34,860
Technical Information Specialist - GS-14	1	\$ 123,405	1.41	20%	\$ 34,860
Import/Export Specialist - GS-13	3	\$ 104,431	1.41	100%	\$ 442,504
Secretary - GS-7	1	\$ 49,506	1.41	5%	\$ 3,496
Total					\$ 515,721

All costs to the Federal Government for these activities are recovered from registrants through registration fees, as required by the Controlled Substance Act (CSA). 21 U.S.C. 886a.

² Bureau of Labor Statistics, “Employer Costs for Employee Compensation – December 2015” (ECEC) reports that average benefits for private industry is 30.2% of total compensation. The 30.2% of total compensation equates to 43.3% (30.2% / 69.8%) load on wages and salaries.

³ \$41.65 x (1 + 0.433) = \$59.67 (0.433 is rounded).

⁴ Government salary figures are based on Washington, DC locality pay at step 5 for each grade level and include 41% load for benefits based on the ECEC for “State and local government” (adjusted for paid leave). The ECEC does not include figures for the Federal Government.

15. Reasons for Change in Burden:

The apparent decrease in annual responses is due a change in method for counting responses. In previous information collection requests, return declarations were counted separately from (initial) declaration. However, return declarations are required for all declarations. Therefore, return declarations are included in the count and burden for declarations in this and future information collection requests. Adjusting for this change, there is a small increase in annual responses and annual burden hours. The increase in the burden dollars is due to increase in burden hours and 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	18,382	13,661	(4,721)
Annual burden hours	4,220	4,422	202
Annual burden dollars	\$0	\$242,781	\$263,855

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

16. Plans for Publication:

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

17. Expiration Date of Approval:

The DEA does not object to the OMB displaying the expiration date.

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 Drug Enforcement Administration does not employ statistical methods in this information collection.