Supporting Statement for Information Collection Submission
OMB Control No. 9000-00XX; Payments to Small Business
Subcontractors; FAR 52.242-XX

A. Justification.

1. **Administrative requirements.**
Section 1334 of the Small Business Jobs and Credit Act of
2010 (Public Law 111-240) and the Small Business
Administration's Final Rule at 78 FR 42391, Small Business
Subcontracting, published on July 16, 2013, and effective
August 15, 2013, requires the prime contractor to self-
report to the contracting officer when the prime contractor
makes late or reduced payments to small business
subcontractors. In addition, the contracting officer is
required to record the identity of contractors with a
history of late or reduced payments to small business
subcontractors in the Federal Awardee Performance and
Integrity Information System (FAPIIS). FAR Part 42 is
revised to include in the past performance evaluation
reduced or untimely payments reported to the contracting
officer by the prime contractor, in accordance with the
clause at 52.242-XX, Payments to Small Business
Subcontractors, that are determined by the contracting
officer to be unjustified.

2. **Use of information.** The information is used by the
Government record the identity of contractors with a history
of late or reduced payments to small business
subcontractors.

3. **Consideration of information technology.** We use
improved information technology to the maximum extent
practicable. Where both the Government agency and
contractors are capable of electronic interchange, the
contractors may submit this information collection
requirement electronically.

4. **Describe efforts to identify duplication.** This
requirement is being issued under the Federal Acquisition
Regulation (FAR) which has been developed to standardize
Federal procurement practices and eliminate unnecessary
duplication. Similar information is not already available
to the contracting officer or buyer.

5. If the collection of information impacts small businesses (item 5 of OMB 83-1) describes any methods used to minimize the burden. The burden applied to small businesses is the minimum consistent with applicable laws, Executive orders, regulations, and prudent business practices.

6. Describe the Consequences to Federal activities if the collection is not conducted or is conducted less frequently. Similar information is not already available to the contracting officer or buyer.

7. Special circumstances for collection. Collection of information on a basis other than as proposed would severely hamper, if not make impossible, the ability of the Government to record the identity of contractors with a history of late or reduced payments to small business subcontractors. Collection is consistent with guidelines in 5 CFR 1320.6.

8. Efforts to consult with persons outside the agency. Under the procedures established for development of the FAR, agency and public comments are being solicited, and each comment will be addressed before finalization of the text.

9. Explanation of any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees. Not applicable.

10. Describe assurance of confidentiality provided to respondents. This information is disclosed only to the extent consistent with prudent business practices and current regulations.

11. Additional justification for questions of a sensitive nature. No sensitive questions are involved.

12 & 13. Estimated total annual public hour and cost burden. FPDS for FY 2014 lists 794 new commercial item contracts over $650,000 where the size determination was other than small and a subcontracting plan was required. FPDS for FY 2014 also lists 1,485 new non-commercial item contracts over $650,000 where the size determination was other than small and a subcontracting plan was required. It is estimated that no more than twenty percent of contractors with new commercial and non-commercial contracts where the size determination was other than small and where a subcontracting plan was required would have to notify the

contracting officer that the prime contractor payed a reduced or an untimely payment to a small business subcontractor. It is also estimated that the average time required for a contractor to prepare the information for this collection is two hours. It is estimated also that the responses per respondent would be one.

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Number of responses/yr................................456
Responses Per Respondent..............................x 1
Total Responses.......................................456
Average hours per response............................x 2
Total hours...........................................912
Cost per hour.................................. x    $43*
Total annual burden............................$39,216.00
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*Based on the OPM GS-11/step 5 salary ($31.80 an hour) plus 36.25 percent burden, rounded to the nearest dollar, or $43 an hour. The burden rate used is that mandated by OMB memorandum M-08-13 for use in public-private competition, as updated by OMB for the current year. Reference Salary Table 2015-GS, Effective January 2015, found at www.opm.gov). The estimated cost per response is approximately $86.

14. **Estimated cost to the Government.** Government-wide review is estimated at a one hour per response.

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Number of responses...........................456
Responses Per Respondent......................x 1
Total Responses...............................456
Average hours per response....................x 1
Total hours...................................456
Cost per hour..............................  x $43*
Total annual cost...................... $19,608.00
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*Based on the OPM GS-11/step 5 salary ($31.80 an hour) plus 36.25 percent burden, rounded to the nearest dollar, or $43 an hour. The burden rate used is that mandated by OMB memorandum M-08-13 for use in public-private competition, as updated by OMB for the current year. Reference Salary Table 2015-GS, Effective January 2015, found at www.opm.gov)

15. **Explain reasons for program changes or adjustment reported in Item 13 or 14.** Not applicable.

16. **Outline plans for published results of information collection.** Results will not be tabulated or published.

17. **Approval not to display expiration date.** Not applicable.

18. **Explanation of exception to certification statement.** Not applicable.

B. Collections of Information Employing Statistical Methods. Statistical methods are not used in this information collection.