

**1 Supporting Statement A for
Paperwork Reduction Act Submission**

**Electronic Federal Duck Stamp Program
OMB Control Number 1018-0135**

Terms of Clearance. None

1. Explain the circumstances that make the collection of information necessary.

On March 16, 1934, President Roosevelt signed the Migratory Bird Hunting Stamp Act (16 U.S.C. 718a et seq.), popularly known as the "Duck Stamp Act," requiring all migratory waterfowl hunters 16 years of age or older to buy a Federal migratory bird hunting and conservation stamp (Duck Stamp) annually. Federal Duck Stamps are pictorial stamps produced by the U.S. Postal Service for the U.S. Fish and Wildlife Service. They are not valid for postage. The Federal Duck Stamp program has become one of the most popular and successful conservation programs ever initiated. Ninety-eight cents out of every dollar generated by the sales of Federal Duck Stamps go directly to purchase or lease wetland habitat for protection in the National Wildlife Refuge System. Proceeds from Duck Stamp sales have been used to acquire about 5.6 million acres of migratory waterfowl habitat on more than 550 national wildlife refuges.

The Electronic Duck Stamp Act of 2005 (Pub. L. 109-266), passed in August 2006, required that the Secretary of the Interior conduct a 3-year pilot program under which up to 15 States could be authorized to issue electronic Federal Duck Stamps, or E-Stamps. In August 2007, eight States began issuing the E-Stamps. More than 59,000 E-Stamps were sold the first year of the pilot program. The E-stamp is valid for 45 days from the date of purchase and can be used immediately while customers wait to receive the actual stamp in the mail. After 45 days, customers must carry the actual Federal Duck Stamp while hunting or to gain free access to national wildlife refuges. As expected, the electronic program increased the availability of Federal Duck Stamps, making it easier for the public to obtain the stamps and enhancing public participation. Under our authorities in 16 U.S.C. 718b(a)(2), we have continued the Electronic Duck Stamp Program in the eight States that participated in the pilot, and, in 2012, more than 350,000 stamps were sold.

On December 18, 2014, Pub. L. 113-239, the Permanent Electronic Duck Stamp Act of 2013 was passed. It grants the Secretary of the Interior permanent authority to authorize any state to issue electronic duck stamps.

In 2013-2015 we expanded the program by inviting all State fish and wildlife agencies to participate. We received applications and interest from another 23 states. Sixteen of these states were accepted and 14 new states entered the program in this three-year period. As of the end of 2016 we have a total of 22 States participating in the program.

In 2017, we plan to expand the program by inviting all State fish and wildlife agencies to participate. Anyone, regardless of State residence, may purchase an electronic Duck Stamp through any State that participates in the program. We will follow the same requirements as the pilot program. Interested States must submit an application (FWS Form 3-2341). We will use the information provided in the application to determine a State's eligibility to participate in the program. Eligible applicants are State fish and wildlife agencies that have an automated licensing system authorized under State law. Currently, 40 States offer Internet, point of sale, or

telephonic sales for their hunting and fishing licenses and would qualify to sell E-Stamps. The application process will lead to the selection of up to 18 additional States to participate in the program. A State may not participate in the program unless it submits an application and the Secretary approves it. Participating States must report sales and submit fulfillment information weekly.

2. Indicate how, by whom, and for what purpose the information is to be used.

We will publish a notice in the Federal Register announcing the E-Stamp program expansion and soliciting applications for participation. We will publish the application package on the Internet at <https://www.fws.gov/birds/get-involved/duck-stamp/e-stamp.php>. The application package will consist of:

- Background of the program.
- Instructions (application submission terms and conditions, sample transmittal letter, and draft Memorandum of Understanding).
- Evaluation methodology (minimum requirements, selection of the best applicant, and selection criteria).
- Application (FWS Form 3-2341).
- Contact and application submission information.
- Exhibits (data transmittal requirements, handling rates, electronic funds transfer requirements, and a copy of 16 U.S.C. § 718b : US Code - Section 718B: Issuance and sale of stamps; deposit of funds in migratory bird conservation fund; fees; validity; expiration; redemption; "retail dealers" and "hunting year" defined

To participate in the program, eligible State fish and wildlife agencies must submit an application. This is a one-time submission. We will not consider any application that fails to meet the minimum qualifications. We will use the information provided in the application to select up to 15 new participants for the program over the next 3 years. Following that time period, we will evaluate the need to increase the program again.

APPLICATION: We will use FWS Form 3-2341 (Application for Participation in the Electronic Federal Duck Stamp Program) to determine if a State is eligible to participate.

Selection Factor 1 -- Responsiveness to eligibility requirements

- Whether or not the State agrees with the terms and conditions in the application package including compliance with all applicable laws under the terms and conditions specified in the draft Memorandum of Understanding.
- Information verifying the current systems the State uses to sell State hunting, fishing, and other associated licenses electronically.
- Copies of applicable State laws, regulations and policies authorizing the use of these electronic systems.
- Transmittal letter attesting to the State's unconditional concurrence with the terms and conditions of the General Agreement.
- Example and explanation of the codes the State proposes to use to create and endorse the unique identifier for the individual to whom the stamp is issued.
- Copy of the printed version of the State's proposed electronic stamp.
- Whether or not the electronic stamp is compatible with the hunting licensing system of the State.

Selection Factor 2 – responsiveness to program requirements

- Description of the format of the electronic stamp, including identifying features to be specified on the stamp.
- Fees the State will charge customers for an electronic stamp.
- Process the State will use to account for and transfer the funds collected through stamp sales to the fulfillment center.
- How and when the State will transmit electronic stamp customer data to the fulfillment center.
- How the actual stamps will be delivered.
- Copy of the policies and procedures the State will use to issue replacement stamps.
- Copy of all other policies, procedures, and information that relate to the program.

Selection Factor 3 -- stamp requirements

- Documentation that the electronic stamp issued by the State will have the same format as any other license, validation, or privilege issued under the State's automated licensing system.
- Physical copies and examples, where possible, of specific identifying features that will appear on the point of sale, telephone or Internet receipt that are adequate to enable Federal, State, and other law enforcement officers to identify the purchaser.
- Demonstrate how State will communicate to the purchaser and law enforcement officials that any electronic stamp issued by a State under the program will, during the effective period of the electronic stamp:
 - bestow upon the purchaser the same privileges as an actual stamp;
 - be nationally recognized as a valid Federal migratory bird hunting and conservation stamp; and
 - authorize the purchaser to hunt migratory waterfowl in any other State, in accordance with the laws of said State governing that hunting.

Selection Factor 4 -- guaranteed delivery of the physical stamp to the customer

- Actions that State will take to guarantee that the physical stamp will be delivered to the customer within the 45-day limit.
- Plan to resolve customer complaints regarding late, incorrect orders, or missing stamp deliveries.

Selection Factor 5 – agreement to the terms and conditions outlined in the general agreement governing the program (yes or no answers).

- Whether or not State agrees to comply with all of the terms and conditions specified in the Memorandum of Understanding, including its exhibits.
- Whether or not State agrees to operate at the current Service approved handling rates during the term of the MOU. (A selected State may request a handling rate increase any time after being selected.)
- Whether or not State agrees to accept the operating terms of the optional fulfillment.
- Whether or not State agrees to implement an equal opportunity program and comply with the terms of the equal opportunity and handicapped access requirements of the MOU.
- Whether or not State agrees to meet the public liability and property insurance requirements of the MOU.
- Whether or not State agrees to the use of Electronic Funds Transfer to the fulfillment center.

Selection Factor 6 – experience and financial capability

- Confirmation that State understands and concurs that no funding will be provided by the Service to either initiate or manage this program.

- Example(s) of State's experience in the operation and management of electronic licensing systems, including any available information on customer satisfaction and the number of transactions for each individual system (Internet, telephone or point-of-sale)
- Contact information (name, mailing and FedEx address, phone, fax, cell, and e-mail) for information technology, financial, project management, and stamp/licensing program contacts.
- Documentation of history of meeting financial obligations.
- Estimate of the start-up costs of this program, including the purchase of additional equipment and technology; methodology and the assumptions used to develop the estimate; and, if State intends to assess a handling fee to cover costs or other forms of overhead, a description of what this fee will be used for (salaries, human resources, accounting, marketing, etc.).

FULFILLMENT:

Participating States must provide the following information to the fulfillment center on a weekly basis:

- First name, last name, and complete mailing address of each individual that purchases an electronic stamp from the State.
- Face value amount of each electronic stamp sold by the State.
- Amount of the Federal portion of any fee required by the agreement for each stamp sold.

We will use this information to issue an actual stamp to each purchaser within 45 days.

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 [and specifically how this collection meets GPEA requirements].

We continually strive to enhance the ability of individuals and entities to conduct business with us electronically. Therefore, we are taking steps to adopt the Internet as our chief means of conducting Duck Stamp transactions in order to improve service to our customers and to simplify and expedite our business processes. The application package will be available on the Internet, and we are requesting that States submit their applications via email. Information gathered will be used for determining eligibility of a State to participate in the program.

Fulfillment information will be sent from the State to the fulfillment center via FTP with 128-bit SSL encryption, with certificate. The information is scrubbed to eliminate incomplete or incorrect information then queries are sent to correct those errors. The actual fulfillment of the stamps is completed by devices that pack and sort the product electronically prior to mailing.

4. Describe efforts to identify duplication.

The information collection is necessary for the fulfillment of each individual order. No other collection covers the requirements of this program.

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

The collection does not impact small entities. Only States participate in the program.

6. Describe the consequence to Federal program or policy activities if the collection were not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The application information is collected only once. If it were not collected, we could not expand the program to include additional States. Fulfillment information must be collected weekly so that we can issue the actual stamp to the purchaser within the 45-day time period.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- * requiring respondents to report information to the agency more often than quarterly;
- * requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
- * requiring respondents to submit more than an original and two copies of any document;
- * requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;
- * in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;
- * requiring the use of a statistical data classification that has not been reviewed and approved by OMB;
- * that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
- * requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

The 45-day fulfillment deadline requires that the States send sales information on a regularly scheduled basis to the stamp fulfillment center. The schedule is determined by sales volume and efficient fulfillment. No other special circumstances exist that would cause us to collect this information in a manner inconsistent with OMB guidelines.

8. If applicable, provide 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 (or in response to a PRA statement) and describe actions taken by the agency in response to these comments.

Describe 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 recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

On September 20, 2016, we published a notice in the Federal Register (81 FR 64498) requesting public comment on this information collection. The comment period ended on November 21, 2016. We did not receive any comments on this notice.

The initial clearance for this program was completed by a workgroup consisting of members of

the Association of Fish and Wildlife Agencies, Information Technology Subcommittee, the fulfillment contractor, and the Service. The workgroup determined the process and evaluation criteria for the application. Additional nonsubstantive edits to the application have been made to improve clarity and understanding. The application and procedures underwent legal review within the Department of the Interior. Following legal review, we sent the application and other program information to the licensing managers of three States that had expressed an interest in joining the program, and the fulfillment contractor.

They were asked to review the application and information and submit comments regarding the complexity and workload required to complete the application. Responses were largely similar:

An annual review of the program is conducted with the fulfillment contractor. This year's review did not generate any new comments.

Program Manager Automated License Data System (ALDS) California Department of Fish and Game Office: (916) 928-6899 or Cell (916) 214-2387	Amplex Corporation 1100 Fountain Parkway Grand Prairie, TX 75050 800-852-4897
Florida Fish & Wildlife Conservation Commission 2590 Executive Center Circle, Suite 200 Tallahassee, FL 32301 850-717-8768	IT Systems Analyst VA Department of Game and Inland Fisheries 4000 West Broad Street Richmond, VA 23230 Phone: 804.367.0285
Assistant Chief of Licensing New Mexico Wildlife PO Box 25112 Santa Fe, NM 87504 505-476-8072 Fax 505-476-8137	Georgia Department of Natural Resources 706-557-3244
Oklahoma Department of Wildlife Conservation 405-521-4629	

As background information, the annual review includes the following questions:

Whether or not the collection of information is necessary, including whether or not the information will have practical utility:

Accuracy of burden estimates

Ways to enhance the quality, utility, and clarity of the information to be collected:

Ways to minimize the burden of the collection of information on respondents:

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

We do not provide payments or gifts to respondents.

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

We do not provide any assurance of confidentiality. We do not release any personal information from agencies or the public.

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.

We do not ask questions of a sensitive nature.

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

We estimate 1,359 annual responses totaling 1,593 burden hours. This is decreased from the previous estimated burden included in our 60-day notice based on information obtained during our annual review.

Currently 40 States offer Internet, point of sale, or telephone sales for their hunting and fishing licenses, which makes them eligible to participate in our electronic Federal Duck Stamp program. Since 22 States are currently enrolled in the program, we expect no more than 18 States to submit an application over the next 3 years. As many as 10 states are expected to apply in the first year. However, since we will not enroll any more than 5-6 new states each year, those states that are not accepted initially are encouraged to revise their application and resubmit the following year. The burden to enroll the remaining 18 states is averaged over the three-year period. We estimate the average time to complete an application is 40 hours. However, this time could vary substantially depending on the complexity of an agency's licensing program.

States enrolled in the electronic stamp program are required to submit fulfillment reports to the stamp distributor in a timely fashion. Currently, most states provide a weekly report to the distributor during the peak period of their hunting license sales. However, states do not provide weekly fulfillment reports during periods of low sales. Volume is therefore averaged at one report each 9 calendar days for an estimated 41 fulfillment reports being submitted by each state each year. If all eligible states applied and were accepted into the electronic sales program over the next three-year period, the average number of annual state respondents would be 33. (The current number of states participating is 22 plus 5 new states added the first year for a total of 27, plus 5 additional states in the 2nd year for a total of 32; plus the remaining 8 eligible states for the 3rd year for a total of 40 states.)

We estimate the annual dollar value of the burden hours to be \$88,013 (rounded). We used information from the Bureau of Labor Statistics News Release 16-2255, December 8, 2016, to estimate average employee compensation including benefits. The table below lists an hourly rate of \$55.25 for management and professional staff.

Activity	Annual No. of Respondents	Total Annual Responses	Completion Time per Response	Total Annual Burden Hours*	Hourly Compensation Rate	Total Dollar Value of Annual Burden Hours*
Application	6	6	40 hours	240	\$55.25	\$ 13,260
Fulfillment						
State Report	33	1,353	1 hour	1353	\$55.25	\$ 74,753
Total	39	1,359		1,593		\$ 88,013

*rounded

13. Provide an estimate of the total annual [nonhour] cost burden to respondents or recordkeepers resulting from the collection of information.

We have not identified any nonhour cost burden. State agencies would have the same costs for their own programs, even if we did not expand the program.

14. Provide estimates of annualized costs to the Federal Government.

We estimate the total annual cost to the Federal Government to be \$16,056 based on the Office of Personnel Management Salary Table 2016. We estimate it will take approximately 300 hours to review applications and prepare necessary documents for participants. To calculate benefits, we multiplied the hourly rate by 1.6.

Action	Position and Grade	Hourly Rate	Hourly Rate including Benefits	Total Annual Hours	Annual Cost
Administrative Work Associated with Application Process and Review	Program Analyst GS 7-6	\$24.42	\$39.07	200	\$7,814
	Program Coordinator GS 13-6	\$51.51	\$82.42	100	\$8,242
Total				300	\$ 16,056

15. Explain the reasons for any program changes or adjustments in hour or cost burden.

With the expansion of the program we are reporting slightly higher annual responses than in our previous submission 3 years ago. We have also had changes in personnel resulting in lower paid personnel being tasked with running the program as part of their daily tasks until positions are filled, resulting in slightly lower costs to the Federal government.

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

We will not publish any information.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

We will display the OMB Control Number and expiration date on the form and other appropriate materials.

18. Explain each exception to the certification statement.

There are no exceptions to the certification statement.