

**Supporting Statement  
Importation Bond Structure (Forms 301 and 5297)  
1651-0050**

**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.**

Bonds are used to ensure that duties, taxes, charges, penalties, and reimbursable expenses owed to the Government are paid; to facilitate the movement of cargo and conveyances through CBP processing; and to provide legal recourse for the Government for noncompliance with laws and regulations. Each person who is required by law or regulation to post a bond in order to secure a Customs transaction must submit the bond on CBP Form 301 which is available at: [http://forms.cbp.gov/pdf/CBP\\_Form\\_301.pdf](http://forms.cbp.gov/pdf/CBP_Form_301.pdf)

Surety bonds are usually executed by an agent of the surety. The surety company grants authority to the agent via a Corporate Surety Power of Attorney, CBP Form 5297. This power is vested with CBP so that when a bond is filed, the validity of the authority of the agent executing the bond and the name of the surety can be verified to the surety's grant. CBP Form 5297 is available at: [http://forms.cbp.gov/pdf/CBP\\_Form\\_5297.pdf](http://forms.cbp.gov/pdf/CBP_Form_5297.pdf). Bonds are required pursuant to 19 U.S.C.1608, and 1623; 22 U.S.C. 463; 19 CFR Part 113.

- 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.**

CBP uses bonds to ensure that duties, taxes, charges, penalties, and reimbursable expenses owed to the Government are paid; to facilitate the movement of merchandise through CBP; and to provide legal recourse for the Government for noncompliance with CBP laws. Without these documents, all imported merchandise would have to remain in physical CBP custody until compliance with all applicable laws and regulations and duties and taxes had been determined. This would disrupt the orderly flow of cargo and increase the cost of importing.

- 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.**

The information on CBP Form 5297, Power of Attorney, can be submitted via CBP's Automated Commercial Environment (ACE).

CBP Form 301 is automated into ACE.

- 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.**

The importing process would be deterred significantly because these forms allow CBP to physically release imported merchandise to importers and consignees before final determinations on duties and taxes are made.

- 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: a 60-day notice published on February 8, 2017 (Volume 82, Page 9751) on which no comments were received, and a 30-day notice published on May 4, 2017 (Volume 82, Page 20903) 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.**

A PIA for the Automated Commercial Environment (ACE) dated July 31, 2015, and a SORN for the Import Information System, dated August 17, 2015 (80 FR 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**

There are no questions of a sensitive nature.

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

<b>FORM NUMBER/ TITLE</b>	<b>TOTAL ANNUAL BURDEN HOURS</b>	<b>NO. OF RESPONDENTS</b>	<b>NO. OF RESPONSES PER RESPONDENT</b>	<b>TOTAL RESPONSES</b>	<b>TIME PER RESPONSE</b>
5297 Power of Attorney	125	500	1	500	15 minutes (.25 hours)
301 Customs Bond	200,000	800,000	1	800,000	15 minutes (.25 hours)
<b>TOTAL</b>	<b>200,125</b>	<b>800,500</b>		<b>800,500</b>	

**Public Cost**

The estimated cost to the respondents is \$6,021,761. This is based on the estimated burden hours (200,125) multiplied by (x) the average loaded hourly wage rate for importers (\$30.09). CBP calculated this loaded wage rate by first multiplying the Bureau of Labor Statistics' (BLS) 2015 median hourly wage rate for Cargo and Freight Agents (\$20.13), which CBP assumes best represents the wage for importers, by the ratio of BLS' average 2015 total compensation to wages and salaries for Office and Administrative Support occupations (1.4799), the assumed occupational group for importers, to account for non-salary employee benefits.<sup>1,2</sup> CBP then adjusted this figure, which was in 2015 U.S. dollars, to 2016 U.S. dollars by applying a 1.0 percent annual growth rate to the

<sup>1</sup> Source of median wage rate: U.S. Bureau of Labor Statistics. Occupational Employment Statistics, "May 2015 National Occupational Employment and Wage Estimates, United States- Median Hourly Wage by Occupation Code: 43-5011." Updated March 30, 2016. Available at <http://www.bls.gov/oes/2015/may/oes435011.htm>. Accessed June 1, 2016.

figure, as recommended by the U.S. Department of Transportation's value of travel time guidance.<sup>3</sup>

**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 the review of these records is \$8,711,809. This is based on the number of responses that must be reviewed (800,500) multiplied by (x) the time burden to review and process each response (10 minutes or .166 hours) = 132,883 hours multiplied by (x) the average hourly loaded rate for other CBP employees (\$65.56)<sup>4</sup> = \$8,711,809.

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

There are no increases or decreases in the estimated annual burden hours previously reported for this information collection, and no changes to the information collected.

**16. For collection of information whose results will be published, outline plans**

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2 The total compensation to wages and salaries ratio is equal to the calculated average of the 2015 quarterly estimates (shown under Mar., June, Sep., Dec.) of the total compensation cost per hour worked for Office and Administrative Support occupations (\$24.9475) divided by the calculated average of the 2015 quarterly estimates (shown under Mar., June, Sep., Dec.) of wages and salaries cost per hour worked for the same occupation category (\$16.8575). 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 – March 2016*, "Table 3. Civilian workers, by occupational group: employer costs per hours worked for employee compensation and costs as a percentage of total compensation, 2004-2016 by Respondent Type: Office and administrative support occupations." June 9, 2016. Available at <http://www.bls.gov/ncs/ect/sp/ececcqrtn.pdf>. Accessed June 14, 2016.

3 Source: U.S. Department of Transportation, Office of Transportation Policy. *The Value of Travel Time Savings: Departmental Guidance for Conducting Economic Evaluations Revision 2 (2015 Update)*, "Table 4 (Revision 2-corrected): Recommended Hourly Values of Travel Time Savings." April 29, 2015. <http://www.transportation.gov/sites/dot.gov/files/docs/Revised%20Departmental%20Guidance%20on%20Valuation%20of%20Travel%20Time%20in%20Economic%20Analysis.pdf>. Accessed June 1, 2016.

4 CBP bases this wage on the FY 2016 salary and benefits of the national average of other CBP positions, which is equal to a GS-13, Step 5. Source: Email correspondence with CBP's Office of Administration on June 27, 2016.

**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 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.