

**Supporting Statement  
Bonded Warehouse Regulations  
1651-0041**

**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.**

Owners or lessees desiring to establish a bonded warehouse must make written application to the U.S. Customs and Border Protection (CBP) port director of the port where the warehouse is located. The application must include the warehouse location, a description of the premises, and an indication of the class of bonded warehouse permit desired. Owners or lessees desiring to alter or to relocate a bonded warehouse may submit an application to the CBP port director of the port where the facility is located. The authority to establish and maintain a bonded warehouse is set forth in 19 U.S.C. 1555, and provided for by 19 CFR 19.2, 19 CFR 19.3, 19 CFR 19.6, 19 CFR 19.14, and 19 CFR 19.36.

- 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.**

This information is used by CBP to ensure that the legal, regulatory, and administrative requirements are met by the respondents.

- 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.**

Because of the nature of the information submitted (floor plans, perimeter plans, drawings, etc.) it would be difficult to develop a system to submit this information electronically. The information is submitted by mailing it to the CBP port director of the port that is closest to where the warehouse is located.

<https://www.cbp.gov/contact/ports>

- 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.**

If this information was collected less frequently, CBP would be unable to ensure that the legal, regulatory, and administrative requirements were met by the respondents.

**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 June 22, 2017 (Volume 82, Page 28510) on which no comments were received, and a 30-day notice published on August 29, 2017 (Volume 82, Page 41040) 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.**

This collection is not affected by the Privacy Act and is not impacted by a PIA or SORN. There are no assurances of confidentiality provided to the respondents of this information collection

**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
Warehouse Regulations	4,932	198	46.7	9,254	32 minutes (0.533 hours)

**Public Cost**

The estimated cost to the respondents is \$319,642. This is based on the estimated burden hours (4,932) multiplied by (x) the average loaded hourly wage rate for warehouse operators (\$64.81). CBP calculated this loaded wage rate by first multiplying the Bureau of Labor Statistics’ (BLS) 2016 median hourly wage rate for Transportation, Storage, and Distribution Managers (\$42.88), which CBP assumes best represents the wage for warehouse operators, by the ratio of BLS’ average 2016 total compensation to wages and salaries for Management, Business, and Financial occupations (1.4965), the assumed occupational group for warehouse operators, to account for non-salary employee benefits.<sup>1,2</sup> CBP then adjusted this figure, which was in 2015 U.S. dollars, to 2017 U.S. dollars by applying a 1.0 percent annual growth rate to the figure, as recommended by the U.S. Department of Transportation’s value of travel time guidance.<sup>3</sup>

<sup>1</sup> Source of median wage rate: U.S. Bureau of Labor Statistics. Occupational Employment Statistics, “May 2016 National Occupational Employment and Wage Estimates, United States- Median Hourly Wage by Occupation Code.” Updated March 31, 2017. Available at [http://www.bls.gov/oes/2016/may/oes\\_nat.htm](http://www.bls.gov/oes/2016/may/oes_nat.htm). Accessed June 20, 2017.

<sup>2</sup> The total compensation to wages and salaries ratio is equal to the calculated average of the 2016 quarterly estimates (shown under Mar., June, Sep., Dec.) of the total compensation cost per hour worked for Management, Business, and Financial occupations (\$68.6550) divided by the calculated average of the 2016 quarterly estimates (shown under Mar., June, Sep., Dec.) of wages and salaries cost per hour worked for the same occupation category (\$45.8775). 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 2017, “Table 3. Civilian workers, by occupational group: employer costs per hours worked for employee compensation and costs as a percentage of total compensation, 2004-2017 by respondent type.” June 20, 2017. Available at <http://www.bls.gov/ncs/ect/sp/ececqrtn.pdf>. Accessed June 20, 2017.

<sup>3</sup> 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.

**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, or start-up costs associated with this information collection. The only costs are \$18,508 for postage fees for mailing in the information to the CBP port director. This is calculated by the number of responses (9,254) multiplied (x) by the average postage costs (\$2.00) = \$18,508.

**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 \$142,850. This is based on the number of responses that must be reviewed (9,254) multiplied by (x) the time burden to review and process each response (.25 hours) = 2,313 hours multiplied by (x) the average hourly loaded rate for a CBP Trade and Revenue employee (\$61.76)<sup>4</sup> = \$142,850.

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

There has been no increase or decrease in the estimated annual burden hours previously reported for this information collection and there is no change to the information being 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.**

There is no form involved with this information collection so it would not be appropriate to display the expiration date.

**18. "Certification for Paperwork Reduction Act Submissions."**

<http://www.transportation.gov/sites/dot.gov/files/docs/Revised%20Departmental%20Guidance%20on%20Valuation%20of%20Travel%20Time%20in%20Economic%20Analysis.pdf>. Accessed June 20, 2017.

<sup>4</sup> CBP bases this wage on the FY 2017 salary and benefits of the national average of CBP Trade and Revenue positions, which is equal to a GS-13, Step 3. Source: Email correspondence with CBP's Office of Finance on June 14, 2017.

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.