

Supporting Statement
Documentation Requirements for Articles Entered
Under Various Special Tariff Treatment Provisions
1651-0067

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.**

U.S. Customs and Border Protection (CBP) is responsible for determining whether imported articles that are classified under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 9801.00.10, 9802.00.20, 9802.00.40, 9802.00.50, 9802.00.60 and 9817.00.40 are entitled to duty-free or reduced duty treatment. In order to file under these HTSUS provisions, importers, or their agents, must have the declarations that are provided for in 19 CFR 10.1(a), 10.8(a), 10.9(a) and 10.121 in their possession at the time of entry and submit them to CBP upon request. These declarations enable CBP to ascertain whether the requirements of these HTSUS provisions have been satisfied.

These requirements apply to the trade community who are familiar with CBP regulations and the tariff schedules.

- 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.**

The information collected enables CBP to ascertain whether imported articles are entitled to duty-free or reduced treatment.

- 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.**

This information may be submitted into the Automated Commercial Environment (ACE) through the Document Image System (DIS).

- 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.**

The information reported on each declaration is unique and is, therefore, not duplicated elsewhere.

- 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.**

Since the information is unique for each submission, this information is only submitted once. If this information were not collected, CBP could not comply with its statutory and regulatory requirements.

- 7. Explain any special circumstances.**

This information collection is conducted in a manner consistent with the guidelines in 5 CFR 1320.5(c)(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.**

Public comments were solicited through two Federal Register notices including a 60-day notice published on August 2, 2017 (Volume 82, Page 35981) on which no comments were received, and a 30-day notice published on October 16, 2017 (Volume 82, Page 48107) 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 declaration.

- 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.

11. Provide additional justification for any questions of a sensitive nature

There are no questions of a personal or sensitive nature on this declaration.

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

COLLECTION	TOTAL ANNUAL BURDEN HOURS	NO. OF RESPONDENTS	NO. OF RESPONSES PER RESPONDENT	TOTAL RESPONSES	TIME PER RESPONSE
Declarations under Chapter 98	933	19,445	3	58,335	1 minute (.016 hours)

Public Cost

The estimated cost to the respondents is \$28,027.32. This is based on the estimated burden hours (933) multiplied by (x) the average loaded hourly wage rate for brokers (\$30.04). CBP calculated this loaded wage rate by first multiplying the Bureau of Labor Statistics’ (BLS) 2016 median hourly wage rate for Cargo and Freight Agents (\$20.15), which CBP assumes best represents the wage for brokers, by the ratio of BLS’ average 2016 total compensation to wages and salaries for Office and Administrative Support occupations (1.4762), the assumed occupational group for brokers, to account for non-salary employee benefits.^{1,2} 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.³

13. Provide an estimate of the total annual cost burden to respondents or

1 Source: 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. Accessed June 20, 2017.

2 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 Office and Administrative Support occupations (\$25.3575) 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 (\$17.1775). 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/ececcqrtn.pdf>. Accessed June 20, 2017.

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 20, 2017.

recordkeepers 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.

The estimated annual cost to the Federal Government associated with the review of these records is \$292,602. This is based on the number of responses that must be reviewed (58,335) multiplied by (x) the time burden to review and process each response (5 minutes or .083 hours) = 4,842 hours multiplied by (x) the average hourly loaded rate for other CBP employees $(\$60.43)^4 = \$292,602$.

15. Explain the reasons for any program changes or adjustments reported in Item #12 of this Statement.

There are no increases or decreases in the burden hours and no changes to the information collected.

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

This information will not be published for statistical purposes.

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.

This collection does not involve a form so there is no printed expiration date.

18. Explain each exception to the certification statement identified in Item

CBP does not request an exception to the certification statement. There is no form involved with this information collection.

B. No statistical methods were employed.

⁴ CBP bases this wage on the FY 2017 salary and benefits of the national average of other CBP positions, which is equal to a GS-12, Step 7. Source: Email correspondence with CBP's Office of Finance on June 14, 2017.