

Supporting Statement for Paperwork Reduction Act Submissions

Title:

OMB Control Number: 1670-0029

Chemical Facility Anti-Terrorism Standards Personnel Surety Program

Supporting Statement A

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.

On December 18, 2014, the President signed into law the Protecting and Securing Chemical Facilities from Terrorist Attacks Act of 2014 (“CFATS Act of 2014”) providing long-term authorization for the Chemical Facility Anti-Terrorism Standards (CFATS) program. The CFATS Act of 2014 codified the Department’s authority to implement the CFATS program into the Homeland Security Act of 2002. See 6 U.S.C. 621 *et. seq.*

Section 550 of the Department of Homeland Security Appropriations Act of 2007, Pub. L. 109-295 (2006) (“Section 550”), provided (and the CFATS Act of 2014 continues to provide) the Department with the authority to identify and regulate the security of high-risk chemical facilities using a risk-based approach. On April 9, 2007, the Department issued the CFATS Interim Final Rule (IFR), implementing this statutory mandate. See 72 FR 17688.

Section 550 required (and the CFATS Act of 2014 continues to require) that the Department establish risk-based performance standards (RBPS) for high-risk chemical facilities. Through the CFATS regulations, the Department promulgated 18 RBPS. Each chemical facility that has been finally determined by the Department to be high-risk must submit, for Department approval, a Site Security Plan (SSP) or an Alternative Security Program (ASP), whichever the high-risk chemical facility so chooses, that satisfies each applicable RBPS. RBPS 12 requires high-risk chemical facilities to perform appropriate background checks on and ensure appropriate credentials for facility personnel, and, as appropriate, unescorted visitors with access to restricted areas or critical assets. RBPS 12(iv) specifically requires high-risk chemical facility to implement measures designed to identify people with terrorist ties. For the purposes of the CFATS Personnel Surety Program, ‘people’ in RBPS 12(iv) is in reference to affected individuals (i.e., facility personnel or unescorted visitors with or seeking access to restricted areas or critical assets at high-risk chemical facilities).

Identifying affected individuals who have terrorist ties is an inherently governmental function and requires the use of information held in government-maintained databases that are unavailable to high-risk chemical facilities. See 72 FR 17688, 17709 (April 9, 2007). Thus, under RBPS 12(iv), the Department and high-risk chemical facilities must work together to satisfy the “terrorist ties” aspect of the Personnel Surety performance standard.

History of Collection

In February 2014, the Department submitted a request for CFATS Personnel Surety Program to OMB, which was approved in August 2015.

This information collection request requests a revision to the current information collection and was submitted for review to OMB prior to the expiration date of the current information collection.

Reason for Revision

This request seeks to: (1) obtain approval to collect information about affected individuals from all high-risk chemical facilities rather than only Tier 1 and Tier 2 facilities; (2) update the estimated number of annual respondents from 195,000 to 72,607 based on historical information collected since the Department implemented the CFATS Personnel Surety Program; and (3) update the estimated time per respondent from 0.58 hours to 0.1667 hours based upon historical data collected by the Department since the implantation of the CFATS Personnel Surety Program.

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.

In accordance with the Homeland Security Act as amended by the Protecting and Securing Chemical Facilities from Terrorist Attacks Act of 2014, Pub. L. No. 113-254, the following options are available to enable high-risk chemical facilities to facilitate the vetting of affected individuals for terrorist ties.

Option 1. High-risk chemical facilities may submit certain information about affected individuals, which the Department will use to vet those individuals for terrorist ties. Specifically, the identifying information about affected individuals will be compared against identifying information of known or suspected terrorists contained in the Federal Government’s consolidated and integrated terrorist watch list, the Terrorist Screening Database (TSDB), which is maintained by the Department of Justice (DOJ) Federal Bureau of Investigation (FBI) in the Terrorist Screening Center (TSC).¹

Option 2. High-risk chemical facilities may submit information about affected individuals who already possess certain credentials or documentation that rely on security threat assessments conducted by the Department. This will enable the Department to verify the continuing validity of

¹ For more information about the TSDB, see DOJ/FBI – 019 Terrorist Screening Records System, last published in full as 77 FR 26580 (May 25, 2017).

these credentials.

Option 3. High-risk chemical facilities may comply with RBPS 12(iv) without submitting to the Department information about affected individuals who possess Transportation Worker Identification Credentials (TWICs), if a high-risk chemical facility electronically verifies and validates the affected individual's TWICs through the use of TWIC readers (or other technology that is periodically updated using the Canceled Card List).

Option 4. High-risk chemical facilities may visually verify certain credentials or documents that are issued by a Federal screening program that periodically vets enrolled individuals against the TSDB. The Department continues to believe that visual verification has significant security limitations and, accordingly, encourages high-risk chemical facilities choosing this option to identify in their Site Security Plans the means by which they plan to address these limitations.

In addition to the options described above for satisfying RBPS 12(iv), a high-risk chemical facility is welcome to propose alternative or supplemental options in its SSP that are not described in this document. The Department will assess the adequacy of such alternative or supplemental options on a facility-by-facility basis in the course of evaluating each facility's SSP.

Under Option 3 and Option 4, a high-risk chemical facility would not need to submit information about an affected individual to the Department. These Options are only mentioned in this notice for informational purposes, and there will be no analysis of Option 3 and Option 4 in this information collect request.

This information collection request does not propose changes to who qualifies as an affected individual. There are certain groups of persons that the Department does not consider to be affected individuals, such as (1) Federal officials that gain unescorted access to restricted areas or critical assets as part of their official duties; (2) state and local law enforcement officials that gain unescorted access to restricted areas or critical assets as part of their official duties; and (3) emergency responders at the state or local level that gain unescorted access to restricted areas or critical assets during emergency situations.

Information Collected About Affected Individuals

Option 1: Collecting Information To Conduct Direct Vetting

If high-risk chemical facilities select Option 1 to satisfy RBPS 12(iv) for an affected individual, the following information about the affected individual would be submitted to the Department:

- For U.S. Persons (U.S. citizens and nationals, as well as U.S. lawful permanent residents):
 - Full Name;
 - Date of Birth; and
 - Citizenship or Gender.
- For Non-U.S. Persons:
 - Full Name;
 - Date of Birth;
 - Citizenship; and

- Passport information and/or alien registration number.

To reduce the likelihood of false positives in matching against records in the Federal Government’s consolidated and integrated terrorist watch list, high-risk chemical facilities would also be able to submit the following optional information about an affected individual to the Department:

- Aliases;
- Gender (for Non-U.S. Persons);
- Place of Birth; and/or
- Redress Number.²

High-risk chemical facilities have the option to create and use the following field(s) to collect and store additional information to assist with the management of an affected individual’s records. Any information collected in this field will not be used to support vetting activities.

- User Defined Field(s)

Table 1 summarizes the biographic data that would be submitted to the Department under Option 1.

Table 1. Required and Optional Data for an Affected Individual Under Option 1

Data Elements Submitted to the Department	For A U.S. Person	For A Non-U.S. Person
Full Name	Required	
Date of Birth	Required	
Gender	Must provide Citizenship or Gender	Optional
Citizenship		Required
Passport Information and /or Alien Registration Number	N/A	Required
Aliases	Optional	
Place of Birth	Optional	
Redress number	Optional	
User Defined Field(s)	Optional (Not used for vetting purposes)	

Option 2: Collecting Information To Use Vetting Conducted Under Other DHS Programs

In lieu of submitting information to the Department under Option 1 for vetting of terrorist ties, high-risk chemical facilities also have the option, where appropriate, to submit information to the Department to electronically verify that an affected individual is currently enrolled in another DHS program that vets for terrorist ties.

To verify an affected individual’s enrollment in one of these programs under Option 2, the Department would collect the following information about the affected individual:

- Full Name;

² For more information about Redress Numbers, please go to <http://www.dhs.gov/one-stop-travelers-redress-process#1>.

- Date of Birth; and
- Program-specific information or credential information, such as expiration date, unique number, or issuing entity (e.g., state for Commercial Driver’s License [CDL] associated with an Hazardous Materials Endorsement [HME]).

To reduce the likelihood of false positives, high-risk chemical facilities may also submit the following optional information about affected individuals to the Department:

- Aliases;
- Gender;
- Place of Birth; and/or
- Citizenship.

High-risk chemical facilities have the option to create and use the following field(s) to collect and store additional information to assist with the management of an affected individual’s records. Any information collected in this field will not be used to support vetting activities.

- User Defined Field(s)

Table 2 summarizes the biographic data that would be submitted to the Department under Option 2.

Table 2. Required and Optional Data for an Affected Individual Under Option 2

Data Elements Submitted to the Department	
Full Name	Required
Date of Birth	Required
Program-specific information or credential information, such as expiration date, unique number, or issuing entity	Required
Aliases	Optional
Gender	Optional
Place of Birth	Optional
Citizenship	Optional
User Defined Field(s)	Optional (Not used for vetting purposes)

Other Information Collected

The Department may also contact a high-risk chemical facility or its designees to request additional information (e.g., visa information) pertaining to an affected individual in order to clarify suspected data errors or resolve potential matches (e.g., an affected individual has a common name). Such requests will not imply, and should not be construed to indicate, that an affected individual’s information has been confirmed as a match to a record of an individual with terrorist ties.

The Department may also collect information provided by individuals or high-risk chemical facilities in support of any adjudication requests under Subpart C of the CFATS regulation,³ or in support of any other redress requests.⁴

The information that is collected is used by the Department (1) to compare affected individuals information to known and suspected terrorists, or (2) to electronically verify and validate that the affected individual is enrolled in another DHS program that compares an affected individual's information to known and suspected terrorists.

The purpose of the CFATS Personnel Surety Program is to identify individuals with terrorist ties that have or are seeking access to the restricted areas and/or critical assets at the nation's high-risk chemical facilities.

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 CFATS Personnel Surety Program uses the Chemical Security Assessment Tool (CSAT), which is available to high-risk chemical facilities and to their designees free of charge. Using CSAT allows the Department to streamline the data collection process to meet CFATS regulatory obligations.

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 Department has provided high-risk chemical facilities and affected individuals alternative options to avoid duplicate vetting when an affected individual is enrolled in another DHS program that performs equivalent vetting for terrorist ties. Specifically, available information is considered in the following ways:

Under Option 2, the Department will not duplicate the vetting of affected individuals against the Terrorist Screening Database under the CFATS Personnel Surety Program if the Department can verify the affected individual's enrollment in another DHS program.

Under Option 3, high-risk chemical facilities do not need to submit information about affected individuals enrolled in the TWIC Program, if the facility opts to electronically verify and validate TWICs through the use of a TWIC reader.

³ See 6 CFR 27.300–345.

⁴ More information about access, correction, and redress requests under the Freedom of Information Act and the Privacy Act can be found in Section 7.0 of the Privacy Impact Assessment for the CFATS Personnel Surety Program, dated May 4, 2011, and available at <http://www.dhs.gov/privacy-documents-national-protection-and-programs-directorate-nppd>.

Under Option 4, high-risk chemical facilities will not be required to submit information about affected individuals when they choose to utilize Visual Verification of Credentials Conducting Periodic Vetting, in accordance with section 2102(d)(2)(B) of the Homeland Security Act.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize.

While no unique methods will be used to minimize the burden to small businesses, small businesses have flexibility in their SSPs or ASPs to choose which security measures they will implement in order to comply with CFATS.

The Department also minimizes the data collected under Option 1 and Option 2 to ensure that it is the minimum necessary to conduct terrorist ties vetting/enrollment verification. DHS minimizes the data collected from all entities, including small entities.

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

Reducing the frequency of information collection would prevent the Department from acquiring up-to-date information about who has or is seeking access to restricted areas and critical assets at high-risk chemical facilities. This could prevent an adequate government response in the event that an affected individual with terrorist ties has or seeks to obtain such access.

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

- (a) Requiring respondents to report information to the agency more often than quarterly.
- (b) Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it.
- (c) Requiring respondents to submit more than an original and two copies of any document.
- (d) Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years.
- (e) 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.
- (f) Requiring the use of a statistical data classification that has not been reviewed and approved by OMB.
- (g) 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.
- (h) Requiring respondents to submit proprietary trade secret, 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 Department needs to know when new people gain access to restricted areas/critical assets so that the Federal Government can check to see if they are terrorists and, if so, the Federal Government can take appropriate action. It is important for the government to acquire this information on a rolling basis as new individuals gain access, rather than at fixed (quarterly) intervals, because risks of terrorist attacks materialize as soon as terrorists gain access—these risks cannot be effectively addressed at quarterly intervals.

8. Federal Register Notice:

- a. Provide a copy and identify the date and page number of publication in the Federal Register of the agency’s notice 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.
- b. 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.
- c. Describe consultations with representatives of those from whom information is to be obtained or those who must compile records. Consultation should occur at least once every three years, even if the collection of information activities is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

Table 3. Federal Register Notice Citations

	Date of Publication	Volume #	Number #	Page #	Comments Addressed
<i>60Day Federal Register Notice:</i>	December 27, 2017	82	247	61312 - 61317	28
<i>30-Day Federal Register Notice</i>	June 18, 2018	83	117	28244 - 28251	0

A 60-day public notice for comments was published in the Federal Register on December 27, 2017, at 82 FR 61312 and specifically solicited comments on four standard questions. The Department received 28 comments submitted by seven commenters, which may be found on www.regulations.gov under Docket ID DHS-2017-0037. The seven commenters were all industry association. The Department’s responses were included in a Paperwork Reduction Act (PRA) 30-day Federal Register notice and are briefly summarized below:

- The Department received six comments related to whether the proposed collection is necessary for the proper performance of the functions of the agency. Among the comments were comments/suggestions, from five industry associations, that (1) the Department should conduct additional analysis on the Personnel Surety Program (PSP) prior to expanding the collection to Tier 3 and 4 facilities; and (2) that certain groups, specifically railroad employees, are not within the scope of CFATS or the collection. The Department responded that the Department has reviewed how Tier 1 and Tier 2 covered

chemical facilities have implemented checks for terrorist ties and used this information to inform this collection. The Department also responded that DHS considered all public comments in 2007 in coming to the reasoned decision to vet affected individuals for terrorist ties at all tiered facilities as part of the CFATS's program. Lastly, the Department responded that railroad employees would fall within the scope of the Personnel Surety Program if a high-risk chemical facility defines railroad employees as affected individuals. The Department did not adjust the ICR as a result of these comments.

- The Department received nine comments related to the accuracy of the agency's estimate of the burden of the proposed collection of information. Among the comments were comments/suggestions, from four industry associations, that (1) it is not clear upon what information the assumptions for burden were based; (2) the Department underestimated the burden as it relates to seasonal and contract employees; (3) the time per respondent does not account for acquiring the necessary personal identifiable information to compare against the Terrorist Screening Database (TSDB) or creating a Chemical Security Assessment Tool (CSAT) account; (4) the Personnel Surety Program is being implemented on a facility-by-facility basis rather than a company-wide basis; and (5) the estimated time per respondent does not include time necessary to notify employees about the PSP requirement. The Department responded that the assumptions are based on historical data collected by the Department since the implementation of the CFATS Personnel Surety Program. This historical data considered seasonal and part-time employees (to include contractors) as affected individuals. The Department also responded that acquiring necessary personal identifiable information and creating CSAT accounts for contractors is covered under Information Collections 1670-0007 and that data from affected individuals by a covered chemical facility or its designees is excluded under 5 CFR 1320.3(b)(2). The Department responded that the CFATS Personnel Surety Program allows for a company-wide approach verse a facility-by-facility approach. Lastly, the Department responded that the time to notify employees about PSP requirements is accounted for in this ICR in the 10 minutes per respondent burden estimate. The Department did not adjust the ICR as a result of these comments.
- The Department did not receive comments related to the quality, utility, and clarity of information to be collected.
- The Department received five comments related to minimizing the burden of the collection of information on those who are to respond. Among the comments were comments/suggestions, from four industry associations, that (1) the Department should use a flexible approach in the rollout of PSP to Tier 3 and Tier 4 facilities; (2) the Department downplayed the use of options that can lessen the burden on third-party service providers; (3) the Department should not include additional pre-conditions to the CFATS PSP that would preclude leveraging the background checks performed for compliance with Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) Employee Possessor Program; and (4) CSAT should be modified to provide the ability to upload and edit information about affected individuals without having to access Chemical-terrorism Vulnerability Information (CVI). The Department responded that it

agrees a flexible approach is appropriate for the rollout of PSP to Tier 3 and Tier 4 covered chemical facilities and that a high-risk chemical facility has the flexibility to tailor its implementation of CFATS PSP to fit its individual circumstances and best balance who qualifies as an affected individual. The Department also commented that it did not modify CFATS PSP to preclude a covered chemical facility from the potential of leveraging the vetting conducted by AFT under Option 4. Lastly, the Department responded that it currently provides the ability to restrict personnel surety users from accessing CVI in CSAT. The Department did not adjust the ICR as a result of these comments.

- The Department received eight other comments. Among the comments were suggestions, from three industry associations, that (1) CFATS PSP exposes railroad employee PII and exacerbates cyber-security risk; (2) the Department has encouraged the collection of information that exceeds legal requirements; (3) the Department should make sure inspections are conducted consistently; (4) updates to the Regulation should be flexible and tangible for facility compliance; (5) there is a contradiction between CFATS PSP and the railroads compliance with Department of Transportation (DOT) regulations; (6) Tier 3 and Tier 4 covered chemical facilities should be allowed to voluntarily participate in CFATS PSP; and (7) the Department does not follow-up with companies to alert a company of a positive match and the possible threat. The Department responded that it disagrees that CFATS PSP exposes PII and exacerbates cyber-security risk because the Department provides the ability to directly submit PII to the Department under Option 1 and Option 2 and does not require the submission of PII to the Department under Option 3 and Option 4. The Department also responded that the ICR identifies the information that is required for submission under Option 1 and Option 2 for CFATS PSP and that this information is sufficient. The Department responded that it agrees and continues to ensure inspection consistency across the country and that the information collection request does not modify existing regulations. Risk Based Performance Standard (RBPS) 12(iv) requires terrorist ties checks for facilities of all four tiers and the design of the CFATS program is intended to promote and enhance the security of high-risk chemical facilities. A high-risk chemical facility will be contacted when appropriate and in accordance with federal law and policy, and per law enforcement and intelligence requirements. The Department did not adjust the ICR as a result of these comments.

A 30-day public notice for comments was published in the Federal Register on June 18, 2018, at 83 FR 28244. The Department received 0 comments submitted by 0 commenters, which may be found on www.regulations.gov under Docket ID DHS-2017-0037.

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

No payment or gift of any kind is provided to any respondents.

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

There is no assurance of confidentiality provided to the respondents. However, the Department has published the following to give respondents assurance of confidentiality regarding the information received:

- (1) Privacy Impact Assessment (PIA), Chemical Facility Anti-Terrorism Standards (CFATS) Personnel Surety Program (DHS/NPPD/PIA-018) was published on the DHS.gov website, along with updates at <https://www.dhs.gov/publication/dhs-nppd-pia-018a-chemical-facilities-anti-terrorism-standards-personnel-surety>;
- (2) System of Records Notice that covers the CFATS Personnel Surety Program on May 19, 2014, in the Federal Register at 79 FR 28752, <https://federalregister.gov/a/2014-11431>; and
- (3) A Final Rule that exempts portions of the CFATS Personnel Surety Program system of record from certain provisions of the Privacy Act on May 21, 2014, in the Federal Register at 79 FR 29072, <https://federalregister.gov/a/2014-11433>.

These publications discuss the confidentiality of information submitted to the Department as part of the CFATS Personnel Surety Program. Additionally, ensuring data security is the Department's primary IT design requirement. The Department acknowledges that there is a non-zero risk when requesting data over the internet, both to the original transmission and the receiving transmission. The Department has weighed the risk to the data collection approach against the risk to collecting the data through paper submissions and concluded that the web-based approach was the best approach given the risk and benefits.

DHS has taken a number of steps to protect both the data that will be collected through the CSAT program and the process of collection. The security of the data has been the number one priority of the system design. The site that the Department uses to collect submissions is equipped with hardware encryption that requires Transport Layer Security (TLS), as mandated by the latest Federal Information Processing Standard (FIPS). The encryption devices have full Common Criteria Evaluation and Validation Scheme (CCEVS) certifications. CCEVS is the implementation of the partnership between the National Security Agency (NSA) and the National Institute of Standards and Technology (NIST) to certify security hardware and software.

Finally, Chemical-terrorism Vulnerability Information (CVI) is a sensitive but unclassified information protection designation established in 6 CFR § 27.400. Some, but not all, of the information that is generated as part of the CFATS Personnel Surety Program will be CVI. The information protection and handling requirements contained in 6 CFR § 27.400 will help to ensure the confidentiality of this information.

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 standard questions of a sensitive nature. However, the Department may ask questions of a sensitive nature to confirm that an affected individual is or is not a match to a known or suspected terrorist in the Terrorist Screening Database (TSDB).

12. Provide estimates of the hour burden of the collection of information. The statement should:

- a. Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desired. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.
- b. If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.
- c. Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.

This information collection request estimates the total annual burden to be 12,101 hours for 72,607 respondents. As described in the associated Federal Register notices, the respondents for this collection are divided into two categories: initial respondents and annual respondents. The initial respondents are those affected individuals with existing access at a high-risk chemical facility and will be submitted by the facility after receiving authorization or approval of an SSP requiring the facility to implement measures to comply with RBPS 12(iv). For the purposes of this collection, the initial respondents are those submitted by the 3,700 Tier 3 and Tier 4 facilities that will be submitting information about affected individuals for the first time under this collection, with approximately one-third of the 3,700 facilities submitting each year (1,233 facilities per year). Based on data collected under the current collection, the Department estimates that each facility will submit 106 affected individuals as initial respondents for a total of 130,698 initial respondents (106 per facility multiplied by 1,233 facilities) per year.

Additionally, this collection accounts for annual respondents, which are the number of respondents the Department estimates will be submitted each year by high-risk chemical facilities that have completed the initial respondent's submission and are now in the maintenance phase (e.g., adding new affected individuals due to employee hires). The Department estimates the annual respondents through the average employee hires for private industry jobs over the past five years, as estimated from the Bureau of Labor Statistics (BLS),⁵ multiplied by the existing population of submitted initial respondents. This results in an average of 72,607 annual respondents per year. Table 4 presents the annual submissions for the three years.

⁵ These calculations are based on a hires rate of 47.8%, which is the five year average number of hires divided by the five year average number of separations. Five year averages based on data reported for 2012-2016 from the Job Openings and Labor Turnover Survey, total private industry for the United States. Hires (Series ID JTU1000000HIL) divided by Total Separations (Series ID JTU1000000TSL) as found on <https://www.bls.gov/jlt/>.

Table 4. Annual Submissions for Three Years

Year	Initial Respondents (Tier 3 and Tier 4)	Existing Population	Hires (Existing Population multiplied by 47.8%)
Year 1	130,698	21,200 (Initial Respondents Tier 1 and Tier 2 from previous collection)	10,134
Year 2	130,698	151,898 (Tier 1 and Tier 2 initial respondents plus year 1 Tier 3 and Tier 4 initial respondents)	72,607
Year 3	130,698	282,596 (Year two total affected individual plus year three initial submission Tier 3 and Tier 4)	135,081
Average	130,698		72,607

To determine the burden for the respondents discussed above, the Department assumes that each respondent will submit one response that will take approximately 10 minutes (0.1667 hours) to notify and submit. Multiplying the number of respondents per year by the time burden of 0.1667 hours results in an estimated 12,101 annual burden hours. To estimate the cost, we multiply the estimated hour burden by the fully loaded annual wage of a site security office (SSO). The SSO’s average hourly wage rate of \$78.93 was based on an average hourly wage rate of \$53.92⁶ with a benefits multiplier of 1.4639.⁷ Therefore, the Department estimates the annual cost of this information request to be \$2,674,600 (i.e., 33,884 hours multiplied by \$78.93 per hour). This information is presented in Table 5.

Table 5. Instrument Burden Estimate⁸

⁶ The wage used for an SSO equals that of Managers, All (11-9199), with a load factor of 1.4639 to account for benefits in addition to wages <https://www.bls.gov/oes/2016/may/oes119199.htm>

⁷ Load factor based on BLS Employer Cost for Employee Compensation, as of June 9, 2017. Load factor = Employer cost for employee compensation (\$35.28) / wages and salaries (\$24.10) = 1.4639 <https://www.bls.gov/news.release/ecec.nr0.htm>

⁸ Numbers may not total due to rounding.

Respondent Type	# of Respondents (per year)	Responses per Respondent	Total Responses (per year)	Average Burden per Response (in hours)	Total Annual Burden (in hours)	Site security officer's average hourly wage rate	Total Burden Cost (in dollars)
Initial Respondents	130,698	1	130,698	0.1667	21,783	\$78.93	\$1,719,409
Annual Respondents	72,607	1	72,607	0.1667	12,101	\$78.93	\$955,191
Totals	203,305		203,305		33,884		\$2,674,599

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14.)

The cost estimate should be split into two components: (1) a total capital and start-up cost component (annualized over its expected useful life); and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.

If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection as appropriate.

Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information to keep records for the government, or (4) as part of customary and usual business or private practices.

All startup cost are associated with the burden hours to submit the initial responses which are calculated in the response to question 12. There is no additional capital or startup cost associated with this collection. To provide greater transparency, the Department is presenting the calculation for the initial respondents (startup cost) burden in this section.

The Department expects to expand this information collection to Tier 3 and Tier 4 high-risk facilities (approximately 3,700 facilities); therefore, the Department estimates that there will be a total one-time capital/startup cost of \$5,158,226 (3,700 facilities multiplied by 106 average startup submissions per facility multiplied by 0.1667 hours multiplied by \$78.93 [average hourly wage rate for Site Security Officers]).⁹ As discussed in question 12 above, the Department assumes a three year implementation period for the 3,700 Tier 3 and Tier 4 facilities to submit to the personnel surety program, with one-third of the facilities submitting each year, for an average annual startup cost of \$1,719,409, as presented in Table 5.

There are no other annualized capital or startup costs incurred by high-risk chemical facilities for this information collection. It is assumed that all high-risk chemical facilities have the necessary computer hardware and internet connection.

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 have been incurred without this collection of information. You may also aggregate cost estimates for Items 12, 13, and 14 in a single table.

The annualized cost of this collection to the Federal Government is estimated to be \$674,972. The annualized cost of this collection to the Federal Government is based on the annual capital/startup cost of \$433,917 (1,233 facilities multiplied by 106 average startup submissions per facility multiplied by \$3.32) and annual submission cost of \$241,055.24 (72,607 average annual submission multiplied by \$3.32). The \$3.32 is the government cost to vet the records for Option 1 or verify the records for Option 2. The three year government cost, which accounts for the full startup cost, as well as the annual cost, would be \$2,024,916 (\$674,972 x 3 years).

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I. Changes in hour burden, i.e., program changes or adjustments made to annual reporting and recordkeeping **hour** and **cost** burden. A program change is the result of deliberate Federal government action. All new collections and any subsequent revisions of existing collections (e.g., the addition or deletion of questions) are recorded as program changes. An adjustment is a change that is not the result of a deliberate Federal government action. These changes that result from new estimates or actions not controllable by the Federal government are recorded as adjustments.

The revisions to the collection are outlined in an Appendix (“Narrative of Revisions”) to the supporting statement.

The changes to the burden include:

- Adjustment: Decrease in the average annual burden is a result of a change in the agency estimates after a review of the historical data collected since the Department implemented the CFATS Personnel Surety Program.

⁹ Values may not total due to rounding.

- Program Change: Increase in the startup cost as the Department expects a one-time burden for the expansion of the program to Tier 3 and Tier 4 facilities. Increase in the number of responses and total burden time for the Tier 3 and Tier 4 facilities.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

No plans exist for the use of statistical analysis or to publish this information.

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

The expiration date will be displayed in the instrument.

18. Explain each exception to the certification statement identified in Item 19 “Certification for Paperwork Reduction Act Submissions,” of OMB Form 83-I.

No exceptions have been requested.