

Department of Justice  
Bureau of Alcohol, Tobacco, Firearms and Explosives  
Information Collection Request

Supporting Statement  
OMB Control Number 1140-0070  
Application for Explosives License or Permit  
ATF F 5400.13/5400.16

A. Justification

1. Chapter 40, Title 18, U.S.C., provides that any person engaged in the business of explosive materials as a dealer, manufacturer, or importer shall be licensed (18 U.S.C. 842 (a) (1)). In addition, provisions are made for the issuance of permits for those who wish to use explosive materials that are shipped in interstate or foreign commerce. Title XI, Subtitle C of Public Law 107-296, the Safe Explosives Act, amended the Federal explosives laws in 18 U.S.C. Chapter 40. The primary purpose of the Act is to provide tighter security for explosive materials and increase security measures for purchasers and possessors of explosives, by requiring all persons who wish to obtain explosives, even for limited use, to obtain a Federal license or permit. The Act also, expanded the provisions of 18 U.S.C. 843 to require that all persons who wish to ship, transport, receive or possess explosive materials, have a license or permit. These persons must complete ATF Form 5400.13/5400.16, Application for Explosives License or Permit.

The Safe Explosives Act, enacted November 25, 2003, amended the Act to require that persons wishing to acquire explosives from a licensee or permittee within their state of residence on no more than 6 occasions per year, must obtain a limited permit from ATF.

The provisions of 27 CFR Sections 555.41 and 555.45 state that a license will, subject to law, entitle the licensee to transport, ship, and receive explosive materials in interstate or foreign commerce, and to engage in the business specified by the license, at the location described on the license. A separate license must be obtained for each business premises at which the applicant is to manufacture, import, or distribute explosive materials.

2. Each person (individual, partnership, corporation, or association) applying for a Federal explosives license or permit must submit ATF Form 5400.12/5400.16, Application for Explosives License or Permit. The information collected on the application is used to determine if the applicant is qualified to be a licensee or permittee under the provisions of the statute. The form will be submitted to ATF to determine whether the person who provided the information, is qualified to be issued a license or permit in an explosive business.

Persons wishing to acquire explosives from a licensee or permittee within their state of residence on no more than 6 occasions per year, must obtain a limited permit from

ATF. A limited permit will, subject to law, entitle the holder of such permit to receive for his use, explosive materials from a licensee or permittee in his state of residence on no more than 6 separate occasions during the 12 month period, in which the permit is valid. This collection information is required by 27 CFR 555.41(b)(1).

3. ATF Form 5400.13/5400.16 is available on the ATF internet website and the respondent can download the form for printing. The form can be submitted via letter, or electronically by fax (304-616-4401) or email (FELCFAX@atf.gov) to the Federal Explosives Licensing Center. The wet signature requirement remains in place primarily because the FELC accepts signed forms. However, in addition to mailing a written and signed form to the FELC, responsible persons also have the option of having a responsible person sign and then scanning or electronically/ digitally signing (if they possess the capability) their application. Once signed, these notices can be printed and faxed, or emailed to the FELC for processing. The use of electronic signature/digital signature and the implementation e-submission capability eliminates the need for mail-in notification. The form must have the applicant's signature and must be submitted with a photograph, fingerprint card, and fees.

While ATF does not currently have the technology and functionality to accept electronic fingerprint cards directly from explosives applicants, ATF does scan and transmit fingerprint cards electronically to the FBI for processing. While ATF has no policy prohibiting electronic submission of fingerprint cards or its other industry forms, technical and funding barriers currently limit the Bureau's capacity to implement a fully electronic filing option for more than just a handful of industry forms. ATF has prioritized those applications with the broadest usage, in order to give electronic forms the greatest positive effect. The fingerprint card is limited in usage relative to other industry forms being developed for electronic signature and submission. ATF will research options and feasibility to allow other electronic submission capabilities pending funding availability.

4. ATF uses a uniform subject classification system to identify duplication and to ensure that any similar information already available cannot be used or modified for use for the purpose of this information.
5. This collection of information will have no significant impact on small businesses.
6. Failure to collect this information would hinder ATF's responsibility under the Act to ensure that prohibited persons are not licensed under 18 U.S.C., Chapter 40.

This collection and the implementing regulations are necessary in order to effectively comply with the requirements of 18 U.S.C. Section 843(a), which limits the number of times that a limited permit holder may acquire explosives during the term of their permit.

7. Respondents are required to report information as necessitated by a new application and renewals for license or permits.
8. No public comments were received during either the 60-day or the 30-day Federal Register Notice period.

9. No decision of payment or gift is associated with this collection.
10. Confidentiality is not assured.
11. Questions about an individual's criminal history, immigration status and mental status are asked. The questions are necessary in order to ensure that the provisions of the Safe Explosives Act of 2002 are properly enforced.
12. It is estimated that there are 10,200 respondents (200 limited permits + 10,000 other licenses/permits) associated with this information collection request. The total number of responses is 10,200. We estimate that each respondent will spend approximately 1 hour and 30 minutes completing ATF Form 5400.13/5400.16. The burden hours associated with this request is 15,300.
13. The cost associated with this information collection is \$4.50 for a photograph and \$1.00 for postage for a total of \$5.50 per respondent. The total cost for this collection is \$56,100 ( $\$5.50 \times 10,200$  respondents).
14. Estimates of annual cost to the Federal Government are as follows:

Printing:	\$1,250.00
Distribution:	\$ 400.00
Clerical Costs:	\$1,000.00
Other Salary:	<u>\$2,000.00</u>
(Supervisory review, etc.)	
TOTAL:	\$4,659.00

15. There are no program changes or adjustments associated with this collection.
  16. The results of this collection will not be published.
  17. ATF requests approval to not display the expiration date of OMB approval for ATF Form 5400.13/5400.16. If we print the expiration date on the form, this will result in increased costs to the Government because the need to replace inventories that will become obsolete with the passage of the expiration date each time an OMB approval is renewed. The time period during which the current edition of the form in this package will continue to be utilized cannot be predicted. It could very easily span the several cycles of review and OMB clearance renewal. Additionally, a substantive inventory of forms in the supply line is necessary to meet the demand of the explosive industry. For these reasons, we request authorization to omit printing of the expiration date on the form in this package.
  18. There are no exceptions to the certification statement.
- B. Collections of Information Employing Statistical Methods.
1. This collection of information employs no statistical methods.