

SUPPORTING STATEMENT FOR INFORMATION COLLECTION
Prohibition on Contracting for Certain Telecommunications and
Video Surveillance Services or Equipment
OMB Control Number 9000-0199

A. Justification

1. Circumstances that make the collection of information necessary. This information collection supports implementation of subparagraph (a)(1)(A) of Section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232). This section prohibits the head of an executive agency from procuring, obtaining, extending or renewing a contract to procure or obtain any equipment, system, or service that uses covered telecommunication equipment or services as a substantial or essential component of any system, or as a critical technology as part of any system, unless an exception applies or a waiver has been granted. This requirement is implemented in the Federal Acquisition Regulation (FAR) through the provision at FAR 52.204-24, Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment, and the provision at 52.204-26, Covered Telecommunications Equipment or Services—Representation and the clause at FAR 52.204-25, Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment.

2. Use of information.

Information collected under provisions at FAR 52.204-26 and at 52.204-24 will be used to identify if an offeror intends to provide covered telecommunications equipment or services and their intended use in order to determine whether the offer presents a risk to national security or if an exception applies.

Information collected under the clause at FAR 52.204-25 will consist of reports from contractors who have identified covered telecommunication equipment or services during performance of a contract, and will be used by agency personnel to identify and consult with legal counsel and the program office on next steps regarding the prohibited equipment or services.

3. Consideration of information technology. Federal agencies will use information technology to the maximum extent practicable. Where both the Government and the contractor are capable of electronic interchange, the information collection

requirements may be submitted electronically. The usage of information technology will be nearly 100 percent.

4. Describe efforts to identify duplication. There is no duplication of information under this collection. This requirement is being issued under the FAR, which has been developed to standardize Federal procurement practices and eliminate unnecessary duplication.

5. If the collection of information impacts small businesses, describe any methods used to minimize the burden. The burden applied to small businesses is the minimum consistent with applicable laws, Executive orders, regulations, and prudent business practices.

6. Describe the consequences to Federal activities if the collection is not conducted or is conducted less frequently. Subparagraph (a)(1)(A) of section 889 is being implemented as a national security measure to protect Government information and telecommunication systems. Consequences if collection is not conducted or conducted less frequently could include the compromise of Government information systems, release and compromise of Government data, and harm to national security.

7. Special circumstance for collection. Collection is consistent with the guidelines in 5 CFR 1320.6.

8. Summary of the public comments received in response to the publication of the information collection requirement in the Federal Register of the agency's notice.

A) A 60-day notice was published in the Federal Register at 85 FR 54146, on October 9, 2019. No comments were received.

B) A 30-day notice was published in the Federal Register at 85 FR 60165, on September 24, 2020.

9. Explanation of any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees. There will be no payment or gift to respondents, other than remuneration of contractors.

10. Describe assurance of confidentiality provided to respondents. This information is disclosed only to the extent consistent with prudent business practices, current regulations, and in accordance with the requirements of the Freedom of Information Act.

11. Additional justification for questions of a sensitive nature. No sensitive questions are involved.

12. Estimated total annual public hour burden.

Representation Burden for 52.204-24:

The representation at 52.204-24 must be completed by each offeror if the offeror selects "does" in response to the provision at 52.204-26 or 52.212-3(v). The provision at FAR 52.204-24 requires an offeror to represent whether they will provide any covered telecommunications equipment or services and if so, describe in more detail the use of the covered telecommunications equipment or services.

DoD, GSA, and NASA estimate that the number of entities required to represent will be 10 percent of the number of unique entities awarded contracts (9,522). DoD, GSA, and NASA further estimate that up to 10 percent of these unique entities (952) will be responsible for submitting more detailed disclosures regarding the use of covered telecommunications equipment or services.

DoD, GSA, and NASA estimate that in cases where no additional detail regarding the use of covered telecommunications equipment or services is necessary, there will be an average of 41.2 responses per entity. The value of 41.2 responses was derived by taking twice the number of average contracts and orders in FPDS, assuming 2 entities will submit offers for each award, or 7,851,668, and dividing that by the total number of unique entities in FPDS, 190,446.

In cases where additional detail is necessary, DoD, GSA and NASA estimate an average of 3 responses per entity.

DoD, GSA, and NASA assume that completing the representation in cases where more detailed information is not necessary will take an average of 5 minutes (.08333 hours), while completion in cases where additional detail is necessary will take an average of three hours.

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| A. No Additional Detail Required | |
| Number of respondents: | 9,522 |
| Responses per respondent: | 41.2 |
| Total annual responses: | 392,306 |
| Hours per response: | .08333 |

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|--------------------|-------------|
| Total hours: | 32,691 |
| Hourly rate*: | \$53 |
| Total Annual Cost: | \$1,732,617 |

B. Additional Detail Required

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| Number of respondents: | 952 |
| Responses per respondent: | 3 |
| Total annual responses: | 2,856 |
| Hours per response: | 3 |
| Total hours: | 8,568 |
| Hourly rate*: | \$53 |
| Total Annual Cost: | \$454,104 |

Total Representation Cost

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|-------------------------------------|-------------|
| Total number of respondents: | 9,522 |
| Average responses per respondent**: | 41.2 |
| Total annual responses: | 392,306 |
| Average hours per response: | .105 |
| Total hours: | 41,192 |
| Hourly rate*: | \$53 |
| Total Representation Cost: | \$2,183,185 |

*The hourly rate is based on the equivalent of a FY 2016 GS-12, Step 5, of \$38.56, with locality pay for the Rest of the U.S., plus overhead of 36.25 percent, for a total of \$52.54, rounded to the nearest dollar.

**The average responses per respondent is not additive because paragraph A is the universe of all responses and paragraph is a subset of that universe.

Reporting Burden for 52.204-25:

FAR 52.204-25 requires a written report in cases where a contractor (or subcontractor to whom the clause has been flowed down) identifies or receives notification from any source that covered telecommunication equipment or services has been provided to the Government as a substantial or essential component of any system, or as critical technology as part of any system during contract performance. Data from FPDS indicates that the Government awarded contracts to an average of 95,223 unique entities in Fiscal Years (FY) 16-18. DoD, GSA, and NASA estimate that 5% of those entities (4,761) will submit approximately 5 written reports annually pursuant to FAR 52.204-25.

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| Number of respondents: | 4,761 |
| Responses per respondent: | 5 |

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| Total annual responses: | 23,805 |
| Hours per response: | 1.5 |
| Total hours: | 35,707.5 |
| Hourly rate*: | \$53 |
| Total Annual Cost: | \$1,892,497.5 |

*The hourly rate is based on the equivalent of a FY 2016 GS-12, Step 5, of \$38.56, with locality pay for the Rest of the U.S., plus overhead of 36.25 percent, for a total of \$52.54, rounded to the nearest dollar.

Representation Burden for 52.204-26:

The representation in FAR provision 52.204-26 must be completed by each entity at least annually. Data from the System for Award Management (SAM) indicates that there were 424,927 active registrants in August 2019. In order to maintain an active registration in SAM, all entities will be required to complete the 52.204-26 representation in SAM. Therefore, DoD, GSA, and NASA estimate that at least 424,927 entities will complete the representation in the provision at 52.204-26. This does not include the number of entities that will complete the representation outside of SAM; however, there is no way to estimate that number.

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| Number of respondents: | 424,927 |
| Responses per respondent: | 1 |
| Total annual responses: | 424,927 |
| Hours per response: | .08333 |
| Total hours: | 35,409 |
| Hourly rate*: | \$53 |
| Total Annual Cost: | \$1,876,686 |

*The hourly rate is based on the equivalent of a FY 2016 GS-12, Step 5, of \$38.56, with locality pay for the Rest of the U.S., plus overhead of 36.25 percent, for a total of \$52.54, rounded to the nearest dollar.

Total Public Burden:

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|---------------------------|--------------------|
| 52.204-24 Representation: | \$2,183,185 |
| 52.204-25 Clause: | \$1,892,498 |
| 52.204-26 Representation: | <u>\$1,876,686</u> |
| Total Public Burden: | \$5,952,369 |

13. Capital start-up or operational land maintenance costs. We do not estimate any annual cost burdens other than the burdens we

describe in items 12 and 14.

14. Estimated cost to the Government.

Government burden 52.204-24:

The average time required by the Government to review 392,306 representations from the provision at 52.204-24 is estimated at .08333 hours per response:

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| Representation Responses: | 392,306 |
| Average hours per response: | <u>x .08333 hr</u> |
| Government burden hours: | 32,691 hrs |
| Averages wages (\$38.56 + 36.25% OH): | <u>x \$ 53*</u> |
| Estimated Annual Government Burden: | \$1,732,617 |

*The hourly rate is based on the equivalent of a FY 2016 GS-12, Step 5, of \$38.56, with locality pay for the Rest of the U.S., plus overhead of 36.25 percent, for a total of \$52.54, rounded to the nearest dollar.

Government for 52.204-25:

The average time required by the Government to review 4,761 reports is estimated at 3 hours per report:

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|---------------------------------------|-----------------|
| Report Responses: | 23,805 |
| Average hours per response: | <u>x 3 hr.</u> |
| Government burden hours: | 71,415 hrs. |
| Averages wages (\$38.56 + 36.25% OH): | <u>x \$ 53*</u> |
| Estimated Annual Government Burden: | \$3,784,995 |

*The hourly rate is based on the equivalent of a FY 2016 GS-12, Step 5, of \$38.56, with locality pay for the Rest of the U.S., plus overhead of 36.25 percent, for a total of \$52.54, rounded to the nearest dollar.

The average time required by the Government to review 424,927 representations from the provision at 52.204-26 is estimated at .08333 hours per response:

Government Burden for 52.204-26:

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|---------------------------|---------|
| Number of respondents: | 424,927 |
| Responses per respondent: | 1 |

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|-------------------------|-------------|
| Total annual responses: | 424,927 |
| Hours per response: | .08333 |
| Total hours: | 35,409 |
| Hourly rate*: | <u>\$53</u> |
| Total Annual Cost: | \$1,876,686 |

Total Government Burden:

| | |
|---------------------------|--------------------|
| 52.204-24 Representation: | \$1,732,617 |
| 52.204-25 Reporting: | \$3,784,995 |
| 52.204-26 Representation: | <u>\$1,876,686</u> |
| Total Government Burden: | \$7,394,298 |

15. Explain reasons for program changes or adjustment reported in Item 13 or 14. The information collection did not change from the previously approved collection. No public comments were received on the methodology or estimated burden associated with the added requirement for entities in SAM to represent to the new provision FAR 52.204-26.

16. Outline plans for published results of information collection. There are no plans to publish the results of this collection of information.

17. Approval not to display expiration date. DoD, GSA and NASA are not seeking such approval.

18. Explanation of exception to certification statement. There are no exceptions to the certification accompanying this Paperwork Reduction Act submission.

B. Collections of Information Employing Statistical Methods. Statistical methods are not used in this information collection.