

SUPPORTING STATEMENT
U.S. Department of Commerce
Bureau of Industry and Security
Competitive Enhancement Needs Assessment Survey Program
OMB CONTROL NO. 0694-0083

A. JUSTIFICATION

This is an extension of a currently approved information collection.

1. Explain the circumstances that make the collection of information necessary.

This collection of information is necessary under the **Defense Production Act of 1950 (DPA)**, as amended, and related **Executive Order 13603**.

Executive Order 13603 authorizes the Secretary of Commerce to assess the capabilities of the industrial base to support the national defense and to develop policy alternatives to improve the international competitiveness of specific domestic industries and their abilities to meet defense program needs.

Under the Competitive Enhancement Needs Assessment Survey Program (The Program), the Bureau of Industry and Security's Office of Technology Evaluation (OTE) distributes surveys nationwide to businesses in order to determine which government competitive enhancement, procurement opportunity and business diversification programs would benefit their competitive position in the marketplace. The results of the mandatory surveys allows The Program to align industry stakeholders with the federal and state resources best suited to meet their individual needs. The expertise of 70+ federal and state government organizations is made available to The Program, in addition to the excess equipment and facilities resident in closed federal installations plus the excess government equipment at government contractor facilities. The companies respond to the OTE program surveys on a mandatory basis.

Feedback on The Program from industry, in particular defense subcontractors, has been positive; many noting that they were unaware of the breadth of available federal and state assistance programs. Among them include advanced manufacturing, product/service development, RDT&E programs, U.S. export controls, business development, financing, technology transfer, retraining, marketing skills, and excess equipment and facilities. The successful participation by industry in The Program has aided the retention of significant portions of the defense industrial base.

The Program will continue to operate in the same manner: companies responding to the mandatory survey will be matched with the resources of a wide range of federal and state programs with an emphasis on business development and incubation, innovation, advanced manufacturing, excess equipment, and retraining, among others. Although the initial efforts of The Program focused on the impacts of defense downsizing on small business, OTE quickly learned how non-defense dependent firms could also benefit from the variety of services offered by the U.S. Government. Consequently, the most recent survey sample included firms who

manufacture products for non-defense end-uses, including NASA and NOAA programs. This resulted in the distribution of 8,000 surveys to small firms located in states adversely affected by program terminations and economic downturns as well as manufacturers in critical technology industries that support U.S. national security.

The Program's survey instruments are designed to collect information related to the specific programmatic needs of small businesses, the results of which will always be supplemented by information available from additional primary and secondary sources.

2. Explain how, by whom, how frequently, and for what purpose the information will be used. If the information collected will be disseminated to the public or used to support information that will be disseminated to the public, then explain how the collection complies with all applicable Information Quality Guidelines.

Based on OTE's analysis of the mandatory survey responses, officials from The Program will match specific companies with appropriate federal and state level assistance programs. An interagency response team comprised of representatives from the Departments of Commerce, Defense, Labor, Interior, Energy, and Homeland Security; the Small Business Administration; NASA; the Federal Laboratory Consortium; and numerous state level programs, including the Local Reuse Authorities associated with excess federal equipment and facilities. After the survey information is collected and analyzed, qualified OTE staff will forward summary information to the relevant agencies and organizations that will directly follow-up with each firm.

By design, OTE is able to tailor the available federal and state programs and resources to the needs of each respondent company. This approach was successfully cultivated under the previous Needs Assessment and Manufacturing Empowerment Zone program. OTE staff will prepare assessments and statistical summaries of the response data on an ongoing basis for internal review, comment, process improvement, and overall support of The Program. Information regarding company needs for U.S. Government assistance will be forwarded to relevant government agencies for action on a monthly basis until the end of The Program.

The Section 515 Information Quality Guidelines apply to the general information collection of The Program, and The Program complies with all applicable information quality guidelines, including the Office of Management and Budget (OMB), Department of Commerce, and specific Bureau of Industry and Security (BIS) administrative guidelines.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological techniques or other forms of information technology.

To lessen the burden on respondents participating in The Program, OTE has designed the survey instrument for online portal retrieval and response. Each respondent will receive a notification letter which outlines the requirements of the study and the scope of information being collected; the personalized letter will also contain a Department of Commerce landing page where the respondent can gain access to the secure Excel survey application and any background material.

4. Describe efforts to identify duplication.

The information required by this collection is unique to each application of The Program. The information is not duplicated anywhere else in the U.S. Government, nor is it available from industry or academia. No information is currently available that offers the company-specific data needed to match specific companies with appropriate U.S. Government and state programs.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize burden.

Most of the respondents to The Program survey would be classified as small businesses but minimal information is required to comply with the mandatory data collection, irrespective of the respondent's scale.

Based on previous industry responses to The Program, the surveys were not considered burdensome. Many questions simply require checking a box or selecting a dropdown for a response. In instances where historical information is requested, estimates are acceptable.

6. Describe the consequences to the Federal program or policy activities if the collection is not conducted or is conducted less frequently.

The feedback from the completed surveys indicate that without the survey, these companies would not have had the resources nor the time to seek such assistance from federal and state agencies for themselves. Nor have they been made fully aware by federal, state, or local government offices of the variety of programs, business opportunities and excess equipment and facilities available to them. If this data is not collected, the small firms in the targeted areas will remain largely unaware of the assistance offered.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

There are no special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

8. Provide the information of the PRA Federal Register Notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the agency in response to those comments. Describe the 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.

The notice requesting public comment was published in the Federal Register on 3/23/2021 (Vol. 86 FR 15456). No comments were received.

The Program surveys are tested with a number of firms, trade associations, and academic experts to determine its suitability and ease of completion, and are revised accordingly.

9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

There are no plans to provide payments or gifts to respondents.

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

The survey states that any information submitted in response to this survey will be deemed BUSINESS CONFIDENTIAL and treated in accordance with Section 705 of the Defense Production Act (DPA), as amended. Section 705 of the DPA prohibits publication or disclosure of such information unless the President determines that withholding it is contrary to the interest of the national defense.

The survey further states that the Department of Commerce will assert the appropriate Freedom of Information Act (FOIA) exemptions if the information is the subject of FOIA requests. This assurance is based on Section 705 of the DPA, FOIA and relevant FOIA case law. These assurances appear in the survey instruments.

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.

There are no questions of a sensitive nature.

12. Provide an estimate in hours of the burden of the collection of information.

It is estimated that one hour is required to complete the survey, for an annual burden total of 2,400 hours. This is based on experience with the previous survey.

This estimate is subject to variations among individual organizations because of differences in record keeping, number of establishments, breadth of activities, organization size, area of specialization and other variables. OTE has conducted surveys of multiple industries/segments, including rocket propulsion, semiconductors, textiles/apparel/footwear, and cleared facilities.

The annual burden hours were estimated as follows:

Number of surveys to be mailed: 8,000.

Response Percentage: 30%.

Number of mandatory responses: 2,400.

Responses per Organization: 1 x Burden hours per response:1 x Annual burden hours = 2,400.

The estimated total cost to respondents of this general information collection is \$72,000. This particular estimate was calculated by assuming the respondent average work rate is \$30 per hour multiplied by the total burden hours of 2,400.

13. Provide an estimate of the total annual cost burden to the respondents or record-keepers resulting from the collection (excluding the value of the burden hours in Question 12 above).

There are no capitol or startup costs. Recordkeeping is not required.

14. Provide estimates of annualized cost to the Federal government.

The estimated total cost to the Federal government for the survey is \$297,792.

The direct employee cost is \$248,160. Most of the cost is related to The Program survey, which includes preparation, collecting and verifying the information, and analyzing the data. There will be other costs incurred, and largely related to report authorship, copyediting, and publication for both public and interagency consumption. The employee costs were estimated by assuming the requisite number of hours spent on The Program's execution, representing 52 weeks or 12 months, and applying the annual 2021 salary of one GS-12, Step 10 [\$113,362] and one GS-13, Step 10 [\$134,798].

[SALARY TABLE 2021-DCB \(opm.gov\)](https://www.opm.gov/policy-data-oversight/salaries-tables/)

Indirect or overhead costs associated with The Program's execution are calculated as roughly 20 percent of the direct employee cost—20% multiplied by \$248,160—meaning \$49,632.

Therefore, the estimated total cost to the Federal government is \$248,160 + \$49,632 or \$297,792.

15. Explain the reasons for any program changes or adjustments.

There are no program changes or adjustments.

16. For collections whose results will be published, outline the plans for tabulation and publication.

Not applicable.

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

Not applicable.

18. Explain each exception to the certification statement.

Not applicable.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This collection does not utilize statistical methods.