

Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
Information Collection Request
Supporting Statement
1140-0079
Transactions Among Licensees/Permittees and Transactions
Among Licensees and Holders of User Permits

A. Justification

1. Necessity of Information Collection

ATF is charged with enforcing Title XI of the Organized Crime Control Act of 1970 (the Act) and implementing the regulations at 27 CFR Part 555. Subtitle C of Public Law No. 107-296, the Safe Explosives Act, enacted November 25, 2002, amended Chapter 40 by requiring all individuals purchasing explosive materials intrastate, to obtain a federal permit. This amendment affected regulations under 27 CFR § 555.103(b), which states that an explosives distributor must verify the identity of the purchaser; an explosives purchaser must provide a copy of the license/permit to the distributor prior to purchase of explosives materials; purchasers of explosive materials must provide a list of representatives authorized to accept delivery on behalf of the distributee; and an explosive purchaser must provide a statement of intended use for the explosives. For distributions made to holders of a limited permit, under 27 CFR § 555.105(b), a distributor of explosive materials must complete the Limited Permittee Transaction Report – ATF Form 5400.4 (approved as OMB 1140-0025), provided by the purchaser, retain a completed copy, and submit the other copy to ATF as indicated on the form.

2. Needs and Uses

ATF will use this information collection to implement provisions of the Safe Explosives Act. The collected information ensures that licensees and permittees distribute explosives only to licensees or permittees and those persons authorized to accept delivery on their behalf, whose identities have been verified, prior to relinquishing possession of explosive materials to them. These requirements are outlined in 27 CFR §§ 555.103(b) and 555.105(b) in compliance with the Safe Explosives Act. The respondent (industry member) collects and maintains these records for a period of five years, or until the discontinuance of their business.

3. Use of Information Technology

This information collection has a record maintenance requirement for members of the explosives industry. The use of automated collection techniques does not apply to this information collection. ATF Ruling 2007-1

allows the use of computerized recordkeeping, as long as the data cannot be modified, and the respondents have a reliable daily memory backup system.

4. Efforts to Identify Duplication

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 collection.

5. Minimizing Burden on small Businesses

This collection will not significantly affect small businesses.

6. Consequences of not conducting or less frequent Collection

Failure to collect this information would hinder ATF's ability to carry out its responsibility to ensure that explosive materials are distributed only to Federal explosives licensees and permittees, or representatives authorized to accept delivery on behalf of the distributee, and that the identity of the recipient (or his agent) is appropriately verified.

7. Special Circumstances

There are no special circumstances with regard to this information collection, which is conducted in a manner consistent with 5 CFR § 1320.6.

8. Public Comments and Consultations

No comments were received during the 60-day Federal Register (FR) notice period. However, a 30-day FR notice will be published to solicit public comments.

9. Provision of Payments or Gifts to Respondents

No payments or gift is associated with this collection.

10. Assurance of Confidentiality

Information for this collection will be kept in a secured location on the licensees premises. For this submission respondents must comply with 27 CFR § 555.103(b), which involves recording transactions among explosives licensees/permittees. No reporting is associated with this collection. The recorded transactions are between explosives licensees and permittees. ATF investigators check to ensure that the transaction records are being kept on the business premises of these explosives licensees. Confidentiality is not assured.

11. Justification for Sensitive Questions

No questions of a sensitive nature are asked.

12. Estimate of Respondent's Burden

There are an estimated 46,500 respondents associated with this collection. Each respondent will respond once annually. The total number of respondents is also 46,500. Each respondent will take approximately 30 minutes to prepare records for this information collection. Therefore, the total annual burden hours associated is 23,250.

13. Estimate of Cost Burden

There is no public cost burden.

14. Cost to Federal Government

The annual cost to the Federal government to maintain this information collection is \$240,000, since ATF explosive investigators must visit explosives licensee business premises, to ensure that transactions records are being maintained.

15. Reason for Change in Burden

The adjustments associated with this collection include a decrease in the total respondents and responses to this collection from 50,000 in 2018, to 46,500 currently. Consequently, the total burden hours for this collection also reduced from 25,000 hours in 2018, to 23,250 in 2021, due to fewer respondents to this collection.

16. Anticipated Publication Plan and Schedule

The results of this collection will not be published.

17. Display of Expiration Date

ATF does not request approval to not display the Office of Management and Budget expiration date for this collection.

18. Exception to the Certification Statement

There are no exceptions to the certification statement.

B. This collection of information employs no statistical methods.