

Supporting Statement
Application for Extension of Bond for Temporary Importation
1651-0015

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.**

Imported merchandise which is to remain in the customs territory for a period of one year or less without the payment of duties with the intent to destroy or export is entered as a temporary importation of goods under bond (TIB), as authorized under the Harmonized Tariff Schedule of the United States (19 U.S.C. 1202). Consistent with 19 CFR 10.37, when this time period is not sufficient, importers and brokers may request an extension by submitting a CBP Form 3173, "*Application for Extension of Bond for Temporary Importation*", either electronically or manually, to the Center Director. The period of time may be extended for not more than two further periods of 1 year each, or such shorter periods as may be appropriate. An Extension may be granted by CBP, upon written or electronic submission of a CBP Form 3173, provided that the articles have not been exported or destroyed before receipt of the application, and liquidated damages have not been assessed under the bond before receipt of the application. CBP Form 3173 is provided for in 19 CFR 10.37 and is accessible at: <https://www.cbp.gov/newsroom/publications/forms?title=3173>

Under the National Customs Automation Program (NCAP) concerning document imaging, certain Automated Commercial Environment (ACE) participants are able to submit electronic images of a specific set of CBP and Participating Government Agency (PGA) forms and supporting information to CBP. Specifically, importers, and brokers, are allowed to submit official CBP documents and specified PGA forms via the Electronic Data Interchange (EDI).

Although the first phase of the DIS test was limited to certain CBP and PGA forms, subsequent deployment phases of DIS will incorporate additional forms and that these other forms may be referenced in the DIS implementation guidelines.

Proposed Change:

Respondents will be able to submit information electronically through the Document Image System (DIS).

This information collection is necessary to ensure compliance with 19 CFR 10.37 and the DIS guidance.

- 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 .**

The data collected on CBP Form 3173 will be used by the port director to determine the necessity for granting an extension of the temporary importation period, per 19 CFR 10.37.

- 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 .**

This information is transmitted electronically through the Document Image System (DIS) or the Automated Broker Interface (ABI) which is the computer interface to the Automated Commercial Environment.

- 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.**

This information is not duplicated in any other place or any other form.

- 5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

This information collection does not have an impact on small businesses or other small entities.

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

Without this information, CBP would be unable to determine whether to grant a temporary extension. This may result in more goods being held in the US illegally.

- 7. Explain any special circumstances.**

This information is collected in a manner consistent with the guidelines of 5 CFR 1320.5(d)(2).

8. **If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), 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.**

Public comments were solicited through two Federal Register notices. A 60 Day FRN was published on February 22, 2022 (87 FR 9633) on which no comments were received, and a 30 Day FRN on April 29, 2022 (87 FR 25503) on which no comments have been received.

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

There is no offer of a monetary or material value for this information collection.

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

A PIA for the Automated Commercial Environment (ACE), dated July 31, 2015, and a SORN for IIS, dated July 26, 2016 (Vol. 81, Page 48826) will be included in this ICR. There are no assurances of confidentiality provided to the respondents of this information collection.

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 questions of a sensitive nature.

12. **Provide estimates of the hour burden of the collection of information.**

INFORMATION COLLECTION	TOTAL ANNUAL BURDEN HOURS	NO. OF RESPONDENTS	NO. OF RESPONSES PER RESPONDENT	TOTAL RESPONSES	TIME PER RESPONSE
Form 3173	5,535	1,822	14	25,508	13 minutes (.217 hours)

Public Cost

The estimated cost to the respondents is \$173,382. This is based on the estimated burden hours (5,535) multiplied by the average loaded hourly wage rate for importers (\$31.37). CBP calculated this loaded wage rate by first multiplying the Bureau of Labor Statistics' (BLS) 2020 median hourly wage rate for Cargo and Freight Agents (\$21.04), which CBP assumes best represents the wage for importers, by the ratio of BLS' average 2020 total compensation to wages and salaries for Office and Administrative Support occupations (1.4912), the assumed occupational group for importers, to account for non-salary employee benefits.¹ This figure is in 2020 U.S. dollars and CBP assumes an annual growth rate of 0 percent; the 2020 U.S. dollar value is equal to the 2021 U.S. dollar value.

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information.

There are no record keeping, capital, start-up or maintenance costs associated with this information collection. ACE is the system of records; all supporting documentation is submitted via DIS/ACE.

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 not have been incurred without this collection of information.

The estimated annual cost to the Federal Government associated with the review of these records is \$405,677. This is based on the number of responses that must be reviewed (25,508) multiplied by the time burden to review and process each response (.217 hours) = 5,535 hours multiplied by the average hourly loaded rate for a CBP Trade and Revenue employee (\$73.29)² = \$405,677.

¹ Source of median wage rate: U.S. Bureau of Labor Statistics. Occupational Employment Statistics, "May 2020 National Occupational Employment and Wage Estimates United States." Updated March 31, 2021. Available at https://www.bls.gov/oes/2020/may/oes_nat.htm. Accessed June 1, 2021. The total compensation to wages and salaries ratio is equal to the calculated average of the 2020 quarterly estimates (shown under Mar., June, Sep., Dec.) of the total compensation cost per hour worked for Office and Administrative Support occupations (\$28.8875) divided by the calculated average of the 2020 quarterly estimates (shown under Mar., June, Sep., Dec.) of wages and salaries cost per hour worked for the same occupation category (\$19.3725). Source of total compensation to wages and salaries ratio data: U.S. Bureau of Labor Statistics. Employer Costs for Employee Compensation. Employer Costs for Employee Compensation Historical Listing March 2004 – December 2020, "Table 3. Civilian workers, by occupational group: employer costs per hours worked for employee compensation and costs as a percentage of total compensation, 2004-2020." March 2021. Available at <https://www.bls.gov/web/ecec/ececrtrn.pdf>. Accessed June 1, 2021.

² CBP bases this wage on the FY 2021 salary and benefits of the national average of CBP Trade and Revenue positions, which is equal to a GS-12, Step 1. Source: Email correspondence with CBP's Office of Finance on September 7, 2021.

15. Explain the reasons for any program changes or adjustments reported in Items 12 or 13.

There has been an increase in the estimated annual burden hours previously reported for this information collection due to an increase in the number of respondents submitting TIB entries, increasing the total responses received; from 16,800 responses that must be reviewed to 25,508 which resulted in an increase of annual burden hours from 3,646 to 5,535. Respondents will be able to submit information electronically through the Document Image System (DIS). There is no change to the information being collected.

16. For collection of information whose results will be published, outline plans for tabulation, and publication.

This information collection will not be published for statistical purposes.

17. If seeking approval to not display the expiration date, explain the reasons that displaying the expiration date would be inappropriate.

CBP will display the expiration date for OMB approval of this information collection.

18. "Certification for Paperwork Reduction Act Submissions."

CBP does not request an exception to the certification of this information collection.

B. Collection of Information Employing Statistical Methods

No statistical methods were employed.