

SUPPORTING STATEMENT FOR
Application for Federal Firearms License and Part B – Responsible Person Questionnaire
ATF Form 7 (5310.12)/ 7CR (5310.16)

A. 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.

Section 922 of Chapter 44 of Title 18, United States Code, specifies a number of unlawful activities involving firearms in interstate and foreign commerce. Many of these activities cease to be unlawful when persons are licensed under the provisions of Section 923. Some examples of unlawful acts legitimized by licensing are: engaging in the business of selling, shipping, receiving, and transporting firearms in interstate or foreign commerce, as well as acquiring firearms classified as curios and relics for personal collections. This collection of information is necessary to ensure that anyone who wishes to be licensed as required by Section 923 meets the requirements to obtain the desired license.

ATF requests approval to make the following changes to OMB 1140-0018 (Federal Firearms License - ATF Form 7(5310.12)/ 7CR (5310.16) ATF Copy, CLEO copy, and Part B:

- I. Fixed several spelling and grammatical errors.
- II. **Part A (ATF Copy and CLEO Copy):** Question 8 – Updated wording from “Contact Numbers” to “Contact Information”.
- III. **Part A:** Question 11 – Removed “Diner’s Club” as a payment option.
- IV. **Part B (ATF Copy and CLEO Copy):** Header – Added “Part B-Responsible Person Questionnaire” to the top of the page.
- V. **Part B (ATF Copy, CLEO Copy, and Part B Questionnaire):** Question 33 – Added reference to definition #6.
- VI. **Part B (ATF Copy, CLEO Copy, and Part B Questionnaire):** Question 34 – Added reference to definition #6.
- VII. **Instructions (ATF Copy and Part B Questionnaire):** Under the Instructions header, but before #1, added verbiage “Please obtain your downloadable forms from atf.gov to ensure you are using the most current version. Hardcopy forms can be obtained from the ATF Distribution Center. (Type “ATF Distribution Center” into a search engine or call 240-828-5316 to order).”
- VIII. **Definitions (ATF Copy and Part B Questionnaire):** Definition #3 – Update definition of “Responsible person” to: “Any individual possessing, directly or indirectly, the power to direct or cause the direction of the management and policies of a sole proprietorship, corporation, company, partnership, or association, insofar as they pertain to firearms.

IX. Definitions (ATF Copy and Part B Questionnaire): Definition #7 – Updated definition of “Misdemeanor crime of domestic violence” to “or by a person who has a current or recent former dating relationship with the victim (as defined in 18 U.S.C. § 921(a) (37)).”

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 information collection requirement is satisfied by the submission of a completed application for a Federal Firearms License - ATF Form 7(5310.12)/ 7CR (5310.16) to ATF. ATF personnel will analyze the submitted application to determine the applicant's eligibility to receive the requested license. With payment of the required fee under 18 U.S.C. Section 923(a) (1), the application will be approved, and the license issued, if the applicant meets the provisions of 923(d) (1). ATF personnel will conduct a detailed analysis of the responses on all submitted applications, to ensure that the applicant has not willfully failed to disclose any material information or made any false statements regarding any material fact. Additionally, a review of a completed application ensures that the person seeking a license to conduct business (All FFL types except for Type 03), has suitable premises where business operations will be conducted. All business premises must have hours of operations, during which ATF personnel can meet with the licensee, to conduct compliance inspections and trace firearms which may have been used in criminal activities.

ATF Form 7(5310.12)/ 7CR (5310.16) is necessary because 18 U.S.C. Section 923 requires a person who transports, ships, or receives firearms, including curios and relics firearms in interstate or foreign commerce, to pay a fee and file an application to obtain a license.

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.

ATF Form 7(5310.12)/ 7CR (5310.16) and fingerprint cards can be ordered online from the ATF Distribution Center at <https://www.atf.gov/content/distribution-center-order-form> or by phone at 240-828-5316. Application packages can also be requested from ATF Federal Firearms Licensing Center via email at FFLC@atf.gov, or by phone at 1- 866- 662-2750. The application package contains all documentation needed to apply for a license, including the form, instructions, and fingerprint cards. Additional fingerprint cards FD258 may also be obtained from local law enforcement agencies.

Electronic fillable (e-fillable) copies of ATF Form 7(5310.12)/ 7CR (5310.16) are available online via the ATF public portal. The form and instructions can be downloaded from ATF's website, and the form can be electronically completed. However, the form cannot be

submitted electronically because the signature card requires an original ink signature. An effort is currently being made to obtain the appropriate funding to incorporate Federal Firearms Licensing forms such as ATF Form 7(5310.12)/ 7CR (5310.16), within ATF's electronic forms (eForms) platform. Use of this platform will eventually enable electronic submission of completed applications, thereby reducing the public cost burden associated with this IC.

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 A.2 above.

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

This collection of information has no significant impact on small businesses or other entities.

6. Describe the consequence to federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

Less frequent collection of this information would pose a threat to public safety. Without this information collection, ATF would not be able to issue licenses to persons required by law to have a license to engage in the business of dealing in firearms or shipping or transporting firearms in interstate or foreign commerce in support of that business, or acquire curios and relics firearms from out of State.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- **requiring respondents to report information to the agency more often than quarterly;**
- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **requiring respondents to submit more than an original and two copies of any document;**
- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
- **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **requiring the use of statistical data classification that has not been reviewed and approved by OMB;**

- **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- **requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

This information collection is conducted in a manner consistent with 5 C.F.R. § 1320.6.

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.

Describe 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.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years -- even if the collection-of-information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

Both a 60-day and 30-day notice will be published in the Federal Register to solicit public comments.

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

No payment or gift is associated with this collection.

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

In accordance with the System of Records Notice (SORN) Justice/ATF-008 Regulatory Enforcement Record System FR Vol. 68 No. 16 3558, dated January 24, 2003, completed forms for this information collection are kept in a secured location at the ATF Federal Firearms Licensing Center. ATF staff who process these forms have special security clearances. Confidentiality is not assured.

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.

Questions of a sensitive nature are grouped together in Part B of the form, which must be completed by each responsible person (RP). Specifically, each RP must provide their personal information, respond to mandatory qualification questions, and certify the authenticity of their responses. This ensures that RPs are accountable for the information they provide.

12. Provide estimates of the hour burden of the collection of information. The statement should:

- **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. General, estimates should not include burden hours for customary and usual business practices.**
- **If this request for approval covers more than one form, provide separate hour burden estimates for each form.**
- **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.**

Estimated Annualized Respondent Cost and Hour Burden

Activity	Number of Respondents	Frequency	Total Annual Responses	Time Per Response	Total Annual Burden (Hours)	Hourly Rate*	Monetized Value of Respondent Time
ATF Form 7 (5310.12)/ 7CR (5310.16)	25,000	1	25,000	60 min	100		
Unduplicated Totals							

Hourly rate source citation or you may enter a footnote:

The number of respondents associated with this collection is estimated at 25,000 per year. Each respondent will complete the form one time. As such, the total number of responses is 25,000. It takes about one (1) hour to complete the form. Therefore, the total annual burden hours for this IC is 25,000.

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).

- **The cost estimate should be split into two components: (a) a total capital and startup cost component (annualized over its expected useful life); and (b) a total operation and maintenance and purchase of service component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.**
- **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**
- **Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.**

No new cost is associated with this collection. However, the annual cost has increased due to a change in the postal rate from \$0.55 during the last renewal in 2020, to \$0.63 in 2023. Consequently, the new public cost burden will be reported as \$15,750.00, which is equal to .63 (mailing cost per respondent) * 25,000 (# of respondents).

14. Provide estimates of the 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), any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 into a single table.

Annual cost to ATF is estimated as follows:

Printing	\$ 7,500
Distribution Center	\$ 14,400 (For distribution center to mail 25,000 forms)
Clerical	\$ 2,400
<u>FFLC Postal</u>	<u>\$ 1,200</u> (For FFLC to mail 2,000 forms to FFLs at metered rate)
Total	\$ 25,500

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

The adjustments associated with this information collection include an increase in the average total respondents and responses from 13,000 per year to 25,000 per year, since the last renewal in 2020. ATF estimated 25,000 respondents after examining the average number of responsible persons for FY2021 to FY2022. Therefore, because of the estimated increase in the number of respondents, the total annual burden hours has increased by 12,000 hours.

16. For collections of information whose results will be published, outline plans for tabulations, and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

The results of this collection will not be published.

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

ATF requests authorization to exclude the IC expiration date from the printed ATF Form 7(5310.12)/ 7CR (5310.16). This is due to the fact that printing the expiration date on the form will incur higher printing costs to replace inventories that become obsolete when this IC is issued a new expiration date. Public use of this form is unpredictable, so ATF must maintain a substantial inventory of this IC instrument. Therefore, omitting the expiration date will ensure that inventories can be quickly replenished, and forms can be made available for public use, as often as needed.

18. Explain each exception to the certification statement.

There are no exceptions to the certification statement.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS.

This collection does/does not contain statistical data.