Supporting Statement Declaration of Person Who Performed Repairs or Alterations 1651-0048

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.

The "Declaration of Person Who Performed Repairs or Alterations," as required by <u>19 CFR 10.8</u>, is used in connection with the entry of articles entered under subheadings 9802.00.40 and 9802.00.50, Harmonized Tariff Schedule of the United States (HTSUS, <u>https://hts.usitc.gov/current</u>). Articles entered under these HTSUS provisions are articles that were in the United States and exported temporarily for repairs or alterations and are returned to the United States. Upon their return, duty is only assessed on the value of the repairs performed abroad and not on the full value of the article. The declaration under 19 CFR 10.8 includes information such as a description of the article and the repairs or alterations; the value of the article and the repairs or alterations in this declaration is used by CBP to determine the value of the repairs or alterations, and to assess duty only on the value of those repairs or alterations.

These requirements apply to the trade community who are familiar with CBP regulations and the tariff schedules and are required by law to provide this declaration.

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 in the declaration is used by CBP to determine the value of the repair or alteration and assess duty only on the value of that repair or alteration. Without this declaration and collection of information, importers would have to pay duty on the full value of the imported article.

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 declaration can be submitted and stored in the importer's files on ACE via the Document Image System (DIS). It is a declaration provided by the person who performed the repairs or alterations as prescribed in 19 CFR 10.8, it is not a CBP Form involved in the collection of information.

Usability Testing:

This form is filled out by one point of contact on behalf of others under his/her purview. The form is straightforward, and users do not report any difficulties understanding the form. The one recommendation from CBPX is to provide more robust instructions on the form so that new points of contact have a written and documented reference. Usability testing with HQ program staff was conducted by CBPX. Training of new persons seems to happen via word of mouth and written instructions related to the form would be helpful.

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.

Failure to collect this information would prevent CBP from processing claims from affected domestic producers that petitioned for or supported the issuance of the order or finding under which the duties were assessed. Without collecting this information CBP will not make an accurate assessment of duty on the value of the repairs or alterations and unable to enforce regulatory requirements and protect the Revenue.

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 notice published on July 01, 2024 (89 FR 54477) and a 30-day notice on October 01, 2024 (89 FR 79942) on which no comments were 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.

PIA coverage for this information collection is provided by DHS/CBP/PIA-003(b) Automated Commercial Environment (ACE) (July 31, 2015), and available at: https://www.dhs.gov/privacy-impact-assessments. SORN coverage for this information collection is provided by the DHS/CBP-001 Import Information System (IIS (July 26, 2016) (81 FR 48826), and available athttps://www.dhs.gov/system-records-notices-sorns. No assurances of confidentiality are provided to respondents.

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	NO. OF RESPONDENTS	NO. OF RESPONSES PER	TOTAL RESPONSES	TIME PER RESPONSE
	HOURS		RESPONDENT		

Declaration for Repairs or Alterations	10,236	10,236	2	20,472	30 minutes (0.5 hours)
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CBP requests submission of this declaration approximately one percent of the time, which is equal to about 204 submissions per year. However, the declaration must be prepared and kept in the importer's files if they use HTSUS 9802.00.40 or 9802.00.50. The declaration may be kept in the importer's files on ACE which removes the recordkeeping cost.

Public Cost

The estimated cost to the respondents is \$364,299. This is based on the estimated burden hours (10,236) multiplied by the average loaded hourly wage rate for importers (\$35.59). CBP calculated this loaded wage rate by first multiplying the Bureau of Labor Statistics' (BLS) 2023 median hourly wage rate for Cargo and Freight Agents (\$23.24), which CBP assumes best represents the wage for importers, by the ratio of BLS' Q4 2023 total compensation to wages and salaries for Office and Administrative Support occupations (1.4774), the assumed occupational group for importers, to account for non-salary employee benefits.¹ CBP assumes an annual growth rate of 3.64% based on the prior year's change in the implicit price deflator, published by the Bureau of Economic Analysis.²

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

OMB control number 1651-0076, Customs and Border Protection Recordkeeping Requirements accounts for any record keeping costs CBP imposes for commercial entry purposes, including those associated with this collection. There are no

¹ Source of median wage rate: U.S. Bureau of Labor Statistics. Occupational Employment and Wage Statistics, "May 2023 National Occupational Employment and Wage Estimates United States." Updated April 3, 2024. Available at

https://www.bls.gov/oes/2023/may/oes_nat.htm. Accessed June 4, 2024. The total compensation to wages and salaries ratio is equal to the total compensation cost per hour worked for Office and Administrative Support occupations (\$33.98) divided by the wages and salaries cost per hour worked for the same occupation category (\$23.00). See "Table 2. Employer Costs for Employee Compensation for civilian workers by occupational and industry group." Bureau of Labor Statistics, "Employer Costs for Employee Compensation – December 2023." Released March 13, 2024. Available at https://www.bls.gov/news.release/archives/ecec_03132024.pdf. Accessed June 4, 2024.

² To adjust to 2024 dollars, multiply by the 2022-2023 percent change in the Bureau of Economic Analysis's Implicit Price Deflators for Gross Domestic Product (122.273/117.973-1). See "Table 1.1.9. Implicit Price Deflators for Gross Domestic Product," Line 1 Gross Domestic Product, annual. Bureau of Economic Analysis. Updated May 30, 2024. Available at https://apps.bea.gov/iTable/? reqid=19&step=2&isuri=1&categories=survey#eyJhcHBpZCI6MTksInN0ZXBzJjpbMSwyLDMsM10sImRhdGEiOltbImNhdGVnb3 JpZXMiLCJTdXJ2ZXkiXSxbIk5JUEFfVGFibGVfTGlzdCIsIjEzIl0sWyJGaXJzdF9ZZWFyIiwiMjAxNiJdLFsiTGFzdF9ZZWFyIiwi MjAyNCJdLFsiU2NhbGUiLCIwIl0sWyJTZXJpZXMiLCJBIl1dfQ==. Accessed June 4, 2024.

additional record keeping, capital, start-up, or maintenance costs associated with this information collection that are not already included in that information collection. To prevent double counting of these recordkeeping costs, we do not restate those costs here. See OMB control number 1651-0076 for more information.

This information can be uploaded into ACE via the DIS which will store the information and remove any recordkeeping cost to the public. The Automated Commercial Environment (ACE) is the System of records. Section 508 of the Tariff Act of 1930, as amended (19 U.S.C. 1508), sets forth the general record keeping requirements for CBP-related activities. Section 509 of the Tariff Act of 1930, as amended (19 U.S.C. 1509) sets forth the procedures for the production and examination of those records (which includes, but is not limited to, any statement, declaration, document, or electronically generated or machine-readable data).

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 this collection is \$2,812. This is based on the number of responses that must be reviewed (20,472) multiplied by the time burden to review and process each response (0.25 hours or 15 minutes) = 51 hours multiplied by the average hourly loaded rate for a CBP Trade and Revenue employee (\$55.13)³ = \$2,812.

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

There has been no increase or decrease in the estimated annual burden hours previously reported for this information collection. There are no changes to the information 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.

There is no form involved with this collection of information.

³ CBP bases this wage on the FY 2023 salary and benefits of the national average of CBP Trade and Revenue positions, which is equal to a GS-11, Step 1. Source: Email correspondence with CBP's Office of Finance on June 17, 2024.

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.