Supporting Statement Crew's Effects Declaration 1651-0020

A. Collection of Information Employing Statistical Methods

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.

CBP Form 1304, *Crew's Effects Declaration*, was developed through an agreement by the United Nations' Intergovernmental Maritime Consultative Organization (IMCO) in conjunction with the United States and various other countries. The form is used as part of the entrance and clearance of vessels pursuant to the provisions of 19 CFR 4.7 and 4.7a, 19 USC 1431, and 19 USC 1434. CBP Form 1304 is completed by the master of the arriving carrier to record and list the crew's effects that are onboard the vessel. This form is accessible at https://www.cbp.gov/newsroom/publications/forms?title=1304.

The CBP Form 1304 is part of the Vessel Entrance and Clerance System (VECS) Public Test currently on-going, the paper Form 1304 is not required if submissions are made in VECS, on a voluntary basis.

Once public testing is done, PRA approval and formalized rulemaking will make VECS permanent.

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.

CBP Form 1304 is used by CBP to account for crew's effects onboard arriving vessels and to assess duties, if appropriate.

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.

CBP is working to automate all forms, including CBP Form 1304, required for the entrance and clearance of vessels. Automation will allow for prepopulating of all forms from currently operational CBP systems, eliminating the need for duplicate submissions. There is no change to the current use of the CBP form 1304 until after the Vessel Entrance and Clearance System has been formally approved by

OMB and regulations have been amended. The Vessel Entrance and Clearance System (VECS) is currently undergoing public testing and is anticipated to end December 2024, with an expectation to extend testing until regulation changes can be finalized and published.

Usability Testing:

The form is part of the VECS automation pilot, while still in paper form CBP conducted usability testing by soliciting feedback from importers. The survey results suggested that while many users find the CBP Form 1304 easy to use, there are areas where it could be better. Simplifying the form layout and providing instructions, along with some sample forms for vessel agents and captain can improve the user experience.

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, as well as any technical or legal obstacles to reducing burden.

If this information were not collected, CBP would be unable to assess duties, which would result in loss of revenue.

7. Explain any special circumstances.

This information is collected in a manner consistent with the guidelines of 5 CFR 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.

Public comments were solicited through two Federal Register notices, including a

60-day notice published on May 24, 2024 (89 FR 45910) on which no comments were received, and a 30-day notice published on August 30, 2024 (89 FR 70657) 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. While this information is part of the collective manifest under 19 USC 1431, the data on this form is not subject to public disclosure under 19 USC 1431(c), 19 CFR 103.31, or 19 CFR 4.95.

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.

FORM	TOTAL ANNUAL BURDEN HOURS	NO. OF RESPONDENTS	RESPONSES PER RESPONDENT	TOTAL ANNUAL RESPONSES	TIME PER RESPONSE
1304	87,256	1,678	52	87,256	1 Hour

Public Cost

The estimated cost to the respondents is \$5,610,561. This is based on the estimated burden hours (87,256) multiplied by the average loaded hourly wage rate for captains, mates, and pilots of water vessels (\$64.30). CBP calculated this loaded wage rate by first multiplying the Bureau of Labor Statistics' (BLS) 2023 median hourly wage rate for Captains, Mates, and Pilots of Water Vessels (\$42.66), which CBP assumes best represents the wage for captains, mates, and pilots of

water vessels, by the ratio of BLS' Q4 2023 total compensation to wages and salaries for Transportation and Material Moving occupations (1.4544), the assumed occupational group for captains, mates, and pilots of water vessels, 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.

There are no capitalization or start-up costs associated with this collection.

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 information collection is \$4,593,374. This is based on the number of responses that must be reviewed (87,256) multiplied by the time burden to review and process each response $(0.75 \text{ hours}) = 65,422 \text{ hours multiplied by the average hourly loaded rate for a CBP Officer <math>(\$70.19)^3 = \$4,593,374$.

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

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 Transportation and Material Moving occupations (\$34.89) divided by the wages and salaries cost per hour worked for the same occupation category (\$23.99). 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#eyJhcHBpZCI6MTksInN0ZXBzIjpbMSwyLDMsM10sImRhdGEiOltbI mNhdGVnb3JpZXMiLCJTdXJ2ZXkiXSxbIk5JUEFfVGFibGVfTGlzdCIsIjEzIl0sWyJGaXJzdF9ZZWFyIiwiMjAxNiJ dLFsiTGFzdF9ZZWFyIiwiMjAyNCJdLFsiU2NhbGUiLCIwIl0sWyJTZXJpZXMiLCJBIl1dfQ==. Accessed June 4, 2024.

³ CBP bases this wage on the FY 2024 salary and benefits of the national average of CBP Officer Positions, which is equal to a GS-11, Step 10. Source: Email correspondence with CBP's Office of Finance on June 17, 2024.

The burden previously reported for this information collection has decreased due to new program agency estimates and not due to a change in the program. The previously reported numbers came from a reporting a flaw that resulted in counting numerous duplicates, inadvertently causing an inflated count. The numbers have been corrected and adjusted; accordingly, number of respondents decreased from 62,624 to 1,678, the number of responses per respondent decreased from 72 to 52, the number of responses received decreased from 188,928 to 85,824 and the annual burden previously reported decreased from 188,928 to 87,256.

A correction in estimates that led to a total decrease of 101,672 annual hours.

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 for OMB approval of the information collection, explain the reasons that display would be inappropriate.

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

18. Explain each exception to the certification statement.

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.