

**Supporting Statement
Establishment of a Bonded Warehouse
(Bonded Warehouse Regulations)
1651-0041**

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.**

Owners or lessees desiring to establish a bonded warehouse must make written application to the U.S. Customs and Border Protection (CBP) port director of the port where the warehouse is located. The application must include the warehouse location, a description of the premises, and an indication of the class of bonded warehouse permit desired. Owners or lessees desiring to alter or to relocate a bonded warehouse may submit an application to the CBP port director of the port where the facility is located. The authority to establish and maintain a bonded warehouse is set forth in 19 U.S.C. 1555, and provided for by 19 CFR 19.2, 19 CFR 19.3, 19 CFR 19.6, 19 CFR 19.14, and 19 CFR 19.36.

- 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.**

This information is used by CBP to ensure that the legal, regulatory, and administrative requirements are met by the respondents.

- 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.**

Because of the nature of the information submitted (floor plans, perimeter plans, drawings, site security schematics, etc.) it would be difficult to develop a system to submit this information electronically. The information is submitted by mailing or hand delivering it to the CBP port director of the port that is closest to where the warehouse is located. <https://www.cbp.gov/contact/ports>

Usability Testing:

The usability testing feedback for Establishment of a Bonded Warehouse was gathered through a short survey with facility operators and individuals who have recently applied for a warehouse. Users shared challenges with the bonded warehouse application process, especially with clarity, accessibility, and overall efficiency. Respondents said the process was unclear and not straightforward. Respondents suggested consolidating all application materials and instructions in a single, online system to simplify the process. Transitioning from a paper-based application to a digital format was recommended to streamline submissions, reduce the need for follow-ups with CBP, and allow users to track application status in real-time. Users also suggested having a dedicated section for bonded warehouse applications on the CBP website by bond type, with clear step-by-step guidance and instructions. This should address challenges users have with locating documents and information. Additionally, because users often reach out to their peers or CBP Officers for guidance during the process, having instructions and FAQs available (on CBP website) will be helpful. Incorporating these suggestions will increase a positive customer experience and make it more user-friendly.

- 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.**

If this information was collected less frequently, CBP would be unable to ensure that the legal, regulatory, and administrative requirements were met by the respondents.

- 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 September 12, 2024 (89 FR 74281) on which no comments were received, and a 30-day notice published on November 27, 2024 (89 FR 93628) 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.

This collection is not affected by the Privacy Act and is not impacted by a PIA or SORN. 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
Bonded Warehouse Application	4,963	198	47	9,306	32 minutes (0.533 hours)

hourly loaded rate for a CBP Trade and Revenue employee $(\$55.13)^3 = \$128,288$.

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

There has been a slight increase in the estimated annual burden hours previously reported for this information collection. The annual burden hours increased by 31 hours, due to an update in burden calculations and not due to a change in program or method of collection.

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 information collection so it would not be appropriate to display the expiration date.

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.

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.

