

**SUPPORTING STATEMENT FOR
Federal Explosives License/Permit (FEL/P) Renewal Application
ATF Form 5400.14/5400.15**

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.

Chapter 40 of Title 18 of the United States Code (U.S.C.) provides that no person may engage in the business of importing, manufacturing, or dealing in explosive materials, without first obtaining a license to do so. Further, no person may transport or buy explosives materials in interstate commerce without first obtaining a permit to do so. Licenses/permits are issued for a specific period of time and are renewable upon the same conditions as the original license/permit. In order to continue uninterrupted in these activities, licensees/permittees must renew their license(s)/permit(s) by filing a renewal application. The application form, ATF Form 5400.14/5400.15, was originally used only for renewing licenses (as ATF Form 5400.14), but in the past its use was combined to include permit renewals (and the separate previous permit renewal form ATF Form 5400.15) was discontinued), to simplify and streamline the renewal process. Therefore, this information collection continues to cover both license/permit renewals and continues to include use of ATF Form 5400.14/5400.15. However, the title printed on the form remains “Federal Explosives License (FEL) Renewal Application”; it is generated using a system that currently does not allow ATF to make changes to the title, so it retains the previous title for now. ATF will continue to require license/permit renewal applications as long as 18 U.S.C. § 843(a) requires a person (the applicant) to maintain a valid license/permit to continue engaging in the explosives material business or transporting or buying explosive materials in interstate commerce after the period of their original license/permit elapses.

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.

ATF examiners will use the information collected on ATF Form 5400.14/5400.15, to identify applicants for a renewed license/permit, the location where the activity will be conducted, the specific activity to be conducted, and the applicant’s continued eligibility to receive a renewed license/permit. Renewal applications are now computer generated and mailed to the applicant with enough lead time to allow for timely processing and return of a valid license/permit to the applicant. The renewal application is used by ATF to determine the applicant’s eligibility to retain the explosives license/permit.

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 5400.14/5400.15 is generated by the ATF Federal Explosives Licensing Center (FELC) in Martinsburg, West Virginia. The form is unavailable on the ATF website because it is automatically generated by an ATF database approximately 90 days prior to the expiration of an explosives license. This database electronically pre-populates form data fields related to the existing license(s)/permit(s) that may be renewed. The database also ascribes renewal fees by license/permit type, which reduces the respondent burden, increases accuracy of form completion, and decreases processing delays due to incorrect fee calculations. The partially completed form is mailed to the respondent for review and updating, completion of any remaining applicable fields, signature, and submission with payment for processing. The form must be submitted or mailed with the payment information via check, money order, or credit/debit card, to ensure processing by the designated financial institution. ATF does not currently have an electronic or online payment system to renew explosives licenses/permits. However, FELC's goal is to migrate all applicable forms to ATF's eForms environment when funding is approved for additional eForms initiatives. FELC is working with programmers to establish eForm versions that can be used and submitted online. When finished, this change will allow applicants to complete applications to renew explosives licenses/permits online and submit remittance electronically through ATF's agreement with pay.gov.

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.

There is no significant impact on small business or other private 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.

Without this information collection, ATF could renew a license/permit to a person prohibited by law from receiving an explosives license/permit. In addition, persons who wish to continue to engage in the business of explosives manufacturing, importing, or dealing, or who wish to continue to acquire explosives for use, would not be able to because they would no longer be licensed – or they would need to go through the entire process of doing a new application from scratch, which would require more time and work than verifying and updating information generated by ATF's system and submitting.

7. Explain any special circumstances applicable to this information collection.

There are no special circumstances. Respondents complete this information only as often as necessary to comply with the statute. This information collection is conducted in a manner consistent with 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.

The 60-Day Notice was published in the *Federal Register*. No comments were received.

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

No payments or gifts are provided to respondents and not government funds are used as payment or for gifts to respondents.

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

In accordance with System of Records Notice Justice/ATF-008 Regulatory Enforcement Record System FR Vol. 68 No. 16 Page 3558 dated January 24, 2003, records are stored in file folders in file cabinets and in electronic media. Direct access is restricted to personnel in the Department of Justice in the performance of their duties. Records are transmitted to routine users on a need-to-know basis, and to others upon verification of the substance and propriety of the request. Records are stored in file cabinets in rooms that are locked during non-duty hours. The records stored in electronic media are password protected.

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 information collection asks questions related to past criminal history, unlawful drug use, mental health adjudications, military discharge, and citizenship, which are of a sensitive nature. These questions are from statutory restrictions that prohibit certain persons from selling or receiving explosives, and thus also make them ineligible to have a license/permit.

12. Estimated hour burden to respondents of the information collection.

There are about 9,000 explosives licensees/permittees, who must renew their license(s)/permit(s) every three years. About one third submit a renewal application per year. As a result, there are an estimated 3,000 respondents to this information collection. Each respondent completes this form once per renewal. Therefore, the total number of responses is also 3,000. ATF estimates that it takes 20 minutes (or 0.3 hours) to review and update this form. For 3,000 respondents at 0.3 hours of time, the total annual time burden associated with this collection is 900 hours. ATF is

updating these numbers to reflect an increase in the number of respondents from 2,500 to 3,000 and an increase in estimated hourly wages¹ to \$44.72, due to changes over time.

Estimated Annualized Respondent Hour Burden Costs

Activity	Number of respondents	Frequency of response	Total annual responses	Time per response	Hourly rate	Monetized time value per respondent	Annualized time value for all respondents
Explosives Renewal Application	3,000	1	3,000	20 min (0.3/hour)	\$44.72	\$13.00	\$39,000

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

The only cost of this information collection to the respondent is postage to mail the renewal application form back to ATF. Most respondents use standard envelopes at current postage rates, although some may need to include fingerprint cards, which require a larger envelope at slightly higher postage cost. ATF therefore estimates a postage cost of \$1 per application (which is an average to account for costs ranging from the current .68 cents for standard envelopes to a higher postage cost for larger envelopes when a respondent must include fingerprint cards). The number of estimated respondents is 3,000 per year, as explained in Item 13 above, and each respondent submits an application once per year, resulting in 3,000 responses mailed. These numbers are being updated to reflect an increase in the number of respondents from 2,500 to 3,000 and an increase in postage costs from .49 cents per application to \$1, due to changes over time.

Estimated Annualized Respondent Costs

Activity	Number of respondents	Frequency of response	Total annual responses	Cost per response	Annualized cost for all respondents
Explosives renewal application postage costs	3,000	1	3,000	\$1	\$3,000

14. Estimated annualized cost to the Federal Government.

¹ Because respondents who are renewing licenses/permits are already in the explosives industry, ATF used an explosives wage rate to calculate the hourly burden cost. According to BLS, the wage for Explosives Workers, Ordinance Handling Experts, and Blasters (47-5032) is a nominal average of \$31.54. To account for fringe benefits such as insurance, ATF estimated a private sector load rate by calculating private sector benefits from the BLS (in 2023) and determined that the overall private sector benefits are 41.8 percent in addition to an hourly wage, or a load rate of 1.418. This brings the \$31.54 wage to a loaded wage rate of \$44.72. ATF attributes this value per hour to time spent renewing a license.

Government costs are time costs for data entry, which is performed by contractors at a set rate, and for reviewing and processing the applications. Federal employees at a GS-10 rate do the reviewing and processing tasks. Each application takes about an hour of data entry work and another hour for review/processing work. In addition, the government incurs the cost of printing and mailing the license, which ATF estimates at about \$2 per license.

Estimated Annualized Government Hour Burden and Costs

Activity	Number of respondents	Time per response	Total annual burden (hours)	Hourly rate or item cost	Monetized time or item cost/ respondent ²	Annualized costs for all respondents
Contractor data entry time	3,000	1 hour	3,000	\$13.29	\$13	\$39,000
Review and processing time				\$64.49	\$64	\$192,000
Printing and shipping costs		n/a	n/a	\$2.00	\$2	\$6,000
Totals					\$79	\$237,000

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

There are no program changes or adjustments associated with this information collection. However, the number of respondents has increased over time from 2,500 to 3,000. In addition, wages and postage rates have also increased over time. As a result, these numbers in the paragraphs above have increased, as noted in those paragraphs, and the total costs attributable to this information collection have thus risen with this renewal.

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

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 will display the expiration date for Office of Management and Budget approval of this information collection.

² According to the Federal Explosives Licensing Center, the average hourly rate for contracting staff, including benefits, is \$13.29. ATF attributes this wage rate to data entry for applications. To determine the wage rates for Federal employees, ATF used the wage rates set forth in the General Schedule (“GS”), using a mid-range default of step 5. Government processing activities such as reviewing and processing applications are typically conducted by a Federal employee at a GS-10 paygrade, with step 5 base pay of \$38.85 per hour. ATF estimated a government load rate by calculating benefits from the BLS (in 2023). This brings the \$38.85 wage to a loaded wage rate of \$64.49. ATF attributes this value per hour to time spent reviewing and processing an application.

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 not contain statistical data.