

SUPPORTING STATEMENT
U.S. Department of Commerce
National Oceanic & Atmospheric Administration
Deep Seabed Mining Regulations
OMB Control No. 0648-0145

SUPPORTING STATEMENT PART A

Abstract

The National Oceanic and Atmospheric Administration's (NOAA's) National Ocean Service (NOS) requests extension and revision of this currently approved information collection that contains requirements under the Deep Seabed Hard Mineral Resources Act (DSHMRA). This collection is being revised pursuant to a proposed rule (RIN 0648-BN96) which would, if finalized, revise the DSHMRA regulations for exploration license and commercial recovery permits to add a new, alternative procedure whereby interested and qualified U.S. citizens may submit a consolidated application to concurrently apply for a license and permit under DSHMRA. Further, the information collection is being revised due to the likely future need to begin collecting permit applications, as well as annual reports related to permit compliance.

This information collection is for the purpose of the receipt and maintenance of exploration licenses and commercial recovery permits required by the [Deep Seabed Hard Mineral Resources Act \(DSHMRA\) \(30 U.S.C. §§ 1401-1473\)](#). NOAA's regulations at [15 CFR Part 970 \(exploration licenses\)](#) and [15 CFR Part 971 \(commercial recovery permits\)](#) govern the issuance and maintenance of DSHMRA licenses and permits. The NOAA Administrator approves or denies DSHMRA licenses and permits. The NOAA Administrator has delegated to the NOS Assistant Administrator and the NOS' Office for Coastal Management responsibility for processing DSHMRA licenses and permits for the NOAA Administrator's consideration and decisions. License and permit applicants must submit information to ensure that the applicant meets the DSHMRA licensing and permitting standards. Licensees and permittees are required to conduct monitoring and make reports, including annual reports regarding the licensee's or permittee's conformance to the schedule of activities and expenditures contained in the license or permit, and may request revisions, transfers, or extensions of licenses and permits. Information required for the issuance, revision, transfer, and extension of licenses and permits ensures that the Administrator is able to make determinations on the findings set forth in 30 U.S.C. 1413(c) and 30 U.S.C. 1415(a) and the factors set forth in the DSHMRA regulations. These findings and factors include that license and permit applicants have identified areas of interest for deep seabed hard mineral exploration and production; developed plans for those activities; have the financial resources available to conduct proposed activities; and have considered the effects of the activities on the natural and human environment. This information is used to determine whether licenses and permits should be issued, revised, transferred, or extended. Exploration licenses and commercial recovery permits under DSHMRA are only for activities by U.S. citizens in waters beyond national jurisdiction. NOAA has received several applications recently and anticipates receiving additional applications. The licenses and permits are subject to annual reporting requirements and may be subject to extension requests (every five years for exploration licenses, or every twenty years for commercial recovery permits).

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.

This information collection is for the purpose of the possible issuance and ongoing maintenance of exploration licenses and commercial recovery permits required by the [Deep Seabed Hard Mineral Resources Act \(DSHMRA\) \(30 U.S.C. §§ 1401-1473\)](#). NOAA's regulations at [15 CFR Part 970 \(exploration licenses\)](#) and [15 CFR Part 971 \(commercial recovery permits\)](#) govern the issuance and maintenance of DSHMRA licenses and permits. The NOAA Administrator approves or denies DSHMRA licenses and permits. The NOAA Administrator has delegated to the NOS Assistant Administrator and the NOS' Office for Coastal Management responsibility for processing DSHMRA licenses and permits for the NOAA Administrator's consideration and decisions. License and permit applicants must submit information to ensure that the applicant meets the DSHMRA licensing and permitting standards. Licensees and permittees are required to make reports, including annual reports regarding the licensee's or permittee's conformance to the schedule of activities and expenditures contained in the license or permit, and may request revisions, transfers, or extensions of licenses and permits. Information required for the issuance, revision, transfer, and extension of licenses and permits ensures that the Administrator is able to make determinations on the findings set forth in 30 U.S.C. 1413(c) and 30 U.S.C. 1415(a) and the factors set forth in the DSHMRA regulations. These findings and factors include that applicants have identified areas of interest for deep seabed hard mineral exploration and production; developed plans for those activities; have the financial resources available to conduct proposed activities; and have considered the effects of the activities on the natural and human environment. This information is used to determine whether licenses and permits should be issued, revised, transferred, or extended. Exploration licenses and commercial recovery permits under the DSHMRA are only for activities by U.S. citizens in waters beyond national jurisdiction. The licenses and permits are subject to annual reporting requirements and may be subject to extension requests (every five years for exploration licenses, or every twenty years for commercial recovery permits).

A. Exploration License Application (15 CFR Part 970). The specific 15 CFR Part 970 requirements for an exploration license application and the associated DSHMRA citations are listed below.

§ 970.201 – Statement of financial resources. The application must contain information upon which to base a determination that the applicant will have sufficient resources to carry out the exploration plan. The information must include: (1) a description of how the applicant intends to finance the exploration program; (2) the estimated cost of the program; (3) the applicant's most recent audited financial statement, annual report, Form 10-K filed with the Securities and Exchange Commission (SEC), and the credit and bond rating of the applicant. [30 U.S.C. § 1413(c)(1)]

§ 970.202 – Statement of technological experience and capabilities. The application must demonstrate that the applicant has the technological capability to carry out the exploration plan. The information must include a description of the exploration and monitoring equipment to be used and a description of the experience upon which the applicant will rely in using the equipment. [30 U.S.C. § 1413(c)(2)]

§ 970.203 – Exploration plan. Each application must include an exploration plan that describes the projected exploration activities during the license period. The plan must demonstrate that the efforts are likely to lead to the ability to apply for a commercial recovery permit at the end of the license period. The plan must include the following information: (1) the proposed activities to be carried out; (2) a

description of the area to be explored; (3) the intended exploration schedule; (4) a description of the methods to be used; (5) a description of the technology to be used and an evaluation of the technology; (6) an estimated schedule of expenditures; (7) measures to protect the environment and monitor the effectiveness of environmental safeguards; and (8) a description of the relevant activity completed prior to the submission of the application. [30 U.S.C. § 1413(a)(2)]

§ 970.204 – Environmental and use conflict analysis. The applicant must furnish information on physical, chemical, biological, and potential use conflict in the exploration area. The information is used in preparing NOAA’s environmental impact statement. [30 U.S.C. § 1419]

§ 970.205 – Vessel safety. The application must contain an affirmation that any U.S. flag vessel used in the exploration activities will possess a currently valid Coast Guard Certificate of Inspection. If a foreign flag vessel is to be used, applicable safety certificates must be obtained (SOLAS 60: International Convention for the Safety of Life at Sea, 1960 and SOLAS 74: International Convention for Safety of Life at Sea, 1974). [30 U.S.C. § 1422]

§ 970.206 – Statement of ownership. The application must include information to demonstrate that the applicant is a U.S. citizen. The information includes: the name, address, and telephone number of the U.S. citizen responsible for exploration operations; a description of the citizen engaging in the exploration (whether the citizen is an actual person, partnership, corporation, etc.); state of incorporation; name of registered agent and place of business; certificate of incorporation or articles of association; and the name of each member of an association. [30 U.S.C. § 1413(a)(1)]

§ 970.207 – Antitrust information. The application must contain sufficient information for an antitrust review by the Attorney General and the Federal Trade Commission. This may include: a copy of each agreement between participating parties; identity of any affiliate; for any affiliate, the parent or subsidiary engaged in related production, purchase, or sale; annual tonnage and dollar value of minerals and metals purchased, sold, or produced for the two preceding years; copies of annual reports; and copies of documents submitted to the Securities and Exchange Commission. [30 U.S.C. § 1413(d)]

The specific information that may be required after issuance of the license is:

§ 970.510 – Objections to terms, conditions, and restrictions (TCRs). The licensee may file a notice of objection to any TCR within 60 days after a notice of issuance or transfer of a license. Any notice of objection must indicate the legal or factual basis for the objection and must provide information relevant to any underlying factual issues deemed by the licensee as necessary to NOAA’s decision on the objection. [30 U.S.C. § 1415(b)(3)]

§ 970.513 – Revision of a license. During the term of the license the licensee may submit an application for a revision of either the license or the exploration plan associated with it. [30 U.S.C. § 1415(c)(2)]

§ 970.515 – Duration of a license. Extensions to the license may be requested and must be accompanied by an amended exploration plan to govern activities by the licensee during the extended period. [30 U.S.C. § 1417(a)]

§ 970.516 – Approval of license transfers. A licensee may submit a request for a license transfer. The proposed transferee will be deemed an applicant for a license and will be subject to the requirements and procedures of an original license application. [30 U.S.C. § 1413(a)]

§ 970.522 – Monitoring requirements. Each exploration license requires the licensee to monitor the environmental effects of its activities in accordance with NOAA’s guidelines and to submit data and other information as necessary to permit evaluation of the environmental effects. [30 U.S.C. § 1424]

§ 970.602 - Diligent exploration. Each exploration license requires the licensee to submit an annual report reflecting the licensee’s conformance to the schedule of activities and expenditures contained in the license. [30. U.S.C. § 1413(a)(2)]

B. Commercial Recovery Permit Application (15 CFR part 971). The specific 15 CFR part 971 requirements for a commercial recovery permit and the associated DSHMRA citations are listed below.

§ 971.201 – Statement of financial resources. The application must contain information upon which to base a determination that the applicant will have sufficient resources to carry out the commercial recovery program set forth in the applicant’s commercial recovery plan. The information must include the likely sources and timing of funds to meet the applicant’s scheduled expenditures in the recovery plan. [30 U.S.C. § 1413(c)(1)]

§ 971.202 – Statement of technological experience and capabilities. The application must demonstrate that the applicant has the technological capability to carry out the commercial recovery program set out in the applicant’s commercial recovery plan. The information must include a description of the technology and equipment to be used in carrying out each step in the mining process, and a functional description of the types of technical persons on whom the applicant will rely to operate its equipment. [30 U.S.C. § 1413(c)(2)]

§ 971.203 – Commercial recovery plan. Each application must include a proposed commercial recovery plan that describes the projected commercial recovery activities for the twenty-year period to be covered by the proposed permit. The plan must contain information sufficient for the Administrator to make the necessary determinations pertaining to the certification and issuance or transfer of a permit and the development and enforcement of TCRs for a permit. The plan must include the following information: (1) the proposed activities to be carried out; (2) the intended schedule of commercial recovery; (3) environmental safeguards and monitoring systems; (4) details of the area proposed for commercial recovery; (5) a resource assessment of the proposed areas; (6) a description of the methods and technology to be used for commercial recovery and processing; and (7) the methods to be used for disposal of waste from recovery and processing. [30. U.S.C. § 1413(a)(2)]

§ 971.204 – Environmental and use conflict analysis. The applicant must furnish sufficient marine environmental information on the proposed mining activities for the Administrator to prepare an environmental impact statement, including information on physical, chemical, and biological information for the permit area. [30 U.S.C. § 1419]

§ 971.205 – Vessel safety. The application must provide copies of current valid Coast Guard Certificates of Inspection for U.S. flag vessels used in the commercial recovery activities. If a foreign flag vessel is to be used, applicable safety certificates must be obtained (SOLAS 60: International Convention for the Safety of Life at Sea, 1960 and SOLAS 74: International Convention for Safety of Life at Sea, 1974). [30 U.S.C. § 1422]

§ 971.206 – Statement of ownership. The application must include information to demonstrate that the applicant is a U.S. citizen. The information includes: the name, address, and telephone number of the U.S. citizen responsible for commercial recovery operations; a description of the citizen engaging in the

commercial recovery (whether the citizen is an actual person, partnership, corporation, etc.); state of incorporation; name of registered agent and place of business; certificate of incorporation or articles of association; and the name of each member of an association. [30 U.S.C. § 1413(a)(1)]

§ 971.207 – Antitrust information. The application must contain information sufficient to identify the applicant and describe any significant market share it has with respect to the mining or marketing of the metals proposed to be recovered under the permit. [30 U.S.C. § 1413(d)]

§ 971.209 – Processing outside the United States. If foreign processing is proposed, the applicant shall submit a justification demonstrating a basis for why such processing is necessary for the economic viability of the commercial recovery activities of the permittee. The application must also contain satisfactory assurances that such resources after processing, to the extent of the permittee's ownership therein, will be returned to the United States for domestic use if the Administrator determines that the national interest necessitates such return. [30 U.S.C. § 1412(c)]

§ 971.501 – Resource assessment, recovery plan, and logical mining unit. The applicant must submit with the application a resource assessment including a discussion of mineable and unmineable areas. [30 U.S.C. § 1413(a)]

§ 971.603 – At-sea monitoring. The applicant must submit with its application a monitoring plan designed to enable the Administrator to assess environmental impacts and to develop and evaluate possible methods of mitigating adverse environmental effects, to validate assessments made in the EIS, and to assure compliance with the environmental protection requirements of part 971. [30 U.S.C. § 1419]

§ 971.606 – Onshore information. To enable the Administrator in complying with NEPA requirements, the applications must include specified information regarding onshore facilities such as processing and waste disposal facilities. [30 U.S.C. § 1419].

The specific information that may be required after issuance of the permit is:

§ 971.411 – Objections to terms, conditions, and restrictions (TCRs). The permittee may file a notice of objection to any TCR within 60 days after a notice of issuance or transfer of a permit. Any notice of objection must indicate the legal or factual basis for the objection and must provide information relevant to any underlying factual issues deemed by the permittee as necessary to NOAA's decision on the objection. [30 U.S.C. § 1415(b)(3)]

§ 971.413 – Revision of a permit. During the term of the permit the permittee may submit an application for a revision of either the permit or the commercial recovery plan associated with it to accommodate changes desired by the permittee. An application by a permittee for a revision of a permit or its associated commercial recovery plan involving a significant change must be followed by the full application procedures in subpart 971. [30 U.S.C. § 1415(c)]

§ 971.415 – Duration of a permit. Extensions to the permit may be requested and must be accompanied by an amended recovery plan to govern activities by the permittee during the extended period. [30 U.S.C. § 1417(b)]

§ 971.416 – Approval of permit transfers. A permittee may submit a request for a permit transfer. The proposed transferee will be deemed an applicant for a permit and will be subject to the requirements and

procedures of subpart 971. [30 U.S.C. § 1413(a)]

§ 971.424 – Monitoring requirements. Each commercial recovery permit requires the permittee to monitor the environmental effects of its activities in accordance with a monitoring plan approved and issued by NOAA as permit TCRs and to submit data and other information as necessary to permit evaluation of the environmental effects. [30 U.S.C. § 1424]

§ 971.425 – Changes of circumstances. Each permit requires the permittee to advise the Administrator of any changes of circumstances which might constitute a revision which would be a major change under the regulations. [30 U.S.C. § 1415(c)]

§ 971.426 – Annual report. Each permittee must submit an annual report including compliance with the commercial recovery plan and the quantities of hard mineral resources recovered and the disposition of such resources. [30 U.S.C. §§ 1423, 1418]

§ 971.503 - Diligent exploration. Each commercial recovery permit requires the permittee to submit an annual report reflecting its conformance to the schedule of activities and expenditures contained in the permit. [30. U.S.C. § 1413(a)(2)]

§ 971.604 – Best available technologies and mitigation. NOAA will require the permittee to report any proposed technological or operational changes that will increase or have unknown environmental effects. [30 U.S.C. §§ 1415(c), 1419]

C. Consolidated Application (proposed rule for currently reserved section 15 CFR § 971.214). The proposed rule proposes to use a reserved section, 15 CFR § 971.214, to add a process whereby U.S. citizens who are qualified for consolidated procedures may concurrently apply for an exploration license and a commercial recovery permit. Under this proposed consolidated license and permit process, an applicant would not submit two, sequential applications (one for the license and one for the permit) but, rather, would submit one application that would meet the requirements of the new proposed § 970.214. The specific proposed requirements for a consolidated exploration license and commercial recovery permit application are listed below.

Proposed § 971.214 – Consolidated license and permit procedures. Under these proposed consolidated procedures, a qualified applicant may submit a single consolidated application that seeks both an exploration license and a commercial recovery permit. The Administrator will issue a separate license and permit to the applicant if the application complies with the Act and regulations. The application shall contain information sufficient to enable the Administrator to make the statutory and regulatory findings, including: (1) past exploration description and affirmation; (2) statement of financial resources; (3) statement of technological experience and capabilities; (4) exploration plan; (5) commercial recovery plan; (6) environmental and use conflict analysis; (7) vessel safety and documentation; (8) statement of ownership; (9) antitrust information; (10) fee; and (11) information regarding processing outside the United States. [30 U.S.C. §§ 1412(c), 1413(a)(2), 1415(b), 1419]

D. Information Requirements Applicable to All Applications. Some of NOAA’s information requirements are applicable to all types of applications and are set forth in 15 CFR part 971, subparts H and I. These consolidated requirements are described below.

§ 971.801 – Records to be maintained and information to be submitted by licensees. In addition to the other information specified, the licensee and permittee must keep such records, consistent with standard

accounting principles, as NOAA may specify for each license. Such records must include information which will fully disclose expenditures for exploration (if further exploration is needed), and commercial recovery of hard mineral resources in the area under license or permit, and any other information that will facilitate an effective audit of these expenditures. The licensee or permittee will be required to submit to the Administrator, upon request, data or other information the Administrator may reasonably need for purposes of: (1) making determinations with respect to the issuance, revocation, modification, or suspension of the license or permit in question; (2) evaluating the effectiveness of license or permit TCRs; and (3) evaluation of the exploration or commercial recovery activities conducted by the licensee.

At a minimum, licensees must submit an annual written report within 90 days after each anniversary of the license issuance or transfer, discussing exploration or commercial recovery activities and expenditures. The report must address diligence requirements of 15 CFR § 970.602 and environmental monitoring to address 15 CFR §§ 970.522 and 970.702(a). [30 U.S.C. §§ 1423, 1418]

§ 971.802 - Request for confidential treatment of documents received by NOAA. A licensee requesting confidential treatment of information considered to be protected under the Trade Secrets Act (18 U.S.C. § 1905) or of financial information that is privileged or confidential must submit a written request at the time the information is submitted. The request must state the period of time for which confidential treatment is requested, and must include the name, mailing address, and telephone number of the agent of the submitter who is authorized to receive notice of requests for disclosure of the information. [30 U.S.C. 1423(c)]

§ 971.901 - Formal hearing procedures. Adjudicatory hearings required by DSHMRA or the implementing regulations are subject to procedures specified in § 971.901. As part of these procedures, the applicant, licensee, or permittee (or other persons as determined by the administrative law judge), will be given the opportunity to submit evidence and/or written arguments.

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.

For permit and license applications, information collected would be used to determine license or permit eligibility. Applications are shared with other agencies per the required statutory consultation process. 30 U.S.C. 1413(d), (e). See the answer to Question 1 for the type of information requested to determine eligibility.

The information submitted with a request for a revision, transfer, or extension of a license or permit, or exploration or commercial recovery plan, will be used by NOAA to prepare a written finding that the revision or extension will comply with the requirements of the Act and regulations.

The information submitted with an application for an issuance, transfer, extension or revision of a license is also used by NOAA to fulfill its function under the Act for consultation and cooperation with other Federal agencies in relation to their programs and authorities, in order to reduce the number of separate actions required to satisfy Federal agencies' responsibilities.

The information submitted in the annual report is used by NOAA to ensure that the licensee is diligent in following its approved exploration plan.

Annual reports provide an update on the activities of the license or permit holder pursuant to the license

or permit over the previous year. These reports are used to determine whether the license holder is exercising diligence in pursuing authorized exploration or recovery, and to monitor and evaluate environmental effects. For commercial recovery permit holders, reports will also be used to determine compliance with the commercial recovery plan and the quantities of hard mineral resources recovered and the disposition of such resources, as well as receive updates on best available technologies.

License extension requests may be made every five years pursuant to statute and are used to confirm the continued interest of the license holder in maintaining the license, along with requesting approval of any changes to the exploration plan for the license. Permit extension requests may be made to extend the initial 20-year period (or 10-year period if the permittee is not recovering hard mineral resources in commercial quantities) and will be used to evaluate whether extension may be appropriate.

Collected information can be submitted in any form that the license or permit holder chooses. All information can be submitted by electronic means to the NOAA Office for Coastal Management by email to a designated point of contact.

The information collection is pursuant to statutory and regulatory requirements. It is being revised pursuant to proposed rule (RIN 0648-BN96) in order to (i) address the anticipated need to receive and process a consolidated application for an exploration license and a commercial recovery permit, (ii) address the anticipated need to receive and process commercial recovery permit applications, and (iii) address the anticipated need to receive and process an updated estimate of exploration license applications.

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.

There are no forms or specified format for this information collection. Applicants and license and permit holders may submit information in any format and by any means including electronic submission by email to a designated point of contact in the NOAA Office for Coastal Management. The application format must be organized according to the specific regulatory topics and sections.

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 Question 2.

This information collection is specific to activities by the applicant or license or permit holder related to exploration for hard minerals on the seabed of international waters. The information collected is not available from any source other than the applicant or license holder. No other federal agency has overlapping jurisdiction with this information collection either for collection purposes or use by the agency. If another agency needed the information, to the extent permissible, NOAA would provide the information to the requesting agency as NOAA is the only agency that has jurisdiction over these activities. NOAA is currently proposing a consolidated process for applications for both exploration licenses and commercial recovery permits, which should reduce duplication for applicants requesting both a license and a permit.

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

Based on available data, NOAA determined that about 57 percent of the entities potentially affected by this rule are small by the Small Business Administration (SBA) size standards. However, because of the large scale and high cost of deep seabed mining activities, it is possible that small business concerns might join with other companies in a joint venture to participate in such activities. The proposed rule does require a fee payment of \$350,000 in order to use this consolidated process. However, under existing regulations an applicant would be required to submit two \$100,000 application fees, one for its exploration license application and one for its commercial recovery permit application. This represents an increase of only \$150,000, which is a minimal amount in comparison to the sums of money required to conduct deep seabed exploration or commercial recovery. Additionally, both by regulation and statute, the fee that NOAA charges will be adjusted upwards or downwards by NOAA based on the actual costs of processing the application. As the actual cost of processing a single consolidated application will likely be smaller than the cost of processing two separate applications, this increased fee (which simply reflects a general adjustment for inflation since the 1980s) is unlikely to have any economic impact. The general approach selected for these regulatory changes was designed to provide the greatest flexibility for and minimize any adverse economic impact on any entity, whether large or small, which may become involved in deep seabed mining activities. Consequently, it is not possible to identify another alternative that would comply with the Act and decrease the already negligible economic impact on small entities from these regulatory revisions.

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.

Applications for exploration licenses and commercial recovery permits are required by statute before the covered activities may be conducted. If NOAA did not engage in this information collection, it would not be able to fulfill its obligations to administer the existing DSHMRA exploration licensing and commercial recovery permitting program. Elimination of the statutory requirement for license and permit applications and associated information reporting would require an Act of Congress and, were the statutory licensing and permitting process eliminated, there would be no oversight of mining by U.S. companies in international waters, which may result in conflicting international claims. Elimination of statutory requirements for license or permit transfer or modification would also require an Act of Congress and would limit the opportunities for public engagement in this process. The statutory requirement for extension requests ensures that companies do not retain exclusive rights to areas without pursuing exploration or mining. Annual reports could be submitted less frequently or eliminated altogether, but this would require a change in regulations, and the reports are necessary for NOAA to fulfill its statutory obligations under DSHMRA.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner inconsistent with OMB guidelines.

Applicants and license or permit holders may be required to submit financial information that the applicants and license or permit holders desire to be withheld from public disclosure. Applicants and license or permit holders are requested to segregate this information from other information collections, and mark the information as business proprietary and confidential. If requested for release, and NOAA determines that the information is eligible to be withheld from disclosure, NOAA would withhold this information from public release to the extent permitted by law.

Consistent with the requirements of DSHMRA, license or permit holders are required to retain records that include information which will fully disclose expenditures for exploration for, or commercial recovery of, hard mineral resources in the area under license or permit, and any other information which will facilitate an effective audit of these expenditures. 30 U.S.C. 1423. Records may be retained for approximately 10 years or more in order to meet this statutory requirement, and consistent with statutory duration of licenses and permits of 10 years and 20 years (subject to revision/extension), 30 U.S.C. 1417.

This collection will be conducted in a manner consistent with all other OMB guidelines.

8. If applicable, provide a copy and identify the date and page number of publications 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.

A proposed rule (RIN 0648-BN96) soliciting public comments will be published coincident with this submission.

NOAA reached out to the one DSHMRA license holder 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. No response was received.

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

No remuneration of any kind is provided to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy. If the collection requires a systems of records notice (SORN) or privacy impact assessment (PIA), those should be cited and described here.

Some Personally Identifiable Information (PII) and Business Identifiable Information (BII) is collected. In accordance with 15 CFR § 970.206 – Statement of ownership, this PII includes: the name, address, and telephone number of the U.S. citizen responsible for exploration operations; a description of the citizen engaging in the exploration (whether the citizen is an actual person, partnership, corporation, etc.); state of incorporation; name of registered agent and place of business; certificate of incorporation or articles of association; and the name of each member of an association. NOAA retrieves this information from the license, permit, or consolidated license and permit application. This information is stored on the program office and Office of General Counsel document drives. Confidential financial information, such as expenditure plans, may be submitted by license applicants and holders. This information will be held as confidential so long as it is segregated from non-confidential information and marked as confidential with a request to withhold the information from public disclosure. This request will be honored to the extent the law permits as determined by the NOAA Office of General Counsel.

Consistent with OMB's guidance implementing the Privacy Act of 1974, "an agency record-keeping system on firms it regulates may contain "records" (i.e., personal information) about officers of the firm incident to evaluating the firm's performance. Even though these are clearly "records" under the

“control of” an agency, they would not be considered part of a system as defined by the Act unless the agency accessed them by reference to a personal identifier (name, etc.). That is, if these hypothetical “records” are never retrieved except by reference to company identifier or some other nonpersonal indexing scheme (e.g., type of firm) they are not a part of a system of records.” This information is captured in the PIA for NOAA0900.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior or 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.

No information of a sensitive nature is collected as part of this information collection.

12. Provide estimates of the hour burden of the collection of information.

| Information Collection | Type of Respondent (e.g., Occupational Title) | # of Respondents/year (a) | Annual # of Responses / Respondent (b) | Total # of Annual Responses (c) = (a) x (b) | Burden Hrs / Response (d) | Total Annual Burden Hrs (e) = (c) x (d) | Hourly Wage Rate (for Type of Respondent) (f) | Total Annual Wage Burden Costs (g) = (e) x (f) |
|---|---|---------------------------|--|---|---------------------------|---|---|--|
| Exploration License application | Corporate VP | 2 | 1 | 2 | 750 | 1,500 | \$115* | 172,500 |
| Commercial Recovery Permit application | Corporate VP | 1 | 1 | 1 | 750 | 750 | \$115 | 86,250 |
| Consolidated License / Commercial Recovery Permit application | Corporate VP | 1 | 1 | 1 | 1,125 | 1,125 | \$115 | 129,375 |
| Notice of objection to license or permit TCR | Corporate VP | 1 | 1 | 1 | 250 | 250 | \$115 | 28,750 |
| Annual Report | Corporate VP | 5 | 1 | 5 | 20 | 100 | \$115 | 11,500 |
| License extension (once every 5-10 years) | Corporate VP | 1 | 1 | 1 | 250 | 250 (5 years) 50 annualized | \$115 | 5,750 |
| Permit extension (once every 10-20 years) | Corporate VP | 1 | 1 | 1 | 250 | 250 (10 years) 25 annualized | \$115 | 2,875 |
| License or Permit Revision | Corporate VP | 2 | 1 | 2 | 40 | 80 | \$115 | 9,200 |
| License or Permit Transfer (once every 10 years) | Corporate VP | 1 | 1 | 1 | 750 | 750 (10 years) 75 annualized | \$115 | 8,625 |
| Adjudicatory hearings | Corporate VP; see regulations for interested person opportunity to appeal | 1 | 1 | 1 | 200 | 200 | \$115 | 23,000 |
| Totals | | | | 16 | | 4,155 | | \$477,825 |

*Wage estimate derived based on the Bureau of Labor Statistics Occupational Outlook Handbook mean annual wage estimate for Chief Executives (11-1011) at \$239,200 (<https://www.bls.gov/ooh/management/top-executives.htm#tab-5>). The hourly wage rate was calculated by dividing the mean annual salary by 2,080 hours for an hourly wage rate of \$115.

Based on historic information and current expressions of interest, NOAA anticipates a total of two annual exploration license applications, one annual commercial recovery permit application, and one annual consolidated application for both an exploration license and a commercial recovery permit. NOAA has sought information from potential respondents as to the time estimates of preparing applications. One potential respondent estimated a total of 3,600 hours to prepare three applications, resulting in an estimated 1,200 hours per application. Another

respondent estimated a total of 600 hours to prepare two applications, resulting in an estimated 300 hours per application. Averaging the estimated time burden between these two potential respondents results in an estimated 750 hours per application. NOAA has used this hour estimate for the time burden of preparing a single license or permit application. For a consolidated exploration license and commercial recovery permit application, this is a new proposed process, but NOAA provides an educated guess that the estimated time burden would be 1.5 times that of a single application, due to efficiencies gained in reducing duplication of effort. As such, NOAA estimates that preparation of a consolidated application would take 1,125 hours. NOAA will update this information in future renewals of this collection based on the actual number of license applications, permit applications, and consolidated applications received during the collection approval cycle, and on further information.

NOAA estimates that there may be one objection to license or permit terms, conditions, or restrictions received per year. NOAA anticipates that the respondent would spend 250 hours per objection for an estimated total annual burden of 250 hours.

The estimated total burden to produce an annual report will vary according to the amount of activities by the license and/or permit holder and is expected to average 20 hours based on previous reports submitted to NOAA.

The estimated total burden to prepare a license or permit extension request which includes an exploration plan or commercial recovery plan is 250 hours. A license is issued for a period of 10 years. Extension requests may be submitted every five years for exploration licenses, or may be submitted after ten or twenty years (depending on circumstances) for commercial recovery permits. The estimates for this item in the table above are for those years in which an extension request is submitted.

The estimated total burden to prepare a license or permit revision request is 40 hours. Based on historical data, NOAA expects to receive 2 revision requests in a given year. This is an educated estimate that may be modified in future PRA Supporting Statement revisions as needed.

The estimated total burden to prepare a license or permit transfer request is 750 hours. Based on historical data, NOAA expects to receive 1 transfer request every 10 years. This is an educated estimate that may be modified in future PRA Supporting Statement revisions as needed. The estimates for this item in the table above are for those years in which a transfer request is submitted.

NOAA has made an educated estimate, based on its experience with processing other types of permit or license hearings or appeals, that the applicant may spend 200 hours of time preparing submittals for an adjudicatory hearing if such hearing is requested or necessary. Potential costs of an attorney are reflected in the subsequent response and table.

13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden already reflected on the burden worksheet).

| Information Collection | # of Respondents / Year (a) | Annual # of Responses / Respondent (b) | Total # of Annual Responses (c) = (a) x (b) | Cost Burden / Response (h) | Total Annual Cost Burden (i) = (c) x (h) |
|--|-----------------------------|--|---|----------------------------|--|
| Exploration License Applications | 2 | 1 | 2 | 100,000 | 200,000 |
| Commercial Recovery Permit | 1 | 1 | 1 | 100,000 | 100,000 |
| Consolidated License Application / Recovery Permit | 1 | 1 | 1 | 350,000 | 350,000 |
| Adjudicatory Hearings | 1 | 1 | 1 | 26,358* | 26,358 |
| TOTALS | | | | | \$676,358 |

The cost burden for submitting applications reflects the application fee, which is \$100,000 for an exploration license or commercial recovery permit application, or \$350,000 for a consolidated application.

* It is anticipated that a respondent will hire an attorney for any adjudicatory hearings. The cost anticipates the attorney will spend approximately 200 hours of work submitting evidence, providing oral argument, and submitting written arguments if desired. The mean hourly wage rate for a lawyer (BLS occupational code 23-1011, <https://data.bls.gov/oesprofile/>) is \$87.86. A multiplier of 1.5 was used to calculate the loaded salary/anticipated billing rate, for an hourly rate of \$131.79. 200 hours x \$131.79/hr = \$26,358.

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.

| Cost Descriptions | Grade/Step | Loaded Salary /Cost | % of Effort | Fringe (if Applicable) | Total Cost to Government |
|--|---------------|---------------------|-------------|------------------------|--------------------------|
| Federal Oversight | GS-15/5 (x10) | \$249,017 | 50% (x10) | | \$1,245,085 |
| | GS-14/5 (x5) | \$211,703 | 50% (x5) | | \$529,258 |
| | GS-13/5 (x5) | \$179,153 | 50% (x5) | | \$447,883 |
| Travel: 4 trips @ \$3k x 4 staff (for public hearings) | | | | | \$48,000 |
| Other Costs: Administrative Law Judge Hearing (1 per year) | AL-3D | \$240,900 | 2.5% | | \$6,023 |

| | | | | | |
|-------|--|--|--|--|-------------|
| TOTAL | | | | | \$2,276,249 |
|-------|--|--|--|--|-------------|

The base salary was calculated using the General Schedule (GS) pay tables (<https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2025/RUS.pdf>) for the Rest of U.S. location. The Rest of U.S. location was used since NOAA employees are geographically dispersed. A multiplier of 1.5 was used to calculate the loaded salary.

The base salary for the Administrative Law Judge was calculated using the GS pay tables (<https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2025/ALJ.pdf>) and using a multiplier of 1.5 to obtain the loaded salary.

15. Explain the reasons for any program changes or adjustments reported in ROCIS.

| Information Collection | Respondents | | Responses | | Burden Hours | | Reason for change or adjustment |
|--|----------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|-----------------------------|---|
| | Current Renewal / Revision | Previous Renewal / Revision | Current Renewal / Revision | Previous Renewal / Revision | Current Renewal / Revision | Previous Renewal / Revision | |
| Exploration License Applications | 2 | 0 | 2 | 0 | 1,500 | 0 | Adjustment: This is not a new requirement, but NOAA did not historically anticipate the number of annual applications that it now anticipates. |
| Commercial Recovery Permit Application | 1 | 0 | 1 | 0 | 750 | 0 | Adjustment: This is not a new requirement, but it was not captured in previous ICR submissions because new licenses are extremely rare. |
| Consolidated License Application / Recovery Permit | 1 | 0 | 1 | 0 | 1,125 | 0 | Program Change: New Requirement. |
| Notice of Objection to License or Permit TCR | 1 | 0 | 1 | 0 | 250 | 0 | Adjustment: This is not a new requirement, but it was not captured in previous ICR submissions. |
| Annual Reports | 5 | 1 | 5 | 1 | 100 | 20 | Adjustment: This reflects the greater number of anticipated requests than were received historically. |
| License Extension (once every 5-10 years) | 1 | 1 | 1 | 1 | 50 | 250 | Adjustment: This reflects the greater number of anticipated requests than were received historically. The burden time has been annualized over 5 years. |
| Permit Extension (once every 10-20 years) | 1 | 0 | 1 | 0 | 25 | 0 | Adjustment: This is not a new requirement, but it was not captured in previous ICR submissions. The burden time has been annualized over 10 years. |
| License or Permit Revision | 2 | 0 | 2 | 0 | 80 | 0 | Adjustment: This is not a new requirement, but it was not captured in previous ICR submissions. |
| License or Permit Transfer (once every 10 years) | 1 | 0 | 1 | 0 | 75 | 0 | Adjustment: This is not a new requirement, but it was not captured in previous ICR submissions. The burden time has been annualized over 10 years. |
| Adjudicatory hearings | 1 | 0 | 1 | 0 | 200 | 0 | Adjustment: This is not a new requirement, but it was not captured in previous ICR submissions. |
| Total for Collection | 16 | 2 | 16 | 2 | 4,155 | 270 | |

| | | | | |
|------------|----|---|---|--|
| Difference | 14 | 14 (Prgm Chg: +1) (Adjustment: +13) | 3,885 (Prgm Chg: +1,125) (Adjustment: +2,760) | |
|------------|----|---|---|--|

| Information Collection | Miscellaneous Costs | | Reason for change or adjustment |
|--|--|----------|---|
| | Current | Previous | |
| Exploration License Applications | \$200,000 | 0 | Adjustment: This reflects the greater number of anticipated requests than were received historically. |
| Commercial Recovery Permit | \$100,000 | 0 | Adjustment: This reflects the greater number of anticipated requests than were received historically. |
| Consolidated License Application / Recovery Permit | \$350,000 | 0 | New Requirement. |
| Adjudicatory hearings | \$26,358 | 0 | Adjustment: This is not a new requirement, but it was not captured in previous ICR submissions. |
| Total for Collection | 676,358 | 0 | |
| Difference | 676,358 (Prgm Chg: +350,000) (Adjustment: +326,358) | | |

16. For collections of information whose results will be published, outline plans for tabulation 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.

None of this information is for publication.

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.

There are no forms used for this information collection.

18. Explain each exception to the certification statement identified in "Certification for Paperwork Reduction Act Submissions."

The agency certifies compliance with [5 CFR 1320.9](#) and the related provisions of [5 CFR 1320.8\(b\)\(3\)](#).