

SUPPORTING STATEMENT - PART A

Army and Air Force Exchange Service Exchange Credit Program

OMB Control Number 0702-0137

Summary of Changes from Previously Approved Collection

- Removed two information collections that covered account updates made both in-person and online. The items available for account holders to update are limited to information considered necessary for self-identification and account security and management. It was determined that these activities are not information collections subject to the Paperwork Reduction Act and were incorrectly included in previous iterations of this information collection request.
- The respondent burden has decreased because of the removal of these two information collections. The burden estimates for the remaining information collections have not changed.

1. Need for the Information Collection

Title 10 U.S.C. §2481, “Defense Commissary and Exchange Systems: Existence and Purpose,” requires that the Secretary of War operate a world-wide system of exchange stores intended to enhance the quality of life for members of the uniformed services, retired members, and dependents of such members. The Army and Air Force Exchange Service (Exchange) is a Non-Appropriated Fund (NAF) instrumentality of the United States of America. Army Regulation (AR) 215-8/Department of the Air Force Instruction (DAFI) 34-110(I), “Army and Air Force Exchange Service Operations,” charges the Exchange with the dual and enduring mission of supplying quality merchandise and services to its customers at competitively low prices which generate earnings supporting Family, Morale, Welfare and Recreation (FMWR) programs.

The information collection is the basis for deciding Exchange patron credit eligibility, enhancing the patron’s shopping experience, determining the patron’s suitability to cash checks at Exchange facilities, and collecting government debts. Allowing patrons to use credit in their shopping experience supports the efficiency and effectiveness of the Exchange’s marketing programs and the mission to support FMWR programs.

AR 215-8/DAFI 34-110(I) establishes the categories of individuals who are entitled to be Exchange patrons. Eligible patrons include (but are not limited to) uniformed or retired uniformed personnel, their dependents, and authorized veterans. The full list of those categories of individuals with unlimited or limited exchange privileges is included in AR 215-8/DAFI 34-110(I). The Secretary of the Army and the Secretary of the Air Force may grant deviations of authorized patron access for individuals or classes and groups of persons at specific garrisons and installations.

The prescribing directives that govern and authorize the Exchange for mission activities are 10 U.S.C. §7013, Secretary of the Army, and 10 U.S.C. §9013, Secretary of the Air Force. The authority to collect and recover funds relative to debts is governed by a framework of federal laws, DoW regulations, and Component-level instructions, including:

- The Federal Claims Collection Act of 1966 (Pub.L. 89-508, as amended)
- The Debt Collection Act of 1982 (Pub.L. 97-365, as amended)
- 31 U.S.C. §3711, Collection and Compromise
- 31 CFR 285.11, Administrative Wage Garnishment
- DoD Instruction 1330.21, Armed Services Exchange Regulations
- DoD 7000.14-R, Department of Defense Financial Management Regulation, Volumes 13: "Nonappropriated Funds Policy" and 16: "Department of Defense Debt Management"
- Army Regulation 215-8/DAFI 34-110(I), Army and Air Force Exchange Service Operations
- E.O. 9397 (SSN), as amended, which allows for the collection of Social Security Numbers.

2. Use of the Information

The Exchange offers the Military Star (MS) card as a credit instrument with two components: a retail credit feature for purchases at participating Army and Air Force, Navy, Marine Corps, and Coast Guard Exchanges, both in-store or online, and a Military Clothing Plan providing active duty and reserve members a \$1,000 allowance for required uniforms. Depending on eligibility and branch policy, a service member may receive an MS card with one or both components. This structure ensures flexibility and compliance with uniform procurement requirements. Authorized patrons of the Exchange include individuals defined in AR 215-8/DAFI134-110(I), Tables 7-1 and 7-2 or designated by Congressional action.

Patrons may voluntarily apply for credit by completing the online application form at the Exchange Credit Program website, "MyECP" (<https://www.myecp.com/>), at a local Exchange facility by completing the paper application form, CRC 7429395, "Military Star Credit Paper Application," or by supplying information to an authorized Exchange cashier at the Point of Sale (POS). Exchange facilities may aid patrons by allowing them access to a computer for completion of the online application.

Regardless of the submission method—paper form, online portal, or Point of Sale—the subsequent handling process ensures data security and integrity:

- Paper Applications: When a paper form is submitted, an Exchange associate scans the document. The resulting electronic image is encrypted and transmitted to the Exchange Headquarters in Dallas, Texas, for processing. Once scanned, the original paper form is destroyed by cross-cut shredding.
- Electronic Applications: Applications submitted electronically are encrypted and transmitted directly to Exchange Headquarters for processing.

All application data, from both channels, is ultimately entered into and maintained in the Exchange's secure Financial Management System.

Information collected from the patron allows the Exchange to assess their creditworthiness and to supply monthly statements and debt communication, including wage garnishment actions. To establish this creditworthiness, Exchange Military Star personnel review the application and obtain an electronic credit history report requiring the patron's SSN. Patrons whose credit is acceptable will receive a credit card and a specified credit limit. Patrons who are determined to be an unacceptable credit risk will receive a denial letter delivered electronically or by mail, in accordance with applicable regulations. Sample denial letter templates are provided in this submission for OMB's review.

3. Use of Information Technology

The Exchange leverages information technology to collect and manage confidential information securely, promptly, and accurately. Approximately 98% of all applications and account updates are submitted electronically through <https://www.myecp.com/>, at authorized Exchange point-of-sale registers, or with assistance from Exchange associates. Applicants provide information only once, reducing respondent burden.

Applicants who submit information electronically can access results immediately through the system. Account documentation is available upon written request to the applicant or their authorized designee, in full compliance with the Privacy Act of 1974 (Title 5 U.S.C. §552a). This process ensures timely access to information while maintaining robust privacy protections.

The electronic system supports account inquiries, updates, correspondence with financial institutions and the Internal Revenue Service, and debt collection activities such as wage or salary garnishments. Social Security Numbers are collected solely to facilitate these functions.

4. Non-duplication

The information obtained through this collection is unique and is not already available for use or adaptation from another cleared source.

5. Burden on Small Businesses

This information collection does not impose a significant economic impact on a substantial number of small businesses or entities.

6. Less Frequent Collection

Information is collected from members of the public on a voluntary basis. The collection is triggered by the patron's desire to obtain credit with the Exchange, i.e., "as needed" or "on occasion". Less frequent collection is not possible.

7. Paperwork Reduction Act Guidelines

This collection of information does not require collection to be conducted in a manner inconsistent with the guidelines delineated in 5 CFR 1320.5(d)(2).

8. Consultation and Public Comments

Part A: PUBLIC NOTICE

A 60-Day Federal Register Notice (FRN) for the collection published on Friday, August 29, 2025. The 60-Day FRN citation is 90 FR 42234.

No comments were received during the 60-Day Comment Period.

A 30-Day Federal Register Notice (FRN) for the collection published on Friday, January 30, 2026. The 30-Day FRN citation is 91 FR 3897.

Part B: CONSULTATION

No additional consultation apart from soliciting public comments through the Federal Register was conducted for this submission.

9. Gifts or Payment

No payments or gifts are being offered to respondents as an incentive to participate in the collection.

10. Confidentiality

The information collected and maintained in this system is protected under the Privacy Act of 1974, as amended. Respondents are assured confidentiality through the Privacy Act Statement(s) available for reading on the applicable collection documents, available in the Military Star Terms and Conditions, or posted at point-of-sale terminals.

Records associated with this collection are covered by System of Records Notice (SORN) DoD 0018, "DoD Patron Authorization, Retail, and Service Activities," published in the Federal Register at 88 FR 19002 (March 30, 2023):

<https://www.federalregister.gov/documents/2023/03/30/2023-06644/privacy-act-of-1974-system-of-records>.

The DoW Privacy, Civil Liberties, and Transparency Directorate reviewed this SORN for compliance with Executive Order 14168, which replaced the term 'gender' with 'sex'. DoW-wide notification of this update is available at

<https://pclt.defense.gov/DIRECTORATES/Privacy-and-Civil-Liberties-Directorate/Privacy/SORNsIndex/DOD-Component-Notices/OSDJS-Article-List/>.

A draft copy of the Privacy Impact Assessment (PIA) for the Exchange Retail and Sales is attached for OMB review.

Records deposition for documents within this system is in guidance with DAA-GRS-2013-0001 & 0002. Records are cut off at the close of the fiscal year in which the case is fully paid. Records are then destroyed 6-years after the cutoff by either shredding or deletion from the electronic database.

11. Sensitive Questions

Respondents may be asked to supply their social security number. Collection of social security number is authorized under DoDI 1000.30 “SSN Instruction Use Case” Enclosure 2 sections 2.c.(4) and (7). Justification for use of the SSN is provided. The SSN is necessary to verify an individual’s identity and facilitate compliance with financial and tax obligations. It supports accurate account management, enables communication with financial institutions and employers, and allows for lawful actions such as wage garnishment and credit verification when required.

12. Respondent Burden and its Labor Costs

Part A: ESTIMATION OF RESPONDENT BURDEN

1) Collection Instruments

CRC 7429395 “Military Star Card Paper Application”

- a) Number of Respondents: 15,236
- b) Number of Responses Per Respondent: 1
- c) Number of Total Annual Responses: 15,236
- d) Response Time: 2 minutes
- e) Respondent Burden Hours: 508 Hours

<https://www.myecp.com/> “Military Star Card Online Application”

- a) Number of Respondents: 53,997
- b) Number of Responses Per Respondent: 1
- c) Number of Total Annual Responses: 53,997
- d) Response Time: 2 minutes
- e) Respondent Burden Hours: 1,800 Hours

Retail Point of Sales “Military Star Card Point of Sale Application”

- a) Number of Respondents: 61,621
- b) Number of Responses Per Respondent: 1
- c) Number of Total Annual Responses: 61,621
- d) Response Time: 2 minutes

- e) Respondent Burden Hours: 2,054 Hours
- 2) Total Submission Burden
 - a) Total Number of Respondents: 130,854
 - b) Total Number of Annual Responses: 130,854
 - c) Total Respondent Burden Hours: 4,362 Hours

Part B: LABOR COST OF RESPONDENT BURDEN

- 1) Collection Instruments
 - CRC 7429395 "Military Star Card Paper Application"
 - a) Number of Total Annual Responses: 15,236
 - b) Response Time: 2 minutes
 - c) Respondent Hourly Wage: \$7.25
 - d) Labor Burden per Response: \$0.24
 - e) Total Labor Burden: \$3,682
 - <https://www.myecp.com/> "Military Star Card Online Application"
 - a) Number of Total Annual Responses: 53,997
 - b) Response Time: 2 minutes
 - c) Respondent Hourly Wage: \$7.25
 - d) Labor Burden per Response: \$0.24
 - e) Total Labor Burden: \$13,049
 - Retail Point of Sales "Military Star Card point of Sale Application"
 - a) Number of Total Annual Responses: 61,621
 - b) Response Time: 2 minutes
 - c) Respondent Hourly Wage: \$7.25
 - d) Labor Burden per Response: \$0.24
 - e) Total Labor Burden: \$14,892
- 2) Overall Labor Burden
 - a) Total Number of Annual Responses: 130,854
 - b) Total Labor Burden: \$31,623

We based our hourly burden on the current Federal Minimum Wage (2009) posted at the Department of Labor Wage Website

<https://www.dol.gov/general/topic/wages/minimumwage>.

13. Respondent Costs Other Than Burden Hour Costs

There are no annualized costs to respondents other than the labor burden costs addressed in Section 12 of this document to complete this collection.

14. Cost to the Federal Government

Part A: LABOR COST TO THE FEDERAL GOVERNMENT

1) Collection Instruments

CRC 7429395 "Military Star Card Paper Application"

- a) Number of Total Annual Responses: 15,236
- b) Processing Time per Response: 5 minutes
- c) Hourly Wage of Worker(s) Processing Responses: \$28.17
- d) Cost to Process Each Response: \$2.35
- e) Total Cost to Process Responses: \$35,766.51

<https://www.myecp.com/> "Military Star Card Online Application"

- a) Number of Total Annual Responses: 53,997
- b) Processing Time per Response: 2 minutes
- c) Hourly Wage of Worker(s) Processing Responses: \$28.17
- d) Cost to Process Each Response: \$0.94
- e) Total Cost to Process Responses: \$50,703.18

Retail Point of Sales "Military Star Card point of Sale Application"

- a) Number of Total Annual Responses: 61,621
- b) Processing Time per Response: 2 minutes
- c) Hourly Wage of Worker(s) Processing Responses: \$28.17
- d) Cost to Process Each Response: \$0.94
- e) Total Cost to Process Responses: \$57,862.12

2) Overall Labor Burden to Federal Government

- a) Total Number of Annual Responses: 130,854
- b) Total Labor Burden: \$144,331.81

The hourly wage of workers was determined by using the rounded lower wage of NF pay band level 3 associates as displayed in the August 25, 2025 152 DFW Pay Band Schedule 040-64 listed at

<https://wageandsalary.dcpas.osd.mil/Content/NAF%20Schedules/survey-sch/152/152-040-64-NF.pdf> for Dallas, Texas (Maximum Hourly Rate – Minimum Hourly Rate) / 4 + (Minimum Hourly Rate.)

Part B: OPERATIONAL AND MAINTENANCE COST

1) Cost categories

- a) Equipment: \$11,536
- b) Printing: \$27,000
- c) Postage: \$33,386
- d) Software Purchases: \$27,143
- e) Licensing Costs: \$62,465
- f) Other: \$62,500 (IT System Support, overhead)

2) Total Operational and Maintenance Cost: \$224,030

Part C: TOTAL COST TO THE FEDERAL GOVERNMENT

- 1) Total Operational and Maintenance Costs: \$224,030
- 2) Total Labor Cost to the Federal Government: \$144,331.81
- 3) Total Cost to the Federal Government: \$368,362

15. Reasons for Change in Burden

The total respondent burden has decreased significantly because two information collections have been removed from the request. These collections covered updates that account holders can make to their Military Star card account, either in-person or online. Upon consideration, it was determined that such actions are not considered “information collections” under the Paperwork Reduction Act and have therefore been removed from the request.

The burden estimates for the remaining information collections have not changed.

16. Publication of Results

The results of this information collection will not be published.

17. Non-Display of OMB Expiration Date

We are not seeking approval to omit the display of the expiration date of the OMB approval on the collection instruments.

18. Exceptions to “Certification for Paperwork Reduction Submissions”

We are not requesting any exemptions to the provisions stated in 5 CFR 1320.9.