

**SUPPORTING STATEMENT
U.S. Department of Commerce
Bureau of Industry and Security
Technology Letter of Explanation
OMB CONTROL NO. 0694-0047**

A. JUSTIFICATION

1. Explain the circumstances that make the collection of information necessary.

The collection is necessary under section 748.8(o) and Supplement 2 section (o) to Part 748 of the Export Administration Regulations (EAR). Licensing officers must make decisions on licensing the export of United States commodities and technical data to foreign countries. The license application is approved under collection OMB 0694-0088 "Simple Network Application Process and Multipurpose Application Form." When an export involves certain technical data or knowhow described in the Export Administration Regulation, additional information is required to fully understand the transaction and make a licensing decision. The additional information is necessary to evaluate technology exports as covered under this collection.

Section, 4812(b) and 4814(b)(1)(B) of the Export Control Reform Act (ECRA), authorizes the President and the Secretary of Commerce to issue regulations to implement the ECRA including those provisions authorizing the control of exports of U.S. goods and technology to all foreign destinations, as necessary for the purpose of national security, foreign policy and short supply, and the provision prohibiting U.S. persons from participating in certain foreign boycotts. Export control authority has been assigned directly to the Secretary of Commerce by the ECRA and delegated by the President to the Secretary of Commerce. This authority is administered by the Bureau of Industry and Security through the Export Administration Regulations (EAR).

2. Explain how, by whom, how frequently, and for what purpose the information will be used. If the information collected will be disseminated to the public or used to support information that will be disseminated to the public, then explain how the collection complies with all applicable Information Quality Guidelines.

EAR Section 748 Supplement 2 section (o) codifies the how, who, frequency and purpose of this collection. Supplement 2 section (o) to Part 748 is included as a supporting document in ROCIS for reference purposes.

Technology Letter of Explanation

The Technology Letter of Explanation provides a written description of the technology proposed for export sufficient to allow BIS technical staff to evaluate the impact of licensing the export on United States national security and foreign policy. The Technology Letter of Explanation is submitted along with a Multipurpose Application (OMB 0694-0088) when the export involves

technology described in Section 748. Commodities are usually identified on the license application by stating the basic ingredients, composition, electrical parameters, size, gauge, grade, horsepower, model numbers, etc. The nature of technology, however, is such that it requires a precise definition of the data whether it be in a tangible or an intangible form. Tangible data would include writings, drawings, or recordings on media or devices such as disks, tapes, or read-only memory. Intangible data encompasses such things as oral instructions, oral training, working knowledge, application of skills, consulting services, electronic transmissions, satellite transmissions, or telephonic transmissions. The broad range and unique quality of technology demand a letter of explanation to determine the exact nature of the data to be exported. The information contained in the Letter of Explanation describes the transaction and fixes the scope of technology to be exported, the parties to the transaction, their roles, the purpose for the export, and the methods authorized to be used in exporting the technology. This data is essential in the licensing officers' review and disposition of the case.

Letter of Assurance

Under certain circumstances, the export of technology requires additional safeguards to ensure that advanced U.S. knowhow is not permitted to end up in the wrong hands. The letter of assurance puts the consignee on notice that the technology is subject to U.S. export controls and causes the consignee to certify that it will not release the data or the direct product of the data to certain specified countries; thus providing assurance that U.S. national security data will be safeguarded.

Marine Nuclear Propulsion Systems

Technical data related to marine nuclear propulsion systems requires special certifications, safeguards, and assurances, as described in Supplement 2 section (o)(2)(ii).

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological techniques or other forms of information technology.

Responses to the requests discussed in question 2 above are sent to BIS in electronic format using the "Simple Network Application Process (Re-design) and Multipurpose Application Form." (SNAP-R). However, BIS does allow for paper responses if it is necessary for the respondent to submit in paper format.

4. Describe efforts to identify duplication.

The information required by this collection is only available from the respondent and is not provided under any other collection authority.

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

This collection of information must be adhered to by all affected parties regardless of the size of the business. Anything less than the complete information required under the letter of explanation would result in officials being unable to adequately evaluate the requested technology transfer in the statutory time periods. Letters of assurance are necessary to assure that the consignee understands and certifies that he will abide by the rules under which he is receiving the U.S. controlled technical data.

6. Describe the consequences to the Federal program or policy activities if the collection is not conducted or is conducted less frequently.

Without the Letter of Explanation, it would be impossible for the Licensing Officer to evaluate the national security and foreign policy risks associated with the requested technology transfer.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

There are no special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

8. Provide the information of the PRA Federal Register notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the agency in response to those comments. Describe the efforts to consult with persons outside the agency 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.

The notice requesting public comment was published in the Federal Register on March 30, 2026 (91 FR 15597). No public comments were received.

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

There are no plans to provide payments or gifts to respondents.

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

Export licensing information submitted to the Department is protected from release to the public under section 1761(b) of the ECRA.

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.

There are no questions of a sensitive nature.

12. Provide an estimate in hours of the burden of the collection of information.

There are **8,947** burden hours associated with this collection.

This collection of information consisted of 4,296 technology letters of explanation and 710 additional reporting requirements annually (Letters of Assurance and Other Commodities) for a total of 5006 responses. These numbers were obtained from a search of the CUESS system for calendar year 2025.

Technology Letters of Explanation:

4,296 x 2 hours = **8,592 hours**

Letters of Assurance:

705 x 30 minutes = **352.5 hours**

Other Commodities (i.e., Marine Nuclear Propulsion Plant Technical Data):

5 x 30 minutes = **2.5 hours**.

13. Provide an estimate of the total annual cost burden to the respondents or record-keepers resulting from the collection (excluding the value of the burden hours in #12 above).

Since no special equipment is required for this activity, there are no capitalized costs associated with this collection of information.

14. Provide estimates of annualized cost to the Federal government.

The estimated annual cost to the Federal Government is approximately **\$79,476**. This figure has been updated due to the increased in the salary of employees over the past three years and is based on an average time of 30 minutes each to review 4,296 technology letters of explanation outlined in the EAR in Supp no. 2 to Part 748 (0)(3) (ii) at a salary of \$37 per hour.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB 83-I.

No program changes to report.

16. For collections whose results will be published, outline the plans for tabulation and publication.

There are no plans to publish information obtained under this collection.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why display would be inappropriate.

Not applicable.

18. Explain each exception to the certification statement identified in Item 19 of the OMB 83-I.

Not applicable.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This collection does not utilize statistical methods.