

**SUPPORTING STATEMENT FOR
PAPERWORK REDUCTION ACT SUBMISSION**

**Request to Change End User, End Use, and/or Destination of Hardware &
Open General License Pilot Program
OMB Number 1405-0173
Form DS-6004 & Open General Licenses**

A. JUSTIFICATION

1. *Why is this collection necessary and what are the legal statutes that allow this?*

In accordance with the Arms Export Control Act (AECA) (22 U.S.C. 2751 *et seq.*), the International Traffic in Arms Regulations (ITAR) (22 CFR Parts 120-130), and associated delegations of authority, the Directorate of Defense Trade Controls (DDTC) in the Bureau of Political-Military Affairs in the U.S. Department of State is responsible for promulgating regulations for the export, reexport, retransfer, and temporary import of defense articles and defense services; taking final action on license applications and other requests to authorize transfers of defense articles and defense services via direct commercial sales; and ensuring compliance with U.S. laws and regulations and the provisions of specific authorizations.

The statutory authority of the President to promulgate regulations with respect to the export and temporary import of defense articles and the provision of defense services was delegated to the Secretary of State by Executive Order 13637. These regulations are primarily administered by the Deputy Assistant Secretary of State for Defense Trade and DDTC.

This supporting statement applies to an information collection conducted in connection with a request for the Department to authorize a change to an end user, end use, or the destination of hardware, and also includes similar collections that are part of an Open General License pilot program for certain transfers.

A. Request to Change End-User, End-Use, and/or Destination of Hardware

DDTC reviews license applications and technical assistance and manufacturing license agreement requests to determine, *inter alia*:

- Whether the transactions further U.S. foreign policy objectives, national security interests, and world peace;
- Eligibility of parties (e.g., applicants, consignees, end-users) to participate in U.S. defense trade;

- Appropriate end-use of commodities subject to U. S. Government approval of munitions exports and transfers;
- Whether law enforcement concerns have been adequately addressed; and
- Whether appropriate offers or payment of political contributions, gifts, commissions, and fees, have been reported.

The “Request to Change End-User, End-Use and/or Destination of Hardware” information collection is used to request DDTC approval prior to any sale, transfer, transshipment, or disposal, whether permanent or temporary, of classified or unclassified defense articles to any end-user, end-use or destination other than as stated on a license or other approval.

B. Open General Licenses

Under section 123.9(a) of the ITAR, unless an exemption applies, DDTC’s written approval must be obtained before reselling, transferring, reexporting, retransferring, transshipping, or disposing of a defense article to any end-user, end-use, or destination other than as stated on the export license or in the Electronic Export Information filing in cases where an exemption was claimed. Such approval is normally granted through case-by-case review of requests to authorize specific transfers. However, ITAR section 120.22(b) allows DDTC to provide export authorization for DDTC’s own initiatives, including pilot programs and other specifically anticipated circumstances for which DDTC considers special authorizations appropriate. DDTC launched a pilot program pursuant to its authorities in ITAR section 120.22(b) in order to assess the concept of an Open General License (OGL) mechanism by which it may authorize certain transfers of defense articles to predetermined parties. OGLs eliminate the need for the Department to individually review and approve certain lower-risk transactions involving certain recipients. DDTC believes OGLs will provide unprecedented flexibility for the U.S. defense industry and U.S. allies to operate consistent with the ITAR and will enhance their ability to maintain, repair, and store defense articles.

Under ITAR section 123.1(c), DDTC may require pertinent documentation regarding the proposed transaction and proper completion of the application form prior to providing authorization to conduct certain transfers. This requires exporters to furnish information about the quantity and value of the defense article proposed for export and information on the proposed end-user, end-use, and ultimate destination. Under ITAR section 123.9(c), persons who seek approval from DDTC to reexport or retransfer defense articles are required to submit a description, quantity, and value of the defense article; a description and identification of the new end-user, end-use, and destination. Under ITAR section 120.15(e) any person engaging in any reexport or retransfer of a defense article pursuant to an exemption must maintain records of each such transfer including the

following information: A description of the defense article, including technical data, or defense service; the name and address of the end-user and other available contact information (e.g., telephone number and e-mail address); the name of the natural person responsible for the transaction; the stated end-use of the defense article or defense service; the date of the transaction; the Electronic Export Information Internal Transaction Number; and the method of transmission.

DDTC seeks to ensure that persons who rely on OGLs to conduct reexports and retransfers abroad retain similar records as would be required if their transactions were authorized by either a specific license or an exemption. For example, in connection with the OGL pilot program, DDTC has restated the record-keeping requirements articulated in ITAR section 120.15(e) in the OGLs themselves.

2. *What business purpose is the information gathered going to be used for?*

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DDTC reviews the request to change end-user, end-use and/or destination of hardware to determine whether to approve the request in accordance with foreign policy and national security interests.

B. Open General Licenses

The Department implemented a pilot program pursuant to its authorities in ITAR section 120.22(b) in order to assess the concept of an OGL mechanism by which it may authorize certain transfers of defense articles to predetermined parties. DDTC will use the information it is requiring transferors to retain to assess industry's compliance with the terms of the OGLs and to ensure that unauthorized transfers do not occur. The records the public will be required to retain through this collection may also be made available, upon request, to other U.S Government agencies in accordance with the AECA.

3. *Is this collection able to be completed electronically (e.g. through a website or application)?*

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With the implementation of DDTC's case management system, the Defense Export Control and Compliance System (DECCS), applicants may provide information electronically using form DS-6004. Applicants will be able to access the form DS-6004 from DDTC's website, complete it online, and submit it via the Internet.

B. Open General Licenses

For Open General Licenses, the public may retain records in electronic format and may produce those records, if requested by DDTC, in electronic format so long as the

electronic records exhibit a high degree of legibility and readability consistent with the standards articulated in ITAR section 122.5.

4. *Does this collection duplicate any other collection of information?*

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The Department of State is unaware of any other U.S. Government requirements that would cause U.S. industry to duplicate this reporting requirement.

B. Open General Licenses

A number of existing provisions in the ITAR require the public to submit similar information in connection with a specific license application request or the use of an exemption. However, the Department of State is unaware of any other U.S. Government requirements that would cause foreign persons to retain such records when relying on an OGL to transfer defense articles subject to the ITAR.

5. *Describe any impacts on small business.*

For all collections, export control laws and regulations are applicable equally to large and small entities. The burden imposed on respondents by this collection directly correlates with the number of qualifying applications or transfers by these entities, rather than the size of such entities.

6. *What are consequences if this collection is not done?*

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The information required for the proper assessment of a proposal to change the end-user, the end-use, and/or destination of hardware is reviewed on a case-by-case basis and is specific to the transaction under consideration. Absent this information, the Department would not have the information it needs to review and adjudicate such requests.

B. Open General Licenses

Absent these recordkeeping and production requirements, DDTC would not be able to meet its legally mandated responsibilities to ensure oversight of defense trade exports in furtherance of foreign policy objectives, national security interests, and world peace.

7. *Are there any special collection circumstances?*

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The ITAR requires maintenance of records for a minimum period of five years. Under ITAR section 123.9 there are no other special collection circumstances.

B. Open General Licenses

Under the OGL program respondents would be required to maintain the records of each transfer for five years and to ensure that such records are made available to DDTC upon request. There are no other special collection circumstances.

8. *Document publication (or intent to publish) a request for public comments in the Federal Register*

The Department published a 60 day notice in the Federal Register (91 FR 2582) soliciting public comments. No comments were received.

9. *Are payments or gifts given to the respondents?*

No payment or gift has been or will be provided to any respondent for any collection described herein.

10. *Describe assurances of privacy/confidentiality*

A privacy impact assessment (PIA) for DDTC's electronic system was conducted in 2025 and can be viewed at <https://www.state.gov/privacy>. Under DDTC's system of records notice (SORN), State-42, information entered or transferred into DECCS will be covered under the relevant SORN and PIA.

Respondents to any collection by DDTC may review the following ITAR sections, which describe DDTC's policy regarding the disclosure of information: § 120.21, § 130.15, and § 130.17.

11. *Are any questions of a sensitive nature asked?*

These information collections do not solicit any information regarding questions of a sensitive nature or matters commonly considered private.

12. *Describe the hour time burden and the hour cost burden on the respondent needed to complete this collection*

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The Department of State has reason to believe that the information required is already available to industry in some form due to other needs and requirements (e.g., business transactional records, tax records, quality assurance and productivity, and legal issues posed by other federal laws). An estimated 1,563 annual responses are expected from 1,563 respondents. Frequency of response is on occasion. The estimated time that

each respondent devotes to each submission is approximately one hour. The estimated annual hour burden is 1,563 hours.

B. Open General Licenses

As to information collection under an OGL, DDTC expects to receive no more than 671 additional responses annually from 132 respondents. DDTC estimates the burden for each response to be approximately 60 minutes.

C. Total

Based on this information DDTC estimates the revised total annual hour burden for this collection to be 2,234 hours. According to the Department of Labor's Bureau of Labor Statistics, the average hourly wage (weighted) for a "Compliance Officer" is \$72.90. This was calculated by multiplying the average hourly wage (\$36.45) by 2 to account for overhead costs. Therefore, DDTC estimates the annual hour-cost burden to respondents to be \$162,858.60 (2,234 annual burden hours x \$72.90).

13. *Describe the monetary burden to respondents (out of pocket costs) needed to complete this collection.*

DDTC believes there are no monetary costs to respondents associated with either collection, either via submitting certain records, or retaining them and submitting them to the Department upon request.

14. *Describe the cost incurred by the Federal Government to complete this collection.*

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Twelve Licensing Officers (GS-13 or equivalent) review and process DS-6004 General Correspondence requests, which account for 4.4% of the cases reviewed. At an average annual cost of \$116,353 per employee, DDTC estimates the total cost to the Federal Government to be \$61,434.38. (12 employees x \$116,353 = 1,396,236 x 4.4% workload = \$61,434.38).

B. Open General Licenses

An OGL collection will not impose new costs on the federal government. The records will only be provided to the Department upon request. The records will be reviewed by Department employees in the normal course of their duties, including routine end-use monitoring and reviews to assess mechanisms to streamline existing licensing mechanisms.

15. *Explain any changes/adjustments to this collection since the previous submission*

No changes have been made since the previous submission.

16. *Specify if the data gathered by this collection will be published.*

The information collected pursuant to any collection here will not be published.

17. *If applicable, explain the reason(s) for seeking approval to not display the OMB expiration date. Otherwise, write “The Department will display the OMB expiration date.”*

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For this specific collection, DDTC will display the expiration date for OMB approval of the information collection.

B. Open General Licenses

The Department of State requests approval to not display the OMB expiration date on OGL records retained and later submitted upon request. Submissions made pursuant to this collection will not be submitted to DDTC via a standardized form and will be retained by the public in their business records instead. Thus, there is no form on which to provide an expiration date.

18. *Explain any exceptions to the OMB certification statement below. If there are no exceptions, write “The Department is not seeking exceptions to the certification statement”.*

The Department of State is not seeking exceptions to the certification statement.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

This collection does not employ statistical methods.