

**SUPPPORTING STATEMENT
FOR PAPERWORK REDUCTION ACT SUBMISSION
9000-0161, Reporting of Purchases from Overseas Sources**

A. Justification.

1. Administrative requirements. The Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) have agreed to amend the Federal Acquisition Regulation (FAR) to implement 41 U.S.C. 10a, Buy American Act, as amended by Section 8036 of Public Law 110-28. The statute requires the head of each Federal agency to submit a report to Congress on the dollar value of acquisitions made by the agency of articles, materials, or supplies that are manufactured outside the United States. The law also requests an itemized list of all waivers granted with respect to such articles, materials, or supplies under the Buy American Act and a summary of the total procurement funds spent on goods manufactured in the United States. The Government will collect the necessary data regarding place of manufacture from offerors.

2. Uses of information. The information on place of manufacture will be used by each Federal agency to prepare the report required for submission to Congress.

3. Consideration of information technology. Improved information technology is used to the maximum extent practicable. Where both the Government agency and contractors are capable of electronic interchange, the contractors may submit this information collection requirement electronically.

4. Efforts to identify duplication. This requirement is being issued under the Federal Acquisition Regulation (FAR) which has been developed to standardize Federal procurement practices and eliminate unnecessary duplication. This collection is not duplicative of any other information required from offerors. It will standardize the information collected for the report to Congress for the first time.

5. If the collection of information impacts small businesses or other entities, describe methods used to minimize burden. The burden applied to small businesses is the minimum consistent with applicable laws, Executive Orders, regulations, and prudent business practices. The Councils do not expect this final rule to have a significant economic impact on a substantial number of

small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, et seq., because this final rule does not change the rules for buying, it only adds an information collection requirement. It will not have a significant economic impact to ask offerors of manufactured end products to check off a box to indicate whether products offered to the Government are predominantly manufactured in the United States or outside the United States. The offeror is not even required to identify the country of manufacture if the product is manufactured outside the United States. Comments are requested from small business concerns and other interested parties on this issue.

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

Similar information is not already available to the contracting officer in a standardized form. Agencies presently meet the reporting requirement through manual reviews of individual contract files. Data are not standardized or complete, degrading the quality of the report to Congress. Data needs to be collected on each solicitation as the place of manufacture of products offered in response may vary each time. Collection of information on a basis other than solicitation-by-solicitation is not practical.

7. Special circumstances for collection. Collection of information on a basis other than by individual contractors is not practical. The contractor is the only one who has the records necessary for the collection. Collection is consistent with guidelines in 5 CFR 1320.6.

8. Efforts to consult with persons outside the agency. Under the procedures established for development of the FAR, agency and public comments were solicited and each comment was addressed before finalization of the text. A notice was published in the Federal Register with a request for public comments.

9. Explanation of any decision to provide any payment or gifts to respondents, other than remuneration of contractors or guarantees. Not applicable. The Government will not provide any payment or gift to respondents, other than remuneration to the successful contractor.

10. Describe assurance of confidentiality provided to respondents. This information is disclosed only to the extent

consistent with prudent business practices, current regulations and in accordance with the requirements of the Freedom of Information Act. No assurance of confidentiality is provided to respondents.

11. Additional justification for questions of a sensitive nature. No questions of a sensitive nature are involved.

12 & 13. Estimated total annual public hour and cost burden.

Based on the FPDS data for Fiscal Year 2004 on number of contract actions for Federal supplies and equipment (summary by PSC group), we estimate the number of solicitations predominantly for manufactured supplies and equipment equals 762,920, and the number of responses to the solicitations equals 3,814,600 (average of 5 responses per solicitation). We further estimate the number of respondents at 95,365, based on an estimate of 40 responses per respondent. The total response burden hours equals 38,146 hours (3,814,600 responses x average of .01 hours per response).

Annual Reporting Burden

| | |
|-----------------------------------|-----------------|
| Estimated respondents/yr..... | 95,365 |
| Responses annually..... | x <u>40</u> |
| Total annual responses..... | 3,814,600 |
| Estimated hours/response..... | x <u>.01</u> |
| Estimated total burden hours..... | 38,146 |
| Cost/hr | x * <u>\$56</u> |
| Total cost to the public..... | \$2,136,176 |

* Based on equivalent of GS-14 step 5 salary plus 32.45 percent.

There are no costs in addition to those shown in item 12 or 14. Recordkeeping will be integrated into systems already established by offerors.

14. Estimated cost of the Government. FPDS-NG will require one-time programming changes to add and modify needed data fields and to establish a standard report for submission to Congress. Agencies will review and input the information into FPDS-NG with the award of covered contracts and provide the annual report to Congress.

Annual Reviewing Burden and Cost

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|---|-------------|
| Modifications to FPDS-NG (one-time, not to exceed) .. | \$500,000 |
| Total annual responses..... | 3,814,600 |
| Input into FPDS-NG/response/hr..... | .01 |
| Cost/hr, input to FPDS-NG..... | \$33 |
| Annual report production and review/hr..... | \$80 |
| Cost/hr, annual report production and review..... | \$66 |
| Annual Government cost..... | \$1,264,098 |

15. **Explain reasons for program changes or adjustments reported in Item 13 or 14.** Not applicable.

16. **Outline plans for published results of information collections.** Results will be reported annually to Congress.

17. **Approval not to display expiration date.** Not applicable. GSA will display the expiration date for the information collection in the Federal Acquisition Regulation.

18. **Explanation of exception to certification statement.** Not applicable.

B. Collections of Information Employing Statistical Methods.
 Statistical methods are not used in this information collection.