

**SUPPORTING STATEMENT  
U.S. Department of Commerce  
International Trade Administration  
STEEL IMPORT LICENSE  
OMB CONTROL NO. 0625-0245**

**A. JUSTIFICATION**

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

The Steel Import Monitoring and Analysis (SIMA) System is vital to facilitate the real-time monitoring of steel imports in a volatile market. SIMA began as part of the section 201 steel safeguards (which gave the industry time to restructure and respond to a massive surge of steel imports). The licensing and monitoring system was extended under separate Census authority in 2005, once the safeguards concluded. At the same time, coverage was expanded to cover all steel mill products (such as flat, long, pipe and tubes, and semi-finished steel products). SIMA is operating under authority as part of the Census Act (13 U.S.C. 301 (a) and 302).

The Department of Commerce (DOC), International Trade Administration's (ITA) Office of Import Administration (OIA) must collect and provide timely aggregated summaries about imports of certain steel products. In order to monitor steel imports in real-time and to provide the public with real-time data, OIA uses the Steel Import License (ITA-4141P) to collect the necessary information. This information supplements similar steel import information collected by the Census Bureau; data from both sources are combined and disseminated in aggregate form. The time required to collect, process, and disseminate this information through Census can take up to 90 days after importation of the product, giving interested parties and the public far less time to respond to injurious sales. The lag time could be up to 90 days after importation of the covered products. The domestic steel industry has stated repeatedly that any remedy against injurious sales of steel can only be effective if information about these sales is made available quickly. The domestic steel industry has claimed that although the Census Bureau information is reliable, it is released too late.

This submission is an extension of the license form.

**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.**

The license information is necessary for the U.S. Government to assess import trends of covered products in real time and to share summary level information with the public via a website: <http://ia.ita.doc.gov/steel/license/>.

The information is required of all importers of subject merchandise prior to, or at the time of, entry into the United States. The merchandise has also been deemed necessary by DOC and the Administration to adequately assess potential surges in imports of covered steel products. OIA uses the information in an online monitor to display aggregate statistical trends to the public.

The licensing system uses information already required of an importer. There is no fee for the license. The U.S. Customs and Border Protection (CBP) will require the license number generated by the successful submission of the form when a broker or importer files his/her CBP entry summary (which happens within 10 business days of importation). The license can be obtained up to 60-days prior to importation or until the date of CBP summary filing (Form 7501). If the license number is not submitted to CBP with the summary documents, CBP will consider the entry summary to be incomplete and may request that the shipment be redelivered. The information aggregated and is used in the SIMA, a web-based system to display timely import trends. The website is updated weekly; licenses are required for each entry.

**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.**

The Steel Import License is available to all importers through an Internet website and applications can be completed and submitted. Importers without Internet access can be accommodated via facsimile. Using electronic submission as the basis for this system allows for the quickest and most efficient means for collecting the required information and aggregating the information submitted in the form.

**4. Describe efforts to identify duplication.**

The Census Bureau reports similar official import statistics that are issued on a monthly basis, but with a significant lag time after the products have entered the United States. When the Census information is released, injurious sales of steel have already had an impact on the market.

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

The majority of licensees are major steel importers, steel producers and brokers; very few are small business. Each applicant must supply the same information no matter the size.

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

The system was designed to provide the domestic steel industry, the government and the public with near real-time data on steel imports to ensure that import surges and/or potential unfairly traded imports are identified quickly so that appropriate action may be taken. Steel is a fairly volatile commodity with a long history of market disruptions. Failure to collect timely information about steel imports and a return to reliance upon official import statistics, may allow import surges that could disrupt the domestic steel market and injure the U.S. industry.

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

The information collected will be consistent with the OMB guidelines.

**8. Provide a copy 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.**

A Federal Register Notice requesting public comments was published on March 24, 2008 (Volume 73, Number 57, pg. 15478). Comments were generated from this notice.

The public comments were supportive of the information collection and the format utilized. One commenter was concerned that the authority to collect the information was going to expire, and preferred that it become permanent. OIA contacted the commenter to clarify the intent of the FRN was to collect comments on the form and information collected, and that the authority would be addressed at the appropriate time when it is up for renewal in March 2009.

Members of the business community are regularly consulted regarding the form and the licensing program in general.

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

No payments or gifts are offered to the respondents.

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

To the extent that the information submitted by the parties contains trade secrets, the Department will protect such information from disclosure, including disclosure pursuant to requests under the Freedom of Information Act, as required by the Trade Secrets Act, 18 U.S.C. § 1905. Such assurance is not provided in writing but general information regarding confidentiality and the Trade Secrets Act is available upon request.

To process the license online at the bottom license form the applicant acknowledges that he recognizes this information will be aggregated and posted on the website to supplement other information publicly available about steel imports.

**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.**

No questions of a sensitive nature are asked.

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

ITA estimate that 3,500 major brokers and importers will fill out the Steel Import License form. Each importer or broker must fill out the form for each entry of the subject merchandise. It is estimated that 600,000 licenses will be issued each year. On average, each broker would apply for approximately 171 licenses each year. The average time to complete the form is estimated to be 10 minutes. This estimate includes the time necessary to complete the form using information that is necessary for the completion of other documents required for entry of the product into the United States. It is not expected that the response time to vary widely because some of the same information is used to fill out other Customs documents filed at the time of entry.

<b><u>Form Used</u></b>	<b><u>Number of Respondents</u></b>	<b><u>Time to Complete</u></b>	<b><u>Total Number of Responses</u></b>	<b><u>Total Hours</u></b>
License	3,500	10 min./license	600,000	100,000

Cost to Respondents: Total Hours (100,000) x Avg. Salary (\$20/hour) = \$2,000,000.

**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).**

None.

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

The average public sector salary for processing the licenses is \$25.00 per hour.

<b>Form Used</b>	<b>Time to Process</b>	<b>Number of Responses</b>	<b>Total Hours</b>	<b>Total Cost to Government</b>
License	30 Seconds	600,000	5,000	\$125,000

Processing and issuance of the license is done electronically.

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

Not Applicable.

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

Summary data produced from the information collected in the Steel Import License form will be posted on the Internet and updated weekly to result in a rolling monthly average. No complex analytical techniques will be used.

**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**

The collection does not employ statistical methods.