

**SUPPORTING STATEMENT
FOR INFORMATION COLLECTION SUBMISSION
9000-0056, REPORT OF SHIPMENT**

A. Justification.

1. **Administrative requirements.** Military (and, as required, civilian agency) storage and distribution points, depots, and other receiving activities require advance notice of large shipments en-route from contractors' plants per FAR 47.208, Report of Shipment.] Timely receipt of notices by the consignee transportation office precludes the incurring of demurrage and vehicle detention charges. FAR clause 52.247-68, Report of Shipment, is to be inserted in solicitations and contracts when advance notice of shipment is required is required for safety or security reasons, or where carload or truckload shipments will be made to DoD installations or, as required, to civilian agency facilities.

2. **Uses of information.** The information is used to alert the receiving activity of the arrival of a large shipment.

3. **Consideration of information technology.** We use improved information technology 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.

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.

6. **Describe consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently.** Collection of information on a basis other than solicitation-by-solicitation is not practical.

7. **Special circumstances for collection.** Collection is consistent with guidelines in 5 CFR 1320.6.

8. **Efforts to consult with persons outside the agency.** A notice was published in the *Federal Register* at 78 FR 11885, on February 20, 2013. One comment was received.

Comment: The respondent commented that the extension of the information collection would violate the fundamental purpose of the Paperwork Reduction Act because of the burden it puts on the entity submitting the information and the agency collecting the information.

Response: In accordance with the Paperwork Reduction Act (PRA), agencies can request an OMB approval of an existing information collection. The PRA requires that agencies use the Federal Register Notice and comment process, to extend the OMB's approval, at least every three years. This extension, to a previously approved information collection, pertains to FAR 47.208, Report of Shipment. The purpose of this section is to require contractors to give advance notice to the Government when they are shipping classified material; sensitive, controlled, and certain other protected material; explosives, and some other hazardous materials; selected shipments requiring movement control; or minimum carload or truckload shipments. This subpart provides the contracting officer with a notice that is relied upon by the Government to prepare for the receipt of supplies or equipment that require special handling. Not granting this extension would eliminate the Government's ability to receive the supplies or equipment in a timely or efficient manner.

Comment: The respondent commented that the agency does not accurately estimate the public burden an extension of the information collection requirement would create.

Response: The United States Transportation Command (USTRANSCOM) handles the majority of these types of shipments in the Federal Government. Based on information from USTRANSCOM, annual respondents are approximately 33, with the overall number of responses per year right around 10,000.

Based on this information, the estimated total burden hours are adjusted from 167 hours to 9,999 hours to better reflect the actual public burden. Each respondent on average responds 303 times per year with REVSHIP information to USTRANSCOM regarding notice of shipment.

Comment: The respondent commented the collective burden of compliance with the information collection requirement greatly exceeds the agency's estimate and outweighs any potential utility of the extension.

Response: The Paperwork Reduction Act (PRA) was designed to improve the quality and use of Federal information to strengthen decision-making, accountability, and openness in government and society. Central to this process is the solicitation of comments from the public. This process incorporates an enumerated specification of targeted information and provides interested parties a meaningful opportunity for comment on the relevant compliance cost. This process has led to decreases in the overall collective burden of compliance for the information

collection requirement in regards to the public. Based on OMB estimates, in FY 2010, the public spent 8.8 billion hours responding to information collections. This was a decrease of one billion hours, or ten percent from the previous fiscal year. In effect, the collective burden of compliance for the public is going down as the Government publishes rules that make the process less complex, more transparent, and reduce the cost of Federal regulations to both the contractor community and Government.

Comment: The respondent commented that the Government's response to the Paperwork Reduction Act waiver for Far Case 2007-006 is instructive on the total burden for respondents.

Response: Serious consideration is given, during the open comment period, to all comments received and adjustments are made to the paperwork burden estimate based on reasonable considerations provide by the public. This is evidenced, as the respondent notes, in FAR Case 2007-006 where an adjustment was made from the total preparation hours from three to sixty. This change was made considering particularly the hours that would be required for review within the company, prior to release to the Government.

The burden is prepared taking into consideration the necessary criteria in OMB guidance for estimating the paperwork burden put on the entity submitting the information. For example, consideration is given to an entity reviewing instructions; using technology to collect, process, and disclose information; adjusting existing practices to comply with requirements; searching data sources; completing and reviewing the response; and transmitting or disclosing information. The estimated burden hours for a collection are based on an average between the hours that a simple disclosure by a very small business might require and the much higher numbers that might be required for a very complex disclosure by a major corporation. Also, the estimated burden hours should only include projected hours for those actions which a company would not undertake in the normal course of business. Careful consideration went into assessing the estimated burden hours for this collection, and it is determined that an upward adjustment is warranted at this time.

9. Explanation of any decision to provide any payment or gift to respondents, other than re-enumeration of contractors or guarantees. Not applicable.

10. Describe assurance of confidentiality provided to respondents. This information is disclosed only to the extent consistent with prudent business practices and current regulations.

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

12 & 13. **Estimated total annual public hour and cost burden.** Time required to read and prepare information is estimated at 10 minutes per completion. A 36.25% overhead rate based on OMB memorandum M-08-13, and the salary of a GS-9, Step 7 is used also.

Estimated respondents/yr.....	33
Responses annually.....	x 303
Total annual responses.....	9,999
Estimated hrs/response.....	x <u>167</u>
Estimated total burden hours.....	1,670
Cost per hour.....	x \$24
Benefits and overhead.....	+ <u>36.25%</u>
Estimated cost to public.....	\$54,609

14. **Estimated cost to the Government.** Time required for Governmentwide review is estimated at 10 minutes per response. A 36.25% overhead rate based on OMB memorandum M-08-13, and the salary of a GS-8, Step 4 is used also.

Annual Reporting Burden and Cost

Reviewing time/hr.....	167
Responses/yr.....	x 9,999
Review time/yr.....	1,670
Average wages/hr.....	x <u>\$20</u>
Average wages/yr.....	\$33,400
Benefits and overhead.....	+ <u>36.25%</u>
Total Government cost.....	\$45,508

15. **Explain reasons for program changes or adjustments reported in Item 13 or 14.** This submission requests an extension of OMB approval of an information collection requirement in the FAR. The information collection requirement in the FAR is adjusted upward. The United States Transportation Command (USTRANSCOM) handles the majority of these types of shipments in the Federal Government. Based on information from USTRANSCOM, annual respondents are approximately 33, with the overall number of responses per year right around 10,000. Based on this information, the estimated total burden hours are adjusted from 167 hours to 9,999 hours to better reflect the actual public burden. Each respondent on average responds 303 times per year with REVSHIP information to USTRANSCOM regarding notice of shipment.

16. **Outline plans for published results of information collections.** Results will not be tabulated or published.

17. **Approval not to display expiration date.** Not applicable.

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.