

SUPPORTING STATEMENT FOR INFORMATION COLLECTION
Use of Products and Services of Kaspersky Lab
OMB Control Number 9000-0197

A. Justification

1. Circumstances that make the collection of information necessary. This information collection supports implementation of Section 1634 of Division A of the National Defense Authorization Act for Fiscal Year 2018 (Pub. L. 115-91). This section prohibits Government use of any hardware, software, or services developed or provided, in whole or in part, by Kaspersky Lab or its related entities. This requirement is implemented in the Federal Acquisition Regulation (FAR) through the clause at FAR 52.204-YY, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities.

2. Use of information. Information collected under the clause at FAR 52.204-YY will consist of reports from contractors who have identified covered articles during performance of a contract, and will be used by agency personnel to identify and remove prohibited hardware, software, or services from Government use.

3. Consideration of information technology. Federal agencies will use information technology to the maximum extent practicable. Where both the Government and the contractor are capable of electronic interchange, the information collection requirements may be submitted electronically. The usage of information technology will be nearly 100 percent.

4. Describe efforts to identify duplication. There is no duplication of information under this collection. This requirement is being issued under the FAR, which has been developed to standardize Federal procurement practices and eliminate unnecessary duplication.

5. If the collection of information impacts small businesses, describe any methods used to minimize the burden. The burden applied to small businesses is the minimum consistent with applicable laws, Executive orders, regulations, and prudent business practices.

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

Section 1634 is being implemented as a national security measure to protect Government information and information systems. Consequences if collection is not conducted or conducted less frequently could include the compromise of Government information systems, release and compromise of Government data, and harm to national security.

7. Special circumstance for collection. Collection is consistent with the guidelines in 5 CFR 1320.6.

8. Summary of the public comments received in response to the publication of the information collection requirement in the Federal Register of the agency's notice.

DoD, GSA, and NASA provided notification of the applicability of the Paperwork Reduction Act and requested emergency processing approval for this new information collection requirement. As required by 5 CFR, 1320.8(d), public comments on the information collection requirement will be solicited in the Federal Register (83 FR XXX) on DATE.

9. Explanation of any decision to provide any payment or gift to respondents, other than remuneration of contractors or guarantees. There will be no payment or gift to respondents, other than remuneration of contractors.

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.

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

12. Estimated total annual public hour burden.

FAR 52.204-YY requires a written report in cases where a contractor (or subcontractor to whom the clause has been flowed down) identifies or receives notification from any source that a covered article has been provided to the Government during contract performance. Data from the Federal Procurement Data System (FPDS) indicates that the Government awarded contracts to a total of 97,632 unique entities in Fiscal Year (FY) 2017. DoD, GSA, and NASA estimate that 5% of those entities (4,882) will submit approximately 5 written reports annually pursuant to FAR 52.214-YY.

Reporting Burden:

| | |
|---------------------------|---------------|
| Number of respondents: | 4,882 |
| Responses per respondent: | <u>x 5</u> |
| Total annual responses: | 24,410 |
| Hours per response: | <u>x 1.5</u> |
| Total hours: | 36,615 |
| Hourly rate*: | <u>x \$53</u> |
| Total Annual Cost: | \$1,940,595 |

*The hourly rate is based on the equivalent of a FY 2016 GS-12, Step 5, of \$38.56, with locality pay for the Rest of the U.S., plus overhead of 36.25 percent, for a total of \$52.54, rounded to the nearest dollar.

13. Capital start-up or operational land maintenance costs. We do not estimate any annual cost burdens other than the burdens we describe in items 12 and 14.

14. Estimated cost to the Government. The average time required by the Government to review 24,410 reports is estimated at 3 hours per report:

| | |
|---------------------------------------|-----------------|
| Report Responses: | 24,410 |
| Average hours per response: | <u>x 3 hrs.</u> |
| Government burden hours: | 73,230 hrs. |
| Averages wages (\$38.56 + 36.25% OH): | <u>x \$ 53*</u> |
| Estimated Annual Government Burden: | \$3,881,190 |

*The hourly rate is based on the equivalent of a FY 2016 GS-12, Step 5, of \$38.56, with locality pay for the Rest of the U.S., plus overhead of 36.25 percent, for a total of \$52.54, rounded to the nearest dollar.

15. Explain reasons for program changes or adjustment reported in Item 13 or 14. This is a new information collection requirement.

16. Outline plans for published results of information collection. There are no plans to publish the results of this collection of information.

17. Approval not to display expiration date. DoD, GSA and NASA are not seeking such approval.

18. Explanation of exception to certification statement. There are no exceptions to the certification accompanying this Paperwork Reduction Act submission.

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