

# 1SUPPORTING STATEMENT A FOR PAPERWORK REDUCTION ACT SUBMISSION

## Electronic Federal Duck Stamp Program OMB Control Number 1018-0135

**Terms of Clearance:** None.

### Justification

**1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.**

On March 16, 1934, President Roosevelt signed the Migratory Bird Hunting Stamp Act (16 U.S.C. 718a *et seq.*), popularly known as the "Duck Stamp Act," requiring all migratory waterfowl hunters 16 years of age or older to buy a Federal migratory bird hunting and conservation stamp (Duck Stamp) annually. Federal Duck Stamps are pictorial stamps produced by the U.S. Postal Service for the U.S. Fish and Wildlife Service. They are not valid for postage. The Federal Duck Stamp program has become one of the most popular and successful conservation programs ever initiated. Ninety-eight cents out of every dollar generated by the sales of Federal Duck Stamps go directly to purchase or lease wetland habitat for protection in the National Wildlife Refuge System. We used the proceeds from Duck Stamp sales to acquire about 5.6 million acres of migratory waterfowl habitat on more than 550 national wildlife refuges.

The Electronic Duck Stamp Act of 2005 (Pub. L. 109-266), passed in August 2006, required the Secretary of the Interior conduct a 3-year pilot program under which up to 15 States could be authorized to issue electronic Federal Duck Stamps, or E-Stamps. In August 2007, eight States began issuing the E-Stamps. During the first year of the pilot program, States sold more than 59,000 E-Stamps. The E-stamp is valid for 45 days from the date of purchase and customers can immediately use them while waiting to receive the actual stamp in the mail. After 45 days, customers must carry the actual Federal Duck Stamp while hunting or to gain free access to national wildlife refuges. As expected, the electronic program increased the availability of Federal Duck Stamps, making it easier for the public to obtain the stamps and enhancing public participation. Under our authorities in 16 U.S.C. 718b(a)(2), we have continued the Electronic Duck Stamp Program in the eight States that participated in the pilot, and, in 2012, States sold more than 350,000 stamps.

On December 18, 2014, Congress passed Pub. L. 113-239, the Permanent Electronic Duck Stamp Act of 2013, granting the Secretary of the Interior permanent authority to authorize any state to issue electronic duck stamps. This 2014 legislation superseded the Electronic Duck Stamp Act of 2005 (Pub. L. 109-266). In 2013-2015, we expanded the program by inviting all State fish and wildlife agencies to participate. We received applications and interest from another 23 states. Sixteen of these states were accepted and 14 new states entered the program in this three-year period. As of the end of 2016, 22 States participate in the program. In 2017, we plan to expand the program by inviting all State fish and wildlife agencies to participate. Anyone, regardless of State residence, may purchase an electronic Duck Stamp through any State that participates in the program. We will follow the same requirements as the pilot program.

Interested States must submit an application (FWS Form 3-2341). We will use the information provided in the application to determine a State's eligibility to participate in the program. Eligible applicants are State fish and wildlife agencies that have an automated licensing system authorized under State law. Currently, 40 States who offer Internet, point of sale, or telephonic sales for their hunting and fishing licenses would qualify to sell E-Stamps. The application process will lead to the selection of up to 18 additional States to participate in the program. A State may not participate in the program unless it submits an application and the Secretary approves it. Participating States must report sales and submit fulfillment information weekly.

**2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection. Be specific. If this collection is a form or a questionnaire, every question needs to be justified.**

We will publish a notice in the Federal Register announcing the E-Stamp program expansion and soliciting applications for participation. We will publish the application package on the Internet at <https://www.fws.gov/birds/get-involved/duck-stamp/e-stamp.php>. The application package will consist of:

- Background of the program.
- Instructions (application submission terms and conditions, sample transmittal letter, and draft Memorandum of Understanding).
- Evaluation methodology (minimum requirements, selection of the best applicant, and selection criteria).
- Application (FWS Form 3-2341).
- Contact and application submission information.
- Exhibits (data transmittal requirements, handling rates, electronic funds transfer requirements, and a copy of 16 U.S.C. § 718b : US Code - Section 718B: Issuance and sale of stamps; deposit of funds in migratory bird conservation fund; fees; validity; expiration; redemption; "retail dealers" and "hunting year" defined

To participate in the program, eligible State fish and wildlife agencies must submit an application. This is a one-time submission. We will not consider any application that fails to meet the minimum qualifications. We will use the information provided in the application to select up to 15 new participants for the program over the next 3 years. Following that time period, we will evaluate the need to increase the program again.

**APPLICATION:** We will use FWS Form 3-2341 (Application for Participation in the Electronic Federal Duck Stamp Program) to determine if a State is eligible to participate.

**Selection Factor 1 – Responsiveness to eligibility requirements**

- Whether or not the State agrees with the terms and conditions in the application package including compliance with all applicable laws under the terms and conditions specified in the draft Memorandum of Understanding.
- Information verifying the current systems the State uses to sell State hunting, fishing, and other associated licenses electronically.
- Copies of applicable State laws, regulations and policies authorizing the use of these electronic systems.
- Transmittal letter attesting to the State's unconditional concurrence with the terms and conditions of the General Agreement.

- Example and explanation of the codes the State proposes to use to create and endorse the unique identifier for the individual to whom the stamp is issued.
- Copy of the printed version of the State's proposed electronic stamp.
- Whether or not the electronic stamp is compatible with the hunting licensing system of the State.

**Selection Factor 2 – responsiveness to program requirements**

- Description of the format of the electronic stamp, including identifying features to be specified on the stamp.
- Fees the State will charge customers for an electronic stamp.
- Process the State will use to account for and transfer the funds collected through stamp sales to the fulfillment center.
- How and when the State will transmit electronic stamp customer data to the fulfillment center.
- How the actual stamps will be delivered.
- Copy of the policies and procedures the State will use to issue replacement stamps.
- Copy of all other policies, procedures, and information that relate to the program.

**Selection Factor 3 – stamp requirements**

- Documentation that the electronic stamp issued by the State will have the same format as any other license, validation, or privilege issued under the State's automated licensing system.
- Physical copies and examples, where possible, of specific identifying features that will appear on the point of sale, telephone or Internet receipt that are adequate to enable Federal, State, and other law enforcement officers to identify the purchaser.
- Demonstrate how State will communicate to the purchaser and law enforcement officials that any electronic stamp issued by a State under the program will, during the effective period of the electronic stamp:
  - bestow upon the purchaser the same privileges as an actual stamp;
  - be nationally recognized as a valid Federal migratory bird hunting and conservation stamp; and
  - authorize the purchaser to hunt migratory waterfowl in any other State, in accordance with the laws of said State governing that hunting.

**Selection Factor 4 – guaranteed delivery of the physical stamp to the customer**

- Actions that State will take to guarantee that the physical stamp will be delivered to the customer within the 45-day limit.
- Plan to resolve customer complaints regarding late, incorrect orders, or missing stamp deliveries.

**Selection Factor 5 – agreement to the terms and conditions outlined in the general agreement governing the program (yes or no answers).**

- Whether or not State agrees to comply with all of the terms and conditions specified in the Memorandum of Understanding, including its exhibits.
- Whether or not State agrees to operate at the current Service approved handling rates during the term of the MOU. (A selected State may request a handling rate increase any time after being selected.)
- Whether or not State agrees to accept the operating terms of the optional fulfillment.
- Whether or not State agrees to implement an equal opportunity program and comply with the terms of the equal opportunity and handicapped access requirements of the MOU.

- Whether or not State agrees to meet the public liability and property insurance requirements of the MOU.
- Whether or not State agrees to the use of Electronic Funds Transfer to the fulfillment center.

**Selection Factor 6** – experience and financial capability

- Confirmation that State understands and concurs that no funding will be provided by the Service to either initiate or manage this program.
- Example(s) of State’s experience in the operation and management of electronic licensing systems, including any available information on customer satisfaction and the number of transactions for each individual system (Internet, telephone or point-of-sale)
- Contact information (name, mailing and FedEx address, phone, fax, cell, and e-mail) for information technology, financial, project management, and stamp/licensing program contacts.
- Documentation of history of meeting financial obligations.
- Estimate of the start-up costs of this program, including the purchase of additional equipment and technology; methodology and the assumptions used to develop the estimate; and, if State intends to assess a handling fee to cover costs or other forms of overhead, a description of what this fee will be used for (salaries, human resources, accounting, marketing, etc.).

**FULFILLMENT:** Participating States must provide the following information to the fulfillment center on a weekly basis:

- First name, last name, and complete mailing address of each individual that purchases an electronic stamp from the State.
- Face value amount of each electronic stamp sold by the State.
- Amount of the Federal portion of any fee required by the agreement for each stamp sold.

We will use this information to issue an actual stamp to each purchaser within 45 days.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden and specifically how this collection meets GPEA requirements.**

We continually strive to enhance the ability of individuals and entities to conduct business with us electronically. Therefore, we are taking steps to adopt the Internet as our chief means of conducting Duck Stamp transactions in order to improve service to our customers and to simplify and expedite our business processes. Currently, 100% of submissions are electronic. The application package is available on the Internet, and we request States submit their applications via email.

States send fulfillment information to the fulfillment center via FTP with 128-bit SSL encryption, with certificate. The fulfillment center scrubs the information to eliminate incomplete or incorrect information and then sends queries to correct those errors. Devices electronically pack and sort the stamps prior to mailing.

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

The information collection is necessary for the fulfillment of each individual order. No other collection covers the requirements of this program.

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

The collection does not impact small entities. Only States participate in the program.

**6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

We collect information via the application information only once. If we did not collect the information, we could not expand the program to include additional States. Fulfillment information must be collected weekly so that we can issue the actual stamp to the purchaser within the 45-day time period.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**

- \* requiring respondents to report information to the agency more often than quarterly;
- \* requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
- \* requiring respondents to submit more than an original and two copies of any document;
- \* requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;
- \* in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study;
- \* requiring the use of a statistical data classification that has not been reviewed and approved by OMB;
- \* that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
- \* requiring respondents to submit proprietary trade secrets, or other confidential information, unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

The 45-day fulfillment deadline requires that the States send sales information on a regularly scheduled basis to the stamp fulfillment center. Sales volume and efficient fulfillment determine the actual schedule. No other special circumstances exist that would cause us to collect this information in a manner inconsistent with OMB guidelines.

**8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public**

comments received in response to that notice and in response to the PRA statement associated with the collection over the past three years, and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

Describe 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.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every three years — even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

On March 15, 2019, we published in the *Federal Register* ([84 FR 9547](#)) a notice of our intent to request that OMB approve this information collection. In that notice, we solicited comments for 60 days, ending on May 14, 2019. We did not receive any substantive or relevant comments in response to that Notice.

In addition to the Federal Register Notice, we consulted with the seven (7) individuals identified in Table 8.1 who are familiar with this collection of information in order to validate our time burden estimate and asked for comments on the questions below:

**Table 8.1**

<b>Organization</b>	<b>Title</b>
Amplex Corporation	Federal Duck Stamp Office Manager
Amplex Corporation	Federal Duck Stamp Office Assistant
California Department of Fish and Game	ALDS Program Manager
Alabama DCNR	License Supervisor
Iowa DNR	Licensing and Customer Service Supervisor
North Dakota Game and Fish Department	Supervisor, Migratory Game Bird Management
Michigan DNR	Licensing Manager

***“Whether or not the collection of information is necessary, including whether or not the information will have practical utility; whether there are any questions they felt were unnecessary”***

Comments: Information collected is applicable to the application process.

Agency Response/Action Taken: No action required.

***“The accuracy of our estimate of the burden for this collection of information”***

Comments: All agreed that 40 hours was more than adequate to complete the application. States that have an electronic license sales infrastructure already in place have much of the

detail readily available.

Agency Response/Action Taken: No action required.

***“Ways to enhance the quality, utility, and clarity of the information to be collected”***

Comments: Some information is missing (e.g., this agreement is set up as an either/or - you either participate in the e-stamp program or you can have physical stamps at the licensing facility but you need special permission to have both at the same counter).

Agency Response/Action Taken: We will work with our applicants to make sure they understand that under the terms of this agreement we do not intend to ship physical stamps to the same facilities that have e-stamp licensing capabilities so to avoid confusion and assist licensing facilities in maintaining inventory and financial accountability.

And

***“Ways to minimize the burden of the collection of information on respondents”***

Comments: No comments received.

Agency Response/Action Taken: No action required.

***Additional comments received during the outreach:***

Comments: Don't think it is right that the stamps can be purchased on line by nonhunters and from people from out of state who are not using them to hunt with.

Agency Response/Action Taken: We will work with states to make it more apparent that they do not each have to individually apply and be accepted into the program in order for their residents to purchase estamps (i.e., anyone can purchase an estamp online and they do not have to be a resident of that particular state). The Duck Stamp has never been sold exclusively to waterfowl hunters and will be continued to be made available to those purchasing the stamps for waterfowl hunting as well as for those who purchase them for other reasons.

Despite multiple attempts to solicit feedback via email and phone calls from the remaining 2 individuals, no response was received.

**9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

We do not provide payments or gifts to respondents.

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

We do not provide any assurance of confidentiality. We do not release any personal information from agencies or the public.

**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. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

We do not ask questions of a sensitive nature.

**12. Provide estimates of the hour burden of the collection of information. The statement should:**

- \* Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
- \* If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens.**
- \* Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here.**

We estimate that we will receive **1,359 responses** totaling **1,593 burden hours**. We estimate the annual dollar value of the burden hours is **\$80,813** (rounded).

Currently 40 States offer Internet, point of sale, or telephone sales for their hunting and fishing licenses, which makes them eligible to participate in our electronic Federal Duck Stamp program. Currently, we have 27 States enrolled in the program. We expect no more than 4 States to submit an application over the next 3 years. We encourage unsuccessful States to revise their application and resubmit the following year. We estimate the average time to complete an application is 40 hours. However, this time could vary substantially depending on the complexity of an agency's licensing program.

We require States enrolled in the electronic stamp program to submit fulfillment reports to the stamp distributor in a timely fashion. Currently, most States provide a weekly report to the distributor during the peak period of their hunting license sales. However, States do not provide weekly fulfillment reports during periods of low sales. Volume averages one report each 9-calendar days for an estimated 41 fulfillment reports being submitted by each state each year. If we accept all eligible States who apply into the electronic sales program over the next three-year period, the average number of annual State respondents would be 33. (The current number of States participating is 27, plus 5 additional states in the 2<sup>nd</sup> year for a total of 32; plus the remaining 8 eligible states for the 3<sup>rd</sup> year totaling 40 states.)

We used the of Bureau of Labor Statistics (BLS) News Release [USD-19-1649](#), September 17, 2019, Employer Costs for Employee Compensation—June 2019, to calculate the cost of the

total annual burden hours. Table 1 lists the hourly rate for all State and local government workers as \$50.73, including benefits.

Requirement	Average Number of Annual Respondents	Average Number of Responses Each	Average Number of Annual Responses	Average Completion Time per Response	Estimated Annual Burden Hours	Hourly Rate	\$ Value of Annual Burden Hours
<b>Application (FWS Form 3-2341)</b>							
Government	6	1	6	40	240	\$ 50.73	\$ 12,175.20
<b>Fulfillment Reports</b>							
Government	33	41	1,353	1	1,353	50.73	68,637.69
<b>Totals:</b>	<b>39</b>		<b>1,359</b>		<b>1,593</b>		<b>\$ 80,812.89</b>

**13. Provide an estimate of the total annual non-hour cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden already reflected in item 12.)**

- \* The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information (including filing fees paid for form processing). Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.
- \* If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.
- \* Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.

We have not identified any nonhour cost burden. State agencies would have the same costs for their own programs, even if we did not expand the program.

**14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.**

We estimate the total annual cost to the Federal Government to be **\$10,119**. We estimate it will take approximately 100 hours to review applications and prepare necessary documents for

participants.

We used the Office of Personnel Management Salary Table [2019-DCB](#) (Washington-Baltimore-Arlington, DC-MD-VA-WV-PA) to determine the average hourly rate. In accordance with BLS News Release [USDL-19-1649](#), September 17, 2019, Employer Costs for Employee Compensation—June 2019, we multiplied individual hourly wages for the Federal employees by 1.59 to calculate the fully burdened hourly rates as shown below in Table 14.1:

**Table 14.1 – Federal Salary Costs**

Position and Grade	Hourly Rate	Hourly Rate including Benefits	Total Annual Hours	Annual Cost
Program Manager GS 14/05	\$ 63.64	\$ 101.19	100	\$ 10,119.00

**15. Explain the reasons for any program changes or adjustments in hour or cost burden.**

We are not reporting any changes or adjustments. Currently staffing of the Duck Stamp Office is at 1 FTE and we do not anticipate this to change anytime soon.

**16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

We will not publish any information.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

We will display the OMB Control Number and expiration date on the form and other appropriate materials.

**18. Explain each exception to the topics of the certification statement identified in "Certification for Paperwork Reduction Act Submissions."**

There are no exceptions to the certification statement.