

USDA, Food and Nutrition Services
#0584-0501
Supplemental Form for Collecting Taxpayer Identifying Number (FNS-711)

Supporting Statement

Justification

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

Section 31001(y) of the Debt Collection Improvement Act of 1996 (Public Law 104-134, copy attached) requires all Federal agencies to obtain taxpayer identifying numbers (TINs) from all individuals and entities they do business with, and to furnish the TIN whenever a request for payment is submitted to Federal payment officials. A taxpayer identifying number can be either a Social Security Number or an Employer Identification Number. Additionally, Departmental Regulation 2100-2 (copy attached) requires all individuals and entities doing business with the U.S. Department of Agriculture to furnish a taxpayer identifying number.

- 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.**

This information (taxpayer identifying numbers) is collected from all individuals and entities receiving payments directly from the Food and Nutrition Service under any of the various nutrition and nutrition education programs administered by the Agency. Such individuals and entities include program sponsors, contractors and other individuals receiving payment directly from the Agency. The information is collected at the time of program application, and is only collected once unless an entity renews its application or reapplies for program participation. Contractors entering into a one-time transaction with the Food and Nutrition Service provide this information at the time services are provided or products are purchased. At the time vouchers are presented for payment, the taxpayer identifying numbers of payment recipients are made available to Treasury to match against a debtor master file to facilitate debt collection by administrative offset under the Debt Collection Improvement Act of 1996, and for income reporting to the Internal Revenue Service.

- 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.**

According to the E-Government Act, the Food and Nutrition Service has reviewed the process for collection and submission of taxpayer identification numbers via Form FNS-711. FNS is committed to complying with E-Gov by providing electronic submissions of information in lieu of paper whenever possible. FNS-711 is currently available in a PDF print-only format which can be downloaded on the FNS public website.

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.

Although taxpayer identifying numbers are collected elsewhere in the Federal government, legislative restrictions prevent the Food and Nutrition Service from legally obtaining social security numbers from other government agencies. And, as stated above, the Debt Collection Improvement Act of 1996 and Departmental Regulation 2100-2 require that the Agency collect this information from all individuals and entities we do business with.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-1), describe any methods used to minimize burden.

This information collection will not have a significant economic impact on a substantial number of small entities.

6. Describe the consequences 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 the burden.

If this information collection is not conducted, the Food and Nutrition Service would be unable to include taxpayer identifying numbers with each certified request for payment. This would put the Agency in noncompliance with the law as required by the Debt Collection Improvement Act of 1996.

7. Explain any special circumstances that would cause 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 the 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 secret, 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.**

There are no circumstances that would cause this information collection to be conducted outside the parameters ordinarily approved by the OMB, including all eight subparts above.

- 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 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 3 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.

A Federal Register notice (copy attached), soliciting comments from the public on this information collection, was published July 31, 2006 (Volume 71, Number 146, Page 43094). The Agency received no comments in response to the notice.

Due to the minimal information being requested, and to the fact that this information collection is required by law, no further attempts have been made to consult with potential respondents or interested parties other than the 60-day Federal Register notice cited.

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

There are no plans to provide any 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.**

The Privacy Act of 1974 requires that before personal identifying information (such as taxpayer identifying numbers) may be shared with other entities, a Privacy Act notice must first be published. Therefore, the Food and Nutrition Service published such a Privacy Act notice (system of records) to specify the uses to be made of the information in this collection. Access to records is limited to those persons who process the records for the specific uses stated in this Privacy Act notice. Records in such formats as magnetic tapes and disks are kept in physically secured rooms and/or cabinets. Various methods of computer security limit access to records in automated databases. Paper records are segregated and physically secured in locked cabinets.

- 11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior or 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.**

As stated above, this information collection is required by law. As also stated in our response to Question 4, the Food and Nutrition Service is legally unable to obtain social security numbers from other Federal agencies. Except for the collection of social security numbers, there are no additional questions of a sensitive or private nature in this information collection.

- 12. Provide estimates of the hour burden of the collection of information. 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 in Item 13 of OMB Form 83-1.**

It is estimated that 800 respondents will complete this information collection annually. Unless a respondent enters into multiple contracts with the Food and Nutrition Service, or is required by program regulations to renew their application periodically, they will only have to provide this information once at the time of program application. So for the majority of respondents, only one response will be required. Since the information collection is minimal, requiring the respondent to provide only name, address and taxpayer identifying number, it is estimated that completion of the information collection should take no more than 5 minutes (0.083 hours). Therefore, the total annual burden is estimated to average 66.4 hours annually.

- **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. Instead, this cost should be included in Item 13.**

The annual cost to respondents for this information collection is estimated at \$1,096. This estimate was determined by multiplying the number of annual respondents (800) by the estimated time required to complete the information collection (0.083 hours) to get the total annual burden hours. This figure was then multiplied by the national average hourly earnings (\$16.51) by individuals in private industry for March 2006 (these figures were obtained from the Bureau of Labor Statistics) to arrive at the total estimated annual cost of \$1,096.

13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information (do not include the cost of any hour burden shown in items 12 and 14). 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. 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 collections 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.**

There are no capital/start-up or ongoing operation/maintenance costs associated with this information collection.

- 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. Agencies may also aggregate cost estimates from items 12, 13, and 14 in a single table.**

The annual cost of this information collection to the Federal government is estimated to be \$1,050. This was determined based on the amount of time spent by FNS staff in the clearance of the form, including publishing a Federal Register notice, and includes an estimate for making the form available on the internet. The results are summarized in the table below:

COST ESTIMATE			
EMPLOYEE	HOURS	HOURLY RATE	TOTAL COST
GS-13	21	50.00	1,050.00

- 15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-1.**

This is an extension of a previously approved collection. There is no change to the currently approved burden of 66 hours.

- 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 the report, publication dates, and other actions.**

There are no plans to publish any of the information obtained in this collection.

- 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.**

The Agency is seeking approval to not display the OMB expiration date on the form associated with this information collection. We believe that the expense involved in reprinting the form each time a new OMB expiration date is obtained would not be cost effective, and would not serve in the best interests of the public.

- 18. Explain each exception to the certification statement identified in Item 19 “Certification for Paperwork Reduction Act Submissions,” of OMB Form 83-1.**

The Agency is able to certify compliance with all provisions under Item 19 of OMB Form 83-1.