

June 12, 2006

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency

OMB Number 0560-0190

Power of Attorney

Purpose:

The United States Department of Agriculture (USDA) is requesting an extension of currently approved information collection; Power of Attorney and Power of Attorney Signature Extension Sheet. This information is used to support the FSA, Commodity Credit Corporation (CCC) and Risk Management Agency (RMA) in conducting business and accepting signatures from individuals acting on behalf of others. collected is to grant authority for an individual to act on behalf of another or entity, such as a corporation, with respect to certain Farm Service Agency (FSA), Commodity Credit Corporation (CCC) and Risk Management Agency (RMA) programs and actions. The form provides a service and option to producers who are not always able or available to sign documents on their own behalf. The form saves a producer time because the producer is not required to personally sign all documents. Additionally, the form reduces the overall travel time associated with receiving services through USDA Service Centers, and reduce costs associated with obtaining a power of attorney through other sources, such as fees that are charged by an attorney.

FSA Plan to Address the Issue Posed by OMB:

FSA attended a meeting with OMB and appropriate USDA staff responsible for the e-authentication process. Currently the SS# provided on the POA is the unique identifier that is used in the e-authentication process to allow one person to do business electronically for another person, such as request payments. OMB had concerns with FSA capturing the SS# on the POA.

FSA has addressed the concerns posed by OMB by eliminating the requirement of grantors to provide their social security number or employer ID number on the FSA-211/FSA-211A. However, in order to maintain program integrity, it may be necessary for FSA to require proof of identification from a grantor, such as viewing the grantors drivers' license or state identification card to ensure that the grantor is properly represented.

Change since last approval: When this form was initially introduced, all customers with a power of attorney on file were required to complete this form. Since this time only new grantors are required to complete this form. Also please note that of these new grantors, 2% of these will require an FSA-211A, Power of Attorney Signature Extension Sheet to accommodate additional signatures.

1. Explain the circumstances making 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.

Customer signatures are required in order for participants to obtain most USDA benefits. USDA requires customer signatures to ensure that the purpose of the applicable program is achieved, verify the validity of information provided by the customer, and provide a necessary basis for pursuing legal remedies in the event of error or fraud. Collecting and maintaining a valid

power of attorney allows USDA to accept an individual's signature on behalf of another producer, thereby, reducing the number of producers that may otherwise be required to sign applicable documents and travel to the USDA Service Center.

There is no public law requiring the use or collection of information for power of attorney authority. The option to allow producers to appoint an attorney-in-fact is provided for certain FSA, CCC, and RMA programs and actions to lessen the burden on the producers, provide USDA a method of verifying the validity of the information, and provide a necessary basis for pursuing legal remedies when needed.

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.

Customer signatures are used primarily to formalize agreements and contracts that render the signatory legally liable for the terms and conditions of the agreement or contract. The FSA-211/FSA-211A is used to appoint an individual or entity, such as a farm management company, to act on behalf of another individual or entity. Providing the information to USDA is voluntary and a one-time occurrence. The FSA-211/FSA-211A is maintained on file in USDA Service Centers. The FSA-211/FSA-211A is used for certain CCC, FSA, and RMA programs and actions. Producers may obtain the FSA-211/FSA-211A from the USDA eforms website (www.forms.sc.egov.usda.gov/formsearch.asp) or directly from a USDA Service Center. The form(s) may be completed on-line through the e-forms website and mailed to the USDA Service Center or completed at the service center while there conducting other business. See response to question 12 below. The original form(s) is maintained at the USDA Service Center; however, producers are provided a copy of the completed form(s) for their records.

The information received from the previous collection has been used to accept a duly authorized individual's signature on behalf of another individual or entity on certain FSA, CCC, and RMA documents. This has resulted in a lesser burden on both the producer and the USDA Service Center employees. The information received from the previous collection has significantly reduced or eliminated the burden on the producer granting the authority to travel to the service center in order to complete and sign many commonly used documents. It has also reduced or eliminated the USDA cost of mailing documents to every producer for signature, and has reduced or eliminated the producer's mailing cost to return the signed documents to USDA. The information collected has significantly reduced the burden on the USDA Service Center employees by reducing the number of producers visiting the service center to personally sign each document. In addition, because the form was developed in consultation with the Office of General Council (OGC), the burden on the OGC has been reduced by significantly reducing the number of non-USDA power of attorney documents completed by the producers themselves or private sector legal institutions which require a legal review by OGC before USDA may accept such forms.

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.

The objective of this collection is to maintain an original signed FSA-211/FSA-211A on file in the USDA Service Center for the purpose of verifying authorized power of attorney signatures. According to the FSA Office of General Council, an original signature is needed to provide a source to authenticate the validity of the information and pursue legal remedies, when necessary. However, the forms and associated instructions are available on-line through USDA e-Forms website. In addition, the FSA service centers enter the data obtained on the forms into the service center automated system to allow USDA employees easy access to the information to quickly verify power of attorney signatures. The use of the automated data reduces the amount of time a customer spends in the service center.

The information collected on the FSA-211/FSA-211A is limited to:

- Name and address of the person being appointed attorney-in-fact
- Name and Signature of grantor
- Indication of applicable FSA, CCC, and/or RMA programs and actions

Note: The FSA-211A is used solely to accommodate additional grantor names and signatures which exceed the allotted space on the FSA-211.

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

The form is used by FSA, CCC, and RMA. USDA did review the use of the form with other agencies, such as Rural Development and the Natural Resource Conservation Service, to identify opportunities for consolidated use. USDA determined that the use of the form by other agencies was not appropriate because other agencies accept power of attorney signatures on a case-by-case basis only and only in limited circumstances.

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

Collection of this information does not impact any small businesses or other 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 burden.

Failure to collect and maintain the data collected on the form will limit or eliminate USDA's ability to accept an individual's signature on behalf of another individual or entity. As a result, USDA Service Center customers would not have the benefit of the reduced burden option of appointing someone to act on their behalf, thereby, resulting in increased cost and travel to the customer and increased cost to USDA.

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 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.

None of the special circumstances identified in this question apply to this information collection.

- 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 instruction and record keeping, 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.

The information collection requirements were published on March 10, 2006, in Federal Register Notice DOCID: Volume 68, Number 96, page 27011. No comments were received. The following persons were contacted for consultation on the package regarding collection of signatures for this purpose. They expressed support for continuing the use of this form and the time saving options they provide to FSA, CCC, and RMA customers.

Lisa Richardson, South Dakota Corn Growers Association
Sioux Falls, SD 57105

Joe A. Schmaltz, Producer
Rugby, ND 58368

Platte Colony, Producer
c/o Dale Wipf
Platte, SD 57369

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

No payments or gifts are provided to respondents.

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

There are no confidentiality issues related to the collection of this information.

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.

No questions of a sensitive or personal nature are collected.

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.

USDA estimates that **176,296** FSA-211's will be completed annually and 2% or **3526** of these will require FSA-211A's. These estimates are based on the following:

- **8,814,782** unique ID numbers of USDA service center customers recorded nationally
- Annually approximately 2 percent of the potential universe will complete a FSA-211.

Collection of the information is a one-time occurrence. The original FSA-211 will be maintained in the USDA service center for 6 years after the FSA-211 becomes void.

Providing the information requested for the FSA-211 and FSA-211A respectively, is estimated to take **15** minutes per response. Travel time is not included in this estimate because producers will not be encouraged to make a special trip to a USDA Service Center to provide the information. The form is available on-line at USDA eforms website or customers may complete the form when they are visiting the service center for another reason.

We estimate the annual burden for providing the information at **44,956** hours. This was calculated by multiplying the annual average number of respondents by the estimated response time (**179,822 X .25 = 44,956 hours**).

The estimate of annualized cost to respondents is estimated to be **\$698,167 (\$15.53 X 44,956 hours)**.

There are no record keeping requirements associated with this initiative.

13. Provide estimates of 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 estimates should be split into two components: (a) a total capital and start up cost component annualized of its expected useful life; and (b) a total operation and maintenance and purchase of services component.

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

14. Provide estimates of annualized cost to the Federal government. Provide a description of the method used to estimate cost and any other expense that would not have been incurred without this collection of information.

The estimated annualized cost to the Federal government is **\$672,092**. Costs to the Federal Government to support this collection are limited to labor. The cost for retrieving the form and gathering and maintaining the data is based on 15 minutes per respondent at the average wage of a FSA service center employee of **\$14.95/hour (179,822 X .2500 hours X \$14.95 = \$672,092)**.

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

This is a request for an extension of currently approved information collection. The change in annual reporting hour burden in item 13 of the OMB Form 83-1 is due to a reduction in the percentage (reduced from 6% to 2%) of the potential universe that will complete a FSA-211 and 2% of those will require an FSA-211A. This change is due to the fact that the 6% estimate was based on all obsoleted FSA-211 Power of Attorney forms on file were required to be re-filed at the time of the last estimate. The 2% estimate is based on new FSA-211 Power of Attorney forms filed annually. The reduction in this percentage reduced the total annual burden hours by 84,957. There is no change in item 14 of the OMB Form 83-1.

16. For collections of information whose results are planned to be published, outline plans tabulation and publication.

The information collected is not intended for publication.

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

USDA intends to incorporate the OMB approval on the FSA-211.

18. Explain each exception to the certification statement identified in Item 19 "Certification for Paperwork Reduction Act."

USDA is able to certify compliance with all provision under Item 19 of OMB Form 83-1.

19. How is this information collection related to the Customer Service Center? Will this information be part of their one-stop shopping?

This information will be collected at USDA Service Centers. The power of attorney authority information is collected one-time and remains in full force and effect until written notice of revocation has been duly served upon USDA, the death of the grantor, or incapacitation of the grantor. This approach is an implementation of the one-stop shopping concept.