

**2007 SUPPORTING STATEMENT  
FOR  
7 CFR PART 70, REGULATIONS FOR VOLUNTARY GRADING OF  
POULTRY PRODUCTS AND RABBIT PRODUCTS  
OMB NO. 0581-0127**

**A. Justification**

**1. EXPLAIN THE CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY. IDENTIFY ANY LEGAL OR ADMINISTRATIVE REQUIREMENTS THAT NECESSITATE THE COLLECTION.**

Approval is requested under the Paperwork Reduction Act and 5 CFR part 1320 for the collection of information in 7 CFR Part 70, Regulations for Voluntary Grading of Poultry Products and Rabbit Products, and Forms PY-32, PY-33, PY-210-S, PY-210-P and PY-212. The regulations provide a voluntary program for grading poultry and rabbits on the basis of U.S. classes, standards, and grades.

The Agricultural Marketing Act of 1946 (60 Stat. 1087-1091, as amended; 7 U.S.C. 1621-1627) (AMA) directs and authorizes the Department to develop standards of quality, grades, grading programs, and services to enable a more orderly marketing of agricultural products so trading may be facilitated and so consumers may be able to obtain products graded and identified under USDA programs with the confidence of receiving quality in accordance with the standards, grades, and regulations.

To provide programs and service, section 203(h) of the AMA directs and authorizes the Secretary of Agriculture to inspect, certify, and identify the grade, class, quality, quantity and condition of agricultural products under

such rules and regulations as the Secretary may prescribe, including assessment and collection of fees for the cost of the service.

For a voluntary program to provide efficient service to the users, there must be written requirements, guidelines, and rules, which in this case are these regulations, for both the provider (USDA) and the user (industry) to use as basis for common understanding. The regulations outline the information the Agency needs from the respondents to provide the types of service the respondents wish, to administer the program, to assess the cost of providing service, and to assure graded poultry and rabbits are properly labeled.

Because this is a voluntary program, respondents need to request or apply for the specific service they wish, and in doing so, they provide information. Since the AMA requires that the cost of the service be assessed and collected, there is no alternative but to provide voluntary programs on a fee for service basis and to collect the information needed to establish the cost.

Only respondents who elect to utilize this voluntary user fee-for-service are eligible to identify poultry and rabbits products with official USDA grademarks.

The information collection requirements in this request are essential to carry out the intent of the AMA, to provide the respondents the type of service they request, and to administer the program.

**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.**

The information from respondents is used only by authorized representatives of the USDA (AMS, Poultry Programs' national staff, regional directors and their staffs, Federal-State supervisors and their staffs, and resident Federal-State graders, which include the authorized State agencies). The information is to administer and to conduct and carry out the grading services requested by the respondents. The Agency is the primary user of the information and the secondary user is each authorized State agency which has a cooperative agreement with AMS.

This collection of information serves the Agency mission, program objectives, and management needs in providing information on the efficiency and effectiveness of the program.

Since the Agency does not know what the respondents' wishes or needs are until asked, there is no other choice but to have the respondents request or ask for the specific services or benefits they wish. In requesting or applying for service, the respondents would only need to provide their name and address and to specify the kind of services or benefits they wish. The Agency only requests the information necessary to efficiently make arrangements for the types of service requested and to assure service is provided.

For plant surveys to determine whether the facilities are satisfactory for grading product (70.34), the information needed by the Agency is obtained

by direct observations of a USDA supervisor and from nonstandardized oral discussions with plant management.

Each label with USDA grademark is required to be approved (70.50). Respondents must submit a proof of each label. Without such information, there is no other alternative to ensure properly labeled poultry and rabbit products and integrity of the USDA grade shield mark.

Because these regulations affect a constantly changing and developing industry, the regulations provide flexibility. The respondents may request various types of services to meet their needs and approval of alternate processing and grading procedures. The regulations permit experimentation (70.3) so new procedures and techniques may be developed to aid technological improvements and increased efficiency. Although flexibility is provided, it directly affects the information burden.

**Forms submitted for approval under this request:**

(a) **Form PY-32, Application for Service**, is completed and submitted by a respondent when applying for continuous resident grading. Form PY-32 is the basis for a written contract/agreement between the Agency and the respondent for resident service. The Office of the General Counsel requires this contract/agreement before the Agency can provide resident service, can incur the expense of installing resident service, can collect for the cost of voluntary service required by section 203(h) of the AMA, and can take administrative or regulatory action in accordance with the applicable regulations.

(b) **Form PY-33, Application for Specifications Approval**, is

completed by respondents when submitting their product specification to USDA for approval. The form is the basis for written contract/agreement between the Agency and the respondent for the Agency to grade or inspect products the respondent purchases according to the respondent's specifications. Examples of respondents using USDA's voluntary acceptance service are: food retail chain stores; restaurant chains; purchasing/marketing associations; export-import companies; State purchasing agencies; and State, county, and city school systems. The Agency assists the respondents in the preparation of their specifications.

(c) **Form PY-210P Poultry Products Grading Certificate and PY-210S, Shell Egg Grading Certificate.** These forms are used to document grading and inspection results in all of Poultry Programs' programs. Respondents verbally advise the grader/inspector of the commodity lots to be analyzed and the type of grading, inspection, analyses or certification needed. This certificate is receivable in all courts of the United States as prima facie evidence of the truth of the statements therein contained and is extensively used by the poultry industry to facilitate transactions.

(d) **Form PY-212, Retail Quality Program Agreement** is completed and submitted by a respondent when applying for retail quality inspections. Form PY-212 is the basis for a written contract/agreement between the Agency and the respondent for service. The Office of the General Counsel requires this contract/agreement before the Agency can provide service, can incur the expense of installing service, can collect for the cost of voluntary service required by section 203(h) of the AMA, and can take administrative

or regulatory action in accordance with the applicable regulations.

**Forms PY-32, PY-33, and PY-212** are ongoing active contracts/agreements until canceled or terminated, as applicable, by either party in accordance with the regulations.

Use of these forms reduces the information burden because they eliminate the time-consuming difficulties in obtaining proper wording and information for an agreement that would be needed through correspondence.

Since a respondent may have service under more than one program regulation, Forms PY-32 and PY-33 are designed to be used under all of the Programs' program regulations (7 CFR Parts 56 and 70).

Other forms used under 7 CFR Part 70 include **PY-100, PY-157, and PY-240** approved under 7 CFR Part 56, voluntary grading of shell eggs (OMB No. 0581-0128); and Form PY-518-1 approved under 7 CFR Part 57, (OMB No. 0581-0113) inspection of eggs. These forms are designed for use under all of the Programs' program regulations and shown on the attached AMS Form 71. These forms are discussed below:

(a) **Form PY-100, Work Schedule Request,--Voluntary Grading Service**, is the basis for written agreement between the Agency and the respondents for the work schedule of grader(s) and/or inspector(s) in plants with resident service. The form provides the basis for regular and overtime hours of service and for the cost of the hours of voluntary service required by section 203(h) of the AMA. A written schedule has proven to have

reduced the hours of overtime and regular service needed by a plant and effectively reduced the cost of service to the applicant.

(b) **Form PY-157, Application for License**, is used to document that a USDA or State employee is qualified to perform the duties of a shell egg grader, a poultry grader, or a shell egg surveillance inspector. State employees under cooperative agreements grade or inspect products for USDA. The form is also used to license USDA or State employees who perform laboratory analyses for the Program (chemists, microbiologists, etc.) in plants with resident service. The form is the basis for issuing a license. Form PY-157 is used as proof that an employee is qualified and authorized to investigate and document violations (shell egg surveillance inspector); or to perform the duties of a shell egg grader, a poultry grader, or a laboratory technician; and to issue official certificates as prima facie evidence when challenged by industry or in representing testimony in judicial proceedings, etc.

(c) **Form PY-240, Grading Volume Report**, is completed each month by a resident grader based on the information provided by plant management. The form is used in plants with resident service to report the volume of poultry or shell eggs handled and graded, in each plant to the Poultry Programs.

(d) **Form PY-518-1, Alleged Violation and Detention Notice**, is completed by Federal and State regulatory inspectors to report and document violations of the Egg Products Inspection Act (7 CFR part 59) and section 203 (h) of the AMA (7 CFR part 56 and 70). Also, this form serves as

a record and notice of product detained outside of an official plant due to noncompliance of these Acts. If the information under this request was not collected, the Agency would not be able to provide the voluntary grading program authorized and requested by Congress under the AMA, to provide the types of services requested by industry, to administer the program, to ensure properly grade-labeled poultry and rabbit products, to calculate the cost of the service, or to collect for the cost of furnishing service as required by section 203(h) of the AMA.

**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.**

Forms have been simplified and many combined to reduce the burden. On these forms, the Agency only requests the company name and address, title and signature of a company official, and an applicable box or space(s) marked or filled in.

Plants are required to designate in writing company employee(s) required and authorized to furnish information to the resident grader (70.77(b)(1)). Since the Agency has asked that title(s) of company employees(s) be provided rather than the name of employee(s), the frequency of the burden has almost been eliminated, except for plants with service for the first time, since title(s) do not change very often.



Information requirements are minimal and limited to those necessary to provide service, and to assure products are properly graded and grade-labeled. Additional reductions may be feasible in the near future through technological improvements that benefit industry and consumers. Facsimile (FAX) transmissions are limited to those individuals in possession of such equipment. The majority of information is transmitted by phone or postal deliveries.

Currently, Forms PY-32 and PY-33 are available on the internet in pdf file format to be downloaded, copied, and filed. The Agency does not expect Form PY-212 to be available on the internet or electronically. Program changes have reduced its expected use and until the program's future is clear, the Agency will continue to use this form manually. Forms PY-210P and PY-210S are prepared by Agency personnel with information provided by the respondents. This information may be supplied by electronic means to the personnel completing the form; however, the Agency does not expect this form to be electronically filed at this time. The Agency will continue to review new technology and use of the form that may allow it to be used electronically.

**4. DESCRIBE EFFORTS TO IDENTIFY DUPLICATION. SHOW SPECIFICALLY WHY ANY SIMILAR INFORMATION ALREADY AVAILABLE CANNOT BE USED OR MODIFIED FOR USE FOR THE PURPOSE(S) DESCRIBED IN ITEM 2 ABOVE.**

The information collection requirements in this request are essential to carry out the intent of the AMA, to provide the respondents the type of service they request, and to administer the program.

There is no known duplication of information burden. There are no sources of information other than from each respondent. The information must be from each respondent specifically for their product, plant operation, or product label for their specific purposes or needs. The Agency works with the respondents to ensure there is no duplication of information.

AMS and USDA's Food Safety and Inspection Service (FSIS) have requirements for labeling poultry and rabbit products. Poultry and poultry products are required to be inspected for wholesomeness by FSIS in accordance with the Poultry Products Inspection Act. All labeling for poultry products must be submitted to FSIS in accordance with 9 CFR Part 381 for approval. A larger number of labels (mostly for parts) are being submitted; however, a greater percentage of them are now approved by the FSIS Inspector-in-charge and the AMS grader, at the plant level. Also, generic label changes by industry are now permitted without formal label submission. For all other labels, FSIS and AMS have an internal working agreement where labels with the USDA grademark are reviewed by AMS internally and returned to FSIS. The labels are approved by FSIS and returned to respondents by FSIS. This internal review adds no additional burden on the respondents or any delay in approving labels. The information burden shown under 70.50 in the attached AMS Form 71 is the burden estimated to be due to AMS requirements for labels with the USDA grademark. (Reflects the burden to develop, to assemble, and to provide information related to grade-labeling).

There is no other information that can be used or modified, except in

one instance. The one exception is discussed below:

A plant could have service under more than one Program regulation; e.g., 7 CFR

Part 56, voluntary grading of shell eggs and 7 CFR Part 70, voluntary grading of poultry and rabbits. Many of the information collection requirements in each of the Programs' program regulations are the same and are applicable to the other program service in the plant. An information burden incurred under one program would fulfill the information needs of the other program. In these cases, there would be no additional information needed or burden for the other program; e.g., application for service (70.31(b)), schedule for grading service (70.18), designated company employee authorized to furnish information to the resident grader (70.77(b)(1)), or request change in hours of resident service (70.18).

**5. IF THE COLLECTION OF INFORMATION IMPACTS SMALL BUSINESSES OR OTHER SMALL ENTITIES (ITEM 5 OF THE OMB FORM 83-1), DESCRIBE THE METHODS USED TO MINIMIZE BURDEN.**

Collection of the information requested does not present any additional effort on the part of small businesses or other small entities as the information burden depends upon the types of services the respondent requests and the number and frequency of their requests.

Since the voluntary grading program is designed for any size of business (smallest to biggest), the information burden increases as the size and complexity of the operation increases. The smaller and less complex operators are subject to smaller burdens.

Furthermore, since this is a voluntary program and the service is paid for by the user, the Agency strives to minimize the burden on respondents because the amount of burden is directly related to the cost of the service that must be paid for by the users.

**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.**

Almost all of the frequency for different kinds of information is due to the needs and wishes of the respondents; e.g., request grading certificates or specification acceptance certification (70.91(a)), notify grader of changes needed in hours of grading service (70.18), request experimentation (70.3) or alternate procedures (70.210(e)), submit new labels for approval (70.50), or request grading service on lot-fee basis (70.31(a)). Since the Agency does not know the respondent's wishes or needs until asked or requested, we have no alternatives for these frequencies if the Agency is to provide the respondents flexibility and alternatives.

A resident grader could not prepare a grading certificate for a lot of poultry or rabbits unless the plant verbally provided the specific kind of information needed for the certificate. The Agency could not ensure properly labeled poultry and rabbit products and the integrity of the USDA grademark if each new label was not submitted for approval.

When products are grade-labeled with the USDA grademark, the amount of product in a lot may be needed by the Agency to identify the specific amount in the lot. This information is needed when product in a lot is found

to be improperly labeled or in noncompliance with the assigned USDA grade. Then the specific amount of product can be detained in the plant or returned to the plant before it is used.

Without the frequency of the information outlined in this request, the Agency would not be able to provide the program services the users need, when they are needed, or provide efficient and cost-effective service. This would be contrary to the needs of the users of the service and to the intent Congress had in making voluntary programs available.

**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;**

The requirement "not to require respondents to report more than quarterly" would effectively destroy the Agency's ability to provide grading service and to control grading, labeling, and improperly labeled products.

When product is improperly labeled or not in compliance with the assigned USDA grade, an immediate response is necessary to prevent product from moving into consumption channels or to locate product outside the plant. In most cases, these are verbal responses obtained through nonstandardized oral communication at the time of observing the noncompliance. As a followup, a USDA representative may ask the respondent to sign a USDA prepared form or report to acknowledge their discussion. When there is a critical history of noncompliance or noncompliance product was shipped from the plant, the respondent may be

asked to prepare a short written response within a period of 1 to 10 days.

The majority of the responses are due to requests of the users for different services and benefits, and any limit in this flexibility to the users would negate or restrict their needs. For information due to the needs and wishes of the respondents, the length of time before respondents need to prepare a written response depends entirely upon how soon they would need the specific benefit or service of the program, or a request approved. Based on our experience, respondents respond in considerably less time than 30 days because their needs require a more timely response in order to conduct or maintain normal business activities. The urgency of most applicants' needs may best be demonstrated by an example of how soon the Agency must respond in order to fulfill their needs. For example, the Agency normally must respond within 1 to 5 days in order to meet most of their requests for service and benefits or approve a request.

The regulations and/or adjudicatory proceedings of the Department outline the response times to pending regulatory or administrative actions of the applicant; e.g., 7 days for a USDA licensed employee to file an appeal why his/her license should not be suspended or revoked; 10 days for applicant's petition of a rejected application for service; and 10 days for applicant to respond to why service should not be withdrawn. In special situations, these response times may be extended. In the case of an appeal of a grading or a grader's decision, the respondent must request the appeal before the product has undergone any material change. This must be done within 1 to 2 days, and in a few instances, up to within 5 days, depending

upon the type of product and the reason(s) for an appeal. The majority of the requests for an appeal are verbal.

The Agency needs the exceptions to 5 CFR 1320.6(a) and (b) in order to provide the service requested, the control of improperly labeled products, and to collect for the cost of the service.

The one situation in which respondents provide information that may not be considered in a customary format is use of the printed Program forms used and submitted under this program regulation.

- **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 3 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 STATUE 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.**

- 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.**

The Agency published a notice in the Federal Register on December 6, 2006, in Vol. 71 No. 234 page 70734 announcing its intention to request an extension for and revision of this information collection as required by 5 CFR 1320.8(d). One comment was received in response to the notice. The commenter stated that they were disturbed by the grading and whole policy of raising and killing chickens for profit. The commenter took issue with salmonella and bacteria on dead chickens, meat endangering the population, the living conditions of chickens, and USDA working for the chicken profiteers. The commenter further stated that the industry should start all over and exhibit some intelligence instead of greed and that voluntary grading was incredibility stupid and ludicrous in a country that needs clean and healthy food. No action was taken in response to this comment because it was outside of the scope of this request and did not address the cost or burden on the respondents subject to this information request.

**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.**

The regulations were developed through rulemaking procedures.

When changes are planned, letters of information and proposed rulemaking are sent directly to users of the service, industry trade organization, States, and other interested persons for their comments. Significant issues are first presented to them for their comments at industry meetings or through letters of information or notices that proposed rulemaking is being considered. The changes in 7 CFR Part 70 are usually minor in nature.

Communications between the Agency and industry are good. The Agency meets with poultry product trade organizations at least yearly to obtain their views on issues and problems and to exchange information on efficiency and effectiveness of the poultry grading program. Also, the Agency consults these organizations when there are significant program issues or when major changes are proposed in the poultry grading program. Representatives of the national staff or regional staffs meet with the following organizations or participate in their seminars and workshops on chicken or turkey products:

National Turkey Federation  
1225 New York Avenue, NW

Midwest Poultry Federation  
108 Marty Drive

Suite 400  
Washington, DC 20005  
202/898-0100  
Mr. Joel Brandenberger

Buffalo, MN 55313  
763/682-2171  
Mr. Steve Olson

National Chicken Council  
1015 15<sup>th</sup> Street, NW  
Suite 930  
Washington, D.C. 20005  
202/296-2622  
Mr. George Watts

Delmarva Poultry Industries, Inc.  
16686 County Seat Highway  
Georgetown, DE 19947-4881  
302/856-9037  
Mr. Bill Satterfield

Pacific Egg & Poultry Association  
1521 I Street  
Sacramento, CA 95814  
916/441-0801  
Ms. Debra Murdock

U.S.Poultry & Egg Association  
1530 Cooledge Road  
Tucker, GA 30084  
770/493-9401  
Mr. Don Dalton

Plants with resident service are routinely provided copies of information and materials about service from the Federal-State, regional, or national offices. The supervisory field staff regularly visits with industry during their supervisory travel to obtain respondents' views and exchange information.

These forms of communications--between the Agency and industry and between the Agency and States--have proven to be an invaluable method of exchanging information. It gives the industry and the States the opportunity to express their views and to discuss their problems. It gives the Agency the opportunity to obtain their views, to answer questions, and to solve or resolve problems.

**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.**

It is Department policy that no employee or official of USDA or State shall use to their advantage, or reveal other than to the authorized representatives of the USDA, any information acquired concerning the business or operations of the respondents or any matter entitled to protection as a trade secret.

**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.**

No questions of a sensitive nature are requested.

**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 DIFFERENCE 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.**

- **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 14.**

The number of respondents, frequency of response, and annual burden for each information collection requirement, as well as totals, are shown on the AMS Form 71.

The majority of the estimates and calculations are based on the average yearly number of respondents and responses from 2006-2007 program records, except where there were continuous decreases or increases, or there were unusual circumstances. In these cases, estimates are projections of what is expected on the average over the next 3 years. Estimated average time for each response is based on program experience and the criteria under 5 CFR 1320.7(b).

For OMB No. 0581-0127, the burden in the current OMB inventory and in the FY-2003 Information Collection Budget (ICB) is 1752.95 hours. The burden under this request is 1813.15 hours or 60.20 hours more than in ICB. The reasons for this difference are explained in Item 15.

The estimated cost to the respondents is \$41,629.93. Estimated total cost to respondents is based on the following calculations: 1813.15 total hours of information collection x \$22.96. The estimated hourly cost of \$22.96 for the respondents is an average for the various levels of management (general manager, plant manager, processing supervisor,

quality assurance supervisor, or foreman) most likely to be handling the specific responses (includes miscellaneous costs as applicable). This hourly wage was obtained from the U.S. Department of Labor Statistic's Occupational Wages in the United States, June 2005", published August 2006 (Bulletin 2581). This publication can also be found at the following website: <http://www.bls.gov/ncs/ocs/sp/nclbo832.pdf>.

The estimated time per burden and total hours of burden are shown on the AMS Form 71.

**13. PROVIDE AN ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS OR RECORDKEEPERS 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 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 KEEPING RECORDS FOR THE GOVERNMENT, OR (4) AS PART OF CUSTOMARY AND USUAL BUSINESS OR PRIVATE PRACTICES.**

This collection of information did not require the expenditure of capital costs.

**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, OPERATION 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 ALSO MAY AGGREGATE COST ESTIMATES FROM ITEMS 12, 13, AND 14 IN A SINGLE TABLE.**

The voluntary grading program is provided on a user-fee basis with the cost of the program borne by those respondents utilizing the service (section 203(h) of the AMA).

**15. EXPLAIN THE REASON FOR ANY PROGRAM CHANGES OR ADJUSTMENTS REPORTED IN ITEMS 13 OR 14 OF THE OMB FORM 83-1.**

There have been no changes in the voluntary grading program or services, or in the information collection requirements. However, the 3.43% increase of burden hours (60.20 hours) that is reported from 0.56% fewer

respondents (2 respondents) resulted from a higher level of program participation by the respondents who continued to participate in the program.

The reasons for the changes in burden and for the net of 60.20 hours in total burden from the previous proposal are summarized below: Reason for changes in the burden.

REG. NO. 7 CFR 70	REASON	PREVIOUS BURDEN	NEW BURDEN	DIFFERENCE	TYPE OF CHANGE
.3	Increase in respondent s	15	20	5	A
.18	Decrease in respondent s	33.60	31.20	-2.40	A
.31(a)	Increase in respondent s	160	192	32	A
.31(b)	Increase in respondent s	614.4	640	25.6	A

A = Adjustment = 60.20

TOTAL = 60.20

There have been no changes in the voluntary grading program or services, or in the

information collection requirements.

**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.**

Information under this request is not published for statistical use. The information is summarized for internal Program management decision making and the Program's annual progress report, to prepare Agency and Department reports, and to answer congressional requests.

This collection of information does not employ statistical methods



because it is based on the needs of the respondents and the Agency as discussed within this request.

**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 requests approval not to display the expiration date for OMB approval of the information collection. This requirement significantly affects voluntary programs by increasing costs to users because otherwise usable forms must be destroyed when the date expires or when the form is revised and redistributed. Such needless cost increases passed on to users of voluntary services are counterproductive to the administration's goals of reducing costs and increasing program efficiency. Additionally, the impact of the expiration date requirement on administrative and regulatory forms for the programs can adversely affect the operation and enforcement of the statutes. Inadvertent use of a form with an expired expiration date poses an opportunity for those looking for any means of disruption to challenge paying for services rendered, the validity of the collection requirement, or legal requirement imposed by regulations or statutes.

**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.

**B. Collections of Information Employing Statistical Methods**

Statistical methods are not being used with this collection.