

## 2008 SUPPORTING STATEMENT

### LIVESTOCK MANDATORY REPORTING ACT OF 1999

OMB NO. 0581-0186

(Final Rule)

#### A. JUSTIFICATION

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

The Livestock Mandatory Reporting Act of 1999 (Act), which was enacted into law on October 22, 1999, (Pub. L. 106-78; 113 Stat. 1188; 7 U.S.C. 1635-1636h) as an amendment to the Agriculture Marketing Act of 1946 (7 U.S.C. 1621 et seq.), mandates the reporting of information on the prices and quantities of livestock and livestock products. Under this program, certain livestock packers, livestock product processors and importers who annually slaughter an average of 125,000 cattle or 100,000 swine; slaughter or process an average of 75,000 lambs; and who annually import an average of 2,500 metric tons of lamb are required to report market information to the Agricultural Marketing Service (AMS).

In the December 1, 2000, Federal Register, AMS published a final rule implementing the program (65 FR 75464)(7 CFR 59). The statutory authority for the program lapsed on September 30, 2005. On September 13, 2005, the Senate approved a bill that would extend Livestock Mandatory Reporting for 1 year. On September 14, 2005, the House approved a bill that would extend LMR for five more years. On September 20, 2006, the Senate passed by unanimous consent H.R. 3408, a bill that would extend the Act until September 30, 2010, as well as make a number of program modifications. On October 5, 2006, the President signed the bill and it became Public law 109-296.

The collection of information is necessary for the proper performance of the functions of AMS concerning the mandatory reporting of livestock information.

**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 collection and recordkeeping requirements in this regulation are essential to operating a mandatory program of livestock and livestock products reporting. Using the information submitted by packers, AMS publishes over 100 daily, weekly, and monthly reports covering market transactions for fed cattle, swine, lamb, beef, and lamb meat. Based on the information available, AMS estimates that reports issued under LMR cover approximately 95% of the hog market, 77% of the cattle market, 60% of the sheep market,

41% of the boxed lamb market, 26% of the carcass lamb market, and 93% of the boxed beef market. AMS market reports are utilized by producers and others in the marketing chain to formulate contracts and make marketing decisions, and by other Government Agencies to make policy decisions, settle trade disputes, and in a variety of other functions.

The required information is to be reported up to three times daily and once weekly. Collection will be accomplished through electronic means. The collected information will form the basis for published market reports utilized by the livestock industry when making marketing decisions. The required information is only available directly from those entities required to report under the Act and by these final regulations and exists nowhere else.

#### Listing of Forms:

Live Cattle Daily Report – Current Established Prices (LS-113): provides description of each lot of purchased cattle.

Live Cattle Daily Report – Committed and Delivered Cattle (LS-114): provides description of each lot of cattle committed or delivered to the packer.

Live Cattle Weekly Report (LS-115): provides breakdown of cattle purchased during prior week by different types of purchase.

Cattle Premiums and Discounts Weekly Report (LS-117): provides information on packer's intended carcass merit buying program for the upcoming week.

Cow/Bull Plant Delivered Bids (Dressed Basis)(LS-131): provides information on packer's intended offering prices for that day.

Live Cow/Bull Daily Purchase Report (LS-132): provides description of each lot of cows/bulls purchased during the previous day.

Boxed Beef Daily Report (LS-126): provides information on each boxed beef transaction for current day.

Swine Prior Day Report (LS-118): provides description of each lot of hogs purchased during previous day.

Swine Daily Report (LS-119): provides information on current purchases of swine as of a set reporting time.

Swine Noncarcass Merit Premium Weekly Report (LS-120): provides listing of packer carcass merit buying program for the previous week.

Live Lamb Daily Report – Current Established Prices (LS-121): provides description of each lot of lamb purchased.

Live Lamb Weekly Report – (LS-123): provides breakdown of lambs purchased during prior week by different types of purchase.

Live Lamb Weekly Report – Formula Purchases (LS-124): provides information on slaughtered lambs purchased through formula marketing arrangements.

Lamb Premiums and Discounts Weekly Report (LS-125): provides information on packer's intended carcass merit buying program for the upcoming week.

Boxed Lamb Daily Report (LS-128): provides information on each boxed lamb transaction for current day.

Lamb Carcass Report (LS-129): provides information on each lamb carcass transaction for current day.

**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 Act stipulates that electronic data collection means must be used to the extent practicable as determined by the Secretary in order to meet the regulatory objectives. To meet this requirement, the Livestock Mandatory Price Reporting System (LMPRS) is a database management system that was developed to automate the processes for AMS to implement the Act. This system electronically accepts data from the livestock industry, mainly meat packing plants, archives, translates and analyzes the data, as well as produces and stores aggregated data and creates aggregated reports for distribution to the public via the Internet. The system also includes replication of the data to a backup site for continuity of operations.

The LMPRS is designed to accept proprietary trade data from authorized plants on a daily basis. This data arrives in the system in a comma delimited value (CSV) format and is transmitted from the plant site via a secure web transmission process. This data is then loaded into the LMPRS database by AMS reporters through a web utility used to import and review plant data prior to generating any market news aggregated reports.

As an alternative, AMS will allow respondents to access an AMS maintained website whereby the information can be entered on web-based input screens. Once the information has been entered, the form will be submitted to AMS where the data will be uploaded to the AMS database system.

The required information is kept and maintained as a matter of normal business practice by the respondents, normally in electronic recordkeeping systems. Allowing electronic submission minimizes the cost burden to them.

AMS is committed to complying with the e-Government Act, which requires Government agencies in general to provide the public the option of submitting information or transacting business electronically to the maximum extent possible.

**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 data collected under this program is not available from any other source.

**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.**

The Act requires cattle and swine packing plants of a certain size to report information to the Secretary at prescribed times throughout the day and week. Further, lamb slaughter and processing plants and lamb importers of a certain size are required by these regulations to report information to the Secretary at prescribed times throughout the day and week. These regulations already exempt many small businesses by the establishment of daily slaughter, processing, and import capacity thresholds. Based on figures published by the National Agricultural Statistics Service, there were 636 cattle, 614 swine, and 484 lamb Federally-inspected slaughter plants operating in the U.S. at the end of 2006. AMS estimates that approximately 48 cattle plants would be required to report information (7.5% of all Federally inspected cattle plants), 52 swine plants would be required to report information (8.5% of all Federally inspected swine plants), and 17 lamb packers and importers would be required to report information (2.5% of all Federally inspected lamb plants and 1.3% of all lamb importers). Therefore, fully 92.5% of all cattle plants, 91.5% of all swine plants, and 97.5% of all lamb packers and 98.7% of lamb importers would not be required to report.

In developing these regulations, AMS did consider other means by which the objectives of this rule could be accomplished, including reporting the required information by telephone, facsimile and regular mail. AMS believes these alternatives are not capable of meeting the program objectives, especially timely reporting. The Act prescribes specific times that reporting entities must report to AMS. Similarly, the Act prescribes specific times for publication of a report by AMS. AMS believes electronic submission to be the only method capable of allowing for AMS to collect, aggregate and publish reports while complying with the specific time-frames set forth in the Act. AMS believes it would not be possible for the Agency to receive information over the telephone, facsimile or regular mail and then transcribe the information into electronic format before aggregating and publishing the information while still complying with the publication time-frames set forth in the Act. However, AMS may provide for an exception to electronic reporting in emergency cases such as power failures or loss of Internet accessibility or in cases when an alternative is agreeable to AMS and the reporting entity. AMS will also provide web-based input screens as an alternative option for entities to use when submitting information.

AMS cannot envision an alternative to the method of data transmission that would be less burdensome to small businesses. AMS understands that unforeseen technical difficulties may occur during the implementation of this final rule. To assist the industry in achieving compliance with this rule, during the period between publication of this final rule and its effective date, AMS will provide assistance and training to covered entities as needed to ensure that they have been given the technical information necessary to comply with the electronic data transmission requirements.

**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.**

The information collection is required by the Act. Furthermore, the Act specifically mandates the amount and frequency of the information collection. While the options to not collect or to collect less frequently are specifically ruled out by the Act, AMS has sought ways to reduce the burden on respondents by addressing the manner in which information collection is carried out (item 5, above).

**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 Act requires the collection of information on prices and quantities of livestock and livestock products on a daily and weekly basis. Therefore, information collection is being carried out as mandated.

**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.**

The Act requires packers to submit information on the prices and quantities of livestock and livestock products on a daily and weekly basis. The Act contains express provisions mandating that confidentiality be preserved regarding the identity of persons and proprietary business information. The information collected under this program is exempt from disclosure under the Freedom of Information Act. All AMS employees that have access to this information receive regular training on the importance of keeping this information confidential and sign confidentiality statements in which they agree to keep this information confidential.

**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 proposed rule and solicitation for comments on the information collection were published in the *Federal Register* on August 8, 2007 (Vol. 72, No. 152). The solicitation for comments on the information collection and recordkeeping requirements can be found on

page 44694 of that notice. AMS received 18 comments on the proposed rule. All comments are posted on Regulations.gov ([www.regulations.gov](http://www.regulations.gov)) and can be viewed by entering the Docket ID “AMS-LS-07-0106” into the search tool for public comments and submissions.

Eleven comments addressed in some manner the cost and burden related to the proposed rule. Eight of these comments were received from organizations representing livestock producers and meat packers and processors in both the United States and overseas; one was received from an individual affiliated with a packer/processor; one was received from a livestock producer, and one was received from a foreign government. Changes to the final rule in response to the comments were minor and did not result in a change to either the estimated cost or hour burden. The relevant portions of the comments that addressed cost and hour burden, along with Agency responses, are summarized below.

One comment expressed concern that small farms and small farm owners could not survive “when taxed with the financial and time consumption that this mandatory wave promises.” However, the Agency notes that only meat packers, processors, and importers are required to report under this rule and thus, there is no financial or reporting burden on farms and farm owners. One comment asserted that the addition of the field “delivery year” in addition to the basis-level month for cattle purchased through forward contracts would impose additional and unnecessary programming costs with little or no attendant benefit because few such transactions take place annually and those that occur are not material to the market. AMS disagrees that such transactions are not material to the market and is concerned that lack of data on the delivery year would distort market information. Thus, AMS retains the requirement to report the delivery year for forward contract purchases.

One comment supported all of the changes to swine reporting, noting that the changes should enable the Agency to publish more meaningful reports while reducing the burden on packers. AMS concurs with the comment. One comment regarding swine reporting suggested that multiple daily reports are not warranted and that a daily report from each packer would accomplish the desired results. Reporting requirements for swine are specified in the Act, and therefore, AMS retains the reporting requirements of the proposed rule. One comment urged USDA to comply fully with the Reauthorizations Act’s requirements for electronic submission of sow and boar information through an Internet website or equivalent electronic means. The comment noted that sow and boar packers are relatively small firms that cannot absorb significant compliance costs. AMS notes that under this program, firms will be able to submit data either through electronic data transfer or through a web interface.

Three comments objected to the reporting requirements for imported lamb out of principle and on the basis that the information would have no correlation with U.S. domestic slaughter lamb prices and would increase costs of international trade. AMS acknowledges that there will be costs for lamb importers that are required to report, but there likewise will be costs for domestic lamb suppliers. Therefore, the rule does not impose a disproportionate burden on lamb importers versus domestic lamb suppliers. Two comments stated the economic and time burden on lamb importers is significantly higher than estimated in the proposed rule. One of the comments indicated that the startup/maintenance cost estimate of \$672 per respondent was understated by an order of magnitude. The other comment stated that lamb

importers are relatively small, and that costs of compliance are higher for small companies due to lower staff numbers and higher overhead costs compared to larger businesses. The comment requested that USDA minimize the time and resources required to collect data from lamb importers wherever possible. The comments asserted that costs of compliance for lamb importers are higher than estimated by AMS, but did not provide sufficient detail to permit the validity of the assertions to be evaluated. AMS concurs with the comment that the Agency needs to minimize the time and resources necessary to collect data wherever possible. In developing the rule, AMS has sought to minimize the compliance burden consistent with the Agency's ability to collect and disseminate useful information of value to industry participants, including those required to submit data.

Two comments supported the proposed minor changes to lamb reporting to reduce the reporting burden on lamb packers and to provide more meaningful information in Agency reports. AMS concurs with the comments.

**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.**

Since the legislative authority for LMR expired on September 30, 2005, AMS has met with numerous industry groups whose membership includes packers that are required to report information under this program. These groups included the National Pork Producer's Council, the American Sheep Industry Association, and the National Meat Association. AMS and the industry members discussed possible changes that could be made to improve the program's efficiency and operation, including ways to improve the information reported by AMS and to minimize the reporting burden on covered packers.

National Pork Producer's Council  
Contact: Kirk Ferrell  
202-347-3600

American Sheep Industry Association  
Contact: Paul Rodgers  
304-647-9981

National Meat Association  
Contact: Rosemary Mucklow  
510-763-1533

**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.**

There are no special circumstances.

**9. EXPLAIN ANY DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS, OTHER THAN REMUNERATION OF CONTRACTORS OR GRANTEEES.**

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.**

Chapter 5, Section 251, paragraph (a) of Act directs the Secretary to, "...make available to the public, information, statistics, and documents obtained from, or submitted by, packers, retail entities, and other persons under this subtitle in a manner that ensures that confidentiality is preserved regarding (1) the identity of persons, including parties to a contract, and (2) proprietary business information."

**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.**

Questions of a sensitive nature are not included on these forms.

**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-I.**

**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.**

For each form listed below, the number of respondents, frequency of response, per-response burden, and annual hour burden is identical to the estimates presented in the supporting statement submitted with proposed rule. However, there are small differences in the estimated annual costs associated with each form. The small differences are attributable to a change in the order of calculation and subsequent differences in numerical rounding. The revised estimated annual costs are consistent with the estimates presented in the *Federal Register* notice on the final rule.

(1) LIVE CATTLE DAILY REPORT – Current Established Prices – Form LS-113

Number of Respondents	=	34
Frequency of Response	=	2 times daily for 260 days.
Per Response Burden	=	.17 hour per electronic submission.
Annual Hour Burden	=	3,006 hours.
Estimated Annual Cost	=	\$64,124.

(2) LIVE CATTLE DAILY REPORT – Committed and Delivered Cattle – Form LS-114

Number of Respondents	=	34
Frequency of Response	=	2 times daily for 260 days.
Per Response Burden	=	.17 hours per electronic submission.
Annual Hour Burden	=	3,006 hours.
Estimated Annual Cost	=	\$64,124.

(3) LIVE CATTLE WEEKLY REPORT –Form LS-115

Number of Respondents	=	34
Frequency of Response	=	1 per week for 52 weeks
Per Response Burden	=	.25 hour per electronic submission.
Annual Hour Burden	=	442 hours.
Estimated Annual Cost	=	\$9,418.

## (4) CATTLE PREMIUMS AND DISCOUNTS WEEKLY REPORT – Form LS-117

Number of Respondents	=	34
Frequency of Response	=	1 per week for 52 weeks.
Per Response Burden	=	.08 hours per electronic submission.
Annual Hour Burden	=	141 hours.
Estimated Annual Cost	=	\$3,026.

## (5) COW/BULL PLANT DELIVERED BIDS (DRESSED BASIS) – Form LS-131

Number of Respondents	=	22
Frequency of Response	=	1 per day for 260 days.
Per Response Burden	=	.08 hours per electronic submission.
Annual Hour Burden	=	458 hours.
Estimated Annual Cost	=	\$9,768.

## (6) LIVE COW/BULL DAILY PURCHASE REPORT – Form LS-132

Number of Respondents	=	22
Frequency of Response	=	1 per day for 260 days.
Per Response Burden	=	.17 hours per electronic submission.
Annual Hour Burden	=	972 hours.
Estimated Annual Cost	=	\$20,746.

## (7) BOXED BEEF DAILY REPORT – Form LS-126

Number of Respondents	=	48
Frequency of Response	=	2 per day for 260 days.
Per Response Burden	=	.125 hours per electronic submission.
Annual Hour Burden	=	3,120 hours.
Estimated Annual Cost	=	\$66,528.

## (8) SWINE PRIOR DAY REPORT – Form LS-118

Number of Respondents	=	52
Frequency of Response	=	1 per day for 260 days.
Per Response Burden	=	.25 hours per electronic submission.
Annual Hour Burden	=	3,380 hours.
Estimated Annual Cost	=	\$72,072.

## (9) SWINE DAILY REPORT – Form-LS-119

Number of Respondents	=	40
Frequency of Response	=	2 per day for 260 days.
Per Response Burden	=	.17 hours per electronic submission.

Annual Hour Burden = 3,536 hours.  
 Estimated Annual Cost = \$75,440.

(10) SWINE NONCARCASS MERIT PREMIUM WEEKLY REPORT – Form LS-120

Number of Respondents = 21  
 Frequency of Response = 1 per week for 52 weeks.  
 Per Response Burden = .25 hour per electronic submission.  
 Annual Hour Burden = 273 hours.  
 Estimated Annual Cost = \$5,817.

(11) LIVE LAMB DAILY REPORT– Current Established Prices – Form LS-121

Number of Respondents = 6  
 Frequency of Response = 1 time per day for 260 days.  
 Per Response Burden = .34 hours per electronic submission.  
 Annual Hour Burden = 530 hours.  
 Estimated Annual Cost = \$11,316.

(12) LIVE LAMB WEEKLY REPORT – Form LS-123

Number of Respondents = 5  
 Frequency of Response = 1 per week for 52 weeks.  
 Per Response Burden = .25 hours per electronic submission.  
 Annual Hour Burden = 65 hours.  
 Estimated Annual Cost = \$1,385.

(13) LIVE LAMB WEEKLY REPORT – Formula Purchases – Form LS-124

Number of Respondents = 5  
 Frequency of Response = 1 per week for 52 weeks.  
 Per Response Burden = .25 hours per electronic submission.  
 Annual Hour Burden = 65 hours.  
 Estimated Annual Cost = \$1,385.

(14) LAMB PREMIUMS AND DISCOUNTS WEEKLY REPORT – Form LS-125

Number of Respondents = 6  
 Frequency of Response = 1 per week for 52 weeks.  
 Per Response Burden = .08 hours per electronic submission.  
 Annual Hour Burden = 25 hours.  
 Estimated Annual Cost = \$534.

## (15) BOXED LAMB REPORT – Form LS-128

Number of Respondents	=	16 (Importers (6)) will submit electronically.
Frequency of Response	=	1 per day for 260 days for domestic packing plants; and 1 per week for 52 weeks for importers.
Per Response Burden	=	.084 hours per electronic submission for importers and .167 hours per electronic submission for domestic packing plants.
Annual Hour Burden	=	460 hours (434 hours for 10 domestic packing plants and 26 hours for 6 importers*).
Estimated Annual Cost	=	\$9,818.

*\*One importer is also a packer.*

## (16) LAMB CARCASS REPORT – Form LS-129

Number of Respondents	=	8
Frequency of Response	=	1 per day for 260 days
Per Response Burden	=	.167 hours.
Annual Hour Burden	=	347 hours.
Estimated Annual Cost	=	\$7,408.

**Methodology Used for Calculating Estimates**

To calculate total annual hour burden for collection, we estimated the total number of hours required to report either daily or weekly. This hour figure was multiplied by the number of respondents to obtain the total collection time required each day or week. This figure was multiplied either by 260 (reporting days per year) or 52 (reporting weeks per year), as applicable, to obtain the total yearly burden. The total hour burden per year was multiplied by \$21.33 (average total compensation per hour for all civilian office and administrative support occupations for second quarter of 2006 according to Bureau of Labor statistics) to obtain the estimated total yearly dollar burden. See AMS-71 for details.

Total estimated hours for forms =	19,826.77
Hours for developing and maintaining electronic interface: <u>1,740.00</u>	
	21,566.77

Subtotal cost for burden hours (\$21.33 per hour rate used) =	\$422,909
Subtotal cost interface (\$44.82 per hour rate used) =	\$ 77,952

Note: \$44.82 is the average total compensation per hour for all civilian management, professional, and related occupations for the second quarter of 2006 according to Bureau of Labor statistics)

<b>TOTAL BURDEN</b>	21,566.77
<b>TOTAL COST</b>	\$500,861

AMS believes the collection of information will be accomplished through electronic means using existing electronic information systems. Therefore, the cost burden to the industry with regards to purchases of additional technology equipment and services will be negligible. Moreover, there are no additional recordkeeping requirements, as all required records are currently maintained by industry through normal business practice.

**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).**

(a) Capital and Start-up Costs

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

(b) Total Operation and Maintenance Costs

Storage and maintenance of electronic files =

Beef (48)	\$ 92,304
Swine (52)	99,996
Lamb (16)	<u>30,768</u>
TOTAL	\$223,068

Based on the following:

Labor = 70 hours per year x \$21.33	= \$1,493
Electronic storage cost*	<u>\$430</u>
Total	1,923

\*includes cost of hard electronic storage, backup media, backup drive, and backup software

**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.**

Based on historical expenditures, AMS estimates the cost of maintaining a mandatory program of livestock reporting to be \$6.3 million per year itemized as follows:

Salaries and Benefits		
(avg. salary for GS-6 clerks to GS-15 Chief)		\$4,900,000
Travel Expenses	=	\$ 300,000
Space rental	=	\$ 83,000
Printing	=	\$ 15,000
Contractual services	=	\$ 900,000
Computer hardware/software	=	\$ 100,000
<b>Total</b>	<b>=</b>	<b>\$6,300,000 per year</b>

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

Changes to the final rule in response to the comments did not result in any burden changes between the proposed rule and final rule. There is an overall decrease of -2,862 burden hours.

As a result of the Reauthorization Act, there is a decrease in respondents for LS-1189, LS-119, and LS-120 swine forms. The other changes to the number of respondents for the other reporting forms are the result of the Agency's changes to the LMR program that would reduce the reporting burden on packers where possible and allow AMS to publish more meaningful information in AMS market reports. In some cases, the Agency has deleted individual data fields from reporting forms; however, because this information is submitted electronically, there is no measurable reduction to the burden per response.

In response to comments on the proposed rule, one item on the Boxed Beef Daily Report (Form LS-126) was modified slightly by adding a third category to previous two categories for Item 15, Refrigeration. The modification resulted in no change to either estimated annual costs or hour burden associated with the rule.

See attachment for complete list of changes and adjustments.

**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.**

On October 5, 2006, the President signed a bill into law that reauthorizes the Act through September 30, 2010.

The mandatory information collection augments existing publications and market reports of the Livestock and Seed Program's Livestock and Grain Market News Branch (LGMN). The collected information will be gathered into an electronic database where it will be processed and aggregated for publication. This process will occur daily and weekly as required.

Once prepared, the market reports are published through an electronic communication system and are posted on the LGMN website.

**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.**

Since the forms are electronic, there is no need to have an expiration date.

**18. EXPLAIN EACH EXCEPTION TO THE CERTIFICATION STATEMENT IDENTIFIED IN ITEM 19, "CERTIFICATION FOR PAPERWORK REDUCTION ACT SUBMISSIONS," OF OMB FORM 83-I.**

No exceptions are requested to the certification statement identified in item 19 of OMB Form 83-I.

**B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS**

This information collection does not employ statistical methods.