

June 26, 2008

## UNITED STATES DEPARTMENT OF AGRICULTURE

### Farm Service Agency

OMB Number 0560-xxxx

#### Buy-in for 2008 Supplemental Agriculture Disaster Assistance for Insurable and Non-Insurable Crops

##### **Purpose:**

The Food, Conservation, and Energy Act of 2008 includes several disaster programs. To be eligible for these programs, producers must purchase NAP coverage for non-insurable crops and crop insurance for insurable crops. Application deadlines have passed for the 2008 crop year for nearly all insurable and non-insurable crops. A waiver has been authorized (Title XV, Subtitle A, Sec. 15101, which amends the Trade Act of 1974 by adding at the end of the following; Sec. 901 (g) (4), "Waiver for 2008 Crop Year") to allow producers to be eligible for Supplemental Agricultural Disaster Assistance Programs for those crops for which they were eligible to purchase, but did not purchase crop insurance or NAP coverage

This notice provides state and county offices with the guidelines for the Minimum Risk Management Purchase Requirement Waiver for the 2008 crop year.

The waiver allows producers who did not purchase NAP coverage or crop insurance, to pay a fee in an amount equal to the applicable NAP coverage fees or crop insurance fees, within 90 days of the enactment of this bill to be eligible for Supplemental Agricultural Disaster Assistance Programs. The law was enacted on **May 22, 2008**. The 90-day period will end **COB August 20, 2008**.

**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.**

The Farm Bill requires a producer to purchase crop insurance or NAP on all crops to be eligible for Supplemental Agricultural Disaster Assistance Programs. The 2008 NAP and RMA application deadlines for coverage have already passed; therefore, a waiver has been authorized to allow those producers who did not purchase this coverage to participate in the Supplemental Agricultural Disaster Assistance Programs.

The collection of buy-in fees and information on these forms is required to be completed within 90 days of the enactment (May 22, 2008).

Please see attached: Title XV, Subtitle A, Sec. 15101, which amends the Trade Act of 1974 by adding at the end of the following; Title IX, Sec. 901 (g)(4) *Waiver for 2008 Crop Year* of the 2008 Food, Energy and Conservation Act.

**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.**

In most cases, the producer will visit a USDA County Office where forms CCC-752 and/or CCC-753 will be completed. The information collected includes: 1 = Crop year; 2 = County FSA Office name and address and phone number; 3 = Name and address of producer; 4A = State; 4B = County; 5 = Last 4 digits of Producer's ID Number; 6 = FSA's form CCC-257 Schedule number; 7 = Producer's Certification of Socially Disadvantaged, Limited Resource or Beginning Farmer or Rancher status; 8 = Crop Type; 9 = Crop Intended Use; 10 = Crop planting Period; 11A = Fees needed; 11B = Qualifying fees paid in this county; 11C = Qualifying fees paid in other counties; 11D = Balance of fees due and received; 12 = Remarks that include a list of crops; 13A & 13B = Producer's signature and date; 14A & 14B = CCC Representative's signature and date.

The purpose of this information collection is obtaining information from a producer to determine eligibility for Supplemental Agricultural Disaster Assistance. The accompanying buy-in fee will be collected by a USDA County Office employee or; the buy-in fee will be waived, if the producer certifies that he/she is a 1) socially disadvantaged, 2) limited resource, or 3) beginning farmer or rancher. This is a new collection, so there is no information received from current or former collections.

**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 forms and associated instructions are available on-line through USDA e-Forms website; however as noted in question #2 most of the information will be received and recorded while customer is visiting the County Office and must be accompanied with the required fees (if applicable).

Customers do have the option to FAX or e-mail the information in to the County Office however, full payment of required fees must accompany the completed form and may not be signed by the CCC Representative unless the payment accompanies the completed form, OR, the fees are waived.

Because the producer must either provide the accompanying fees with a completed form or receive assistance from the county office in determining fee waiver eligibility, electronic submission is estimated to be minimal.

**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 a new collection as per 2008 Farm Bill legislation; therefore, no similar form exists. Also, this form will only be used for a short period of time. The 90 day window runs from May 22, 2008 to August 20, 2008.

**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 timely maintain the data obtained will result in a producer to be

considered ineligible for 2008 benefits outlined in the Supplemental Agricultural Disaster Assistance Programs.

There are no technical or legal obstacles which would reduce the burden.

**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; **(See note below)**
- 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.

**Note:** This is a one-time collection of fees and information that must be submitted by producers by August 20, 2008.

**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.**

This is a new information collection package.

We are requesting **EMERGENCY CLEARANCE** because of the 90-day eligibility window which began on May 22, 2008. There is not adequate time to solicit public comment.

**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.**

Forms CCC-752 and CCC-753 are for internal agency use only and are maintained under a single uniform filing system for State and County Offices, using the USDA/FSA handbook, 25-AS. All PII will be protected within USDA/FSA guidelines.

**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. All collections of information are required for the determination of required fees or waiver of such fees.

**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 358,666 producers will not have purchased NAP and/or crop insurance and will participate in the 2008 buy-in. This buy-in will be processed through the use of forms CCC-752 and/or CCC-753. The estimate is based on data available from 2003-2004 disaster program applications.

This is a one-time collection of data that only runs through August 20, 2008.

Providing the information applicable to the CCC-752 or CCC-753 is estimated to take **15** minutes per response. Since the acreage reporting deadline has been extended to August 15, 2008 for most crops, travel time is not included in this estimate because producers will not be making a special trip to provide this information. The form will be available on-line at USDA e-forms website or customers may complete the form when they are visiting the County Office for another reason.

The annual burden for providing the information is **89,667** hours. This was calculated by multiplying the estimated number of responses by the estimated response time ( **$358,666 \times 15 \div 60 = 89,667$  hours**).

The estimated average salary is \$12 per hour. The estimate of cost is estimated to be **\$1,076,004** ( **$\$12.00 \times 89,667$  hours**).

All CCC-752 and CCC-752 forms shall be filed according to FSA handbook 25-AS.

**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 is no capital, startup or ongoing operation/maintenance costs associated with this information collection to respondents or record keepers.

**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 **\$1,457,089**. Costs to the Federal Government to support this collection are limited to labor. Using the 2008 Salary Table General Schedule, the estimated average employee salary, using a grade CO 5-1, CO 6-5 and CO-7-10 results in the following:  $\$12.58 + \$15.90 + \$20.26 = \$48.74 \div 3 = \$16.25/\text{hour}$ . The cost is estimated to be **\$1,457,089 (\$16.25 X 89,667 hours)**. 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 County Office employee of **\$16.25/hour**. Software costs will be minimal because fees will be collected and placed into the general fund, which is already established.

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

Not applicable. This is a request for new information collection.

**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 CCC-752 and CCC-753 forms.

**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 County Office? Will this information be part of their one-stop shopping?**

This information is provided thru "one-stop" shopping by Administrative County Office. Producers who farm in more than one Administrative County will need to visit or arrange for fees and application at each location. Information is collected on an as needed basis and retained for 2008 program eligibility only.