

**UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
OMB NUMBER: 0563-0067**

TITLE:

Request for Applications (RFA): Risk Management and Crop Insurance Education Information Collection Burden Package

PURPOSE:

The purpose of this request to the Office of Management and Budget (OMB) is for approval of a revised Information Collection Burden package submitted by the Federal Crop Insurance Corporation (FCIC), operating through the Risk Management Agency (RMA). The package concerns specific information that interested parties are to provide RMA when responding to a Request for Applications (RFA) for Risk Management and Crop Insurance Education and Information. The RFA announces the availability of funding to parties willing to assist RMA in carrying out local and regional risk management and crop insurance education programs. The information collected from applicants would be used to review, evaluate, and select those applications for funding that would best support the objectives of RMA's risk management and crop insurance education programs.

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

The Federal Crop Insurance Corporation, operating through the Risk Management Agency (RMA) has three application programs to carry out certain risk management education provisions of the Federal Crop Insurance Act. The three educational programs requiring applications are a) to establish crop insurance education and information programs in States that have been historically underserved by the Federal Crop Insurance Program [7 U.S. C. 1524(a)(2)]; and b) to provide agricultural producers with training opportunities in risk management, with a priority given to producers of specialty crops and underserved commodities [7 U.S.C. 1522(d)(3)(F)].

The proposed information collection consists of an application package usable by interested parties in applying for funding under any of RMA's three educational programs identified above. The information from this application package is needed by RMA and review panel members to evaluate and rank applicants. The information is also needed by RMA to properly document and protect the integrity of the process used to select applications for funding.

- 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.**

RMA will collect the information covered by this data collection request from applicants for all three educational programs through completed forms and narratives. RMA anticipates that this information will be collected annually in response to a Request for Application notice to be published in the Federal Register. Applicants will be required to submit completed forms and narratives in hard copy through the postal service, through private courier services, or through hand delivery.

The application package available to applicants will include general information and instructions; the requirements for the program narrative statement describing how the applicant will address the program objectives (Form RMA-301); a description of the budget (Form RMA-302); Standard Forms (SF) 424, 424A, 424B, LLL which requests basic information, budget information and assurances; and certifications. OMB has separately approved the information collection burdens for SF-424, 424A, 424B, and LLL. The application package will be available electronically or will be sent to potential applicants in response to a request.

The proposed information collection is related to the requirements for the program narrative statement and the budget narrative. The requirements for the program narrative statement and budget narrative are based on the requirements described in section 1.c (5) of OMB Circular A-102 and OMB Circular A-110 (as implemented at USDA 7 CFR Parts 3015.3016 and 3019), and will apply to all types of applicants—States and local governments, non-profit organizations, for-profit organizations, and institutions for higher learning. Section 1.c (5) of these two OMB circulars is attached for reference.

The sole use of the information provided by the applicants is in application processing and evaluation. The sole users of the information are RMA staff and confidential review panel members. The narrative statement provided by the applicant will allow the confidential review panel to evaluate and compare applicants and to select those applicants most likely to meet program objectives. The budget narrative will allow the confidential review panel and RMA staff to determine that costs associated with the application are reasonable and permitted under the program. For those applications that are selected for funding, the information in the narrative statement and the budget narrative will be used to create the terms of cooperative agreements between the applicant and the agency (The cooperative agreements will be approved under a separate information collection package). Information will not be shared outside of RMA or outside of the confidential evaluation panel.

- 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 adapting this means of collection. Also describe any consideration of using information technology to reduce burden.**

RMA will permit applicants to receive information electronically at their option. Potential respondents will be able to receive the application package by downloading the application from the RMA web site or by contacting RMA and requesting a hard copy by mail. Requests for application packages from potential applicants may take any form, including telephone, fax, electronic, in person, or in writing. RMA posts funding opportunities on the e-grants site and is currently in the process of obtaining the software to allow applicants to apply on-line through the e-grants website.

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

Applications are unique and application specific. Therefore, the information requested is not available elsewhere. Information submitted by an applicant in a prior program year would not be relevant to a later year because program needs change, agency priorities change, and the characteristics and capacity of the applicant can change.

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

The information requested is the minimum amount needed to meet program requirements. It cannot be reduced for small entities. No other Federal agency collects the information required to evaluate applicants against program criteria.

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.

If the information is not collected, RMA program officials will not have adequate data to select appropriate projects. RMA will seek the minimum information needed to select the applicants most likely to achieve program goals. Reduced frequency is not possible as the annual frequency of applications coincides with the annual appropriation of funds.

- 7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**
- a) requiring respondents to report information to the agency more often than quarterly;**
 - b) requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
 - c) requiring respondents to submit more than an original and two copies of any document;**
 - d) requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
 - e) 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;**
 - f) requiring the use of a statistical data classification that has not been reviewed and approved by OBM;**
 - g) 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**
 - h) requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

There are no special circumstances that require the collection to be conducted in a manner stated above.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8 (D) soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and 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 3 years even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

A notice was published in the Federal Register on September 19, 2008, Volume 73, Number 183, page 54365 soliciting comments on RMA's intent to request OMB approval for an information collection regarding Agricultural Risk Management Education and Information programs.

RMA headquarters' staff and personnel in RMA's Regional Offices often discuss the application processes for educational programs with agreement holders during the course of administering cooperative agreements. A discussion on these issues between RMA and potential applicants also occurs often at national and regional meetings of agricultural professionals.

The following persons outside of the agency were consulted on their views of the information being collected:

Dr. Russell Tronstad, University of Arizona, (520) 621-2425
Mr. Tom McConnell, West Virginia University Extension Service, (304) 293-6131
Ms. Karen Powell, Pennsylvania Department of Agriculture, (717) 705-9511

No comments were received.

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

Applicants for RMA cooperative agreements are not paid for submitting applications nor are they compensated for their time spent in preparing proposals.

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

RMA is requesting the information pursuant to its statutory authority to award cooperative agreements. Submission of applications is entirely voluntary. The collection of information is for the purpose of aiding in the review of applications prior to the awarding of cooperative agreements. This information will be used within RMA and may also be disclosed outside of RMA as permitted by the Privacy Act under certain situations, including disclosures to the public as required by the Freedom of Information Act.

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.

There are no questions of a sensitive nature included in the cooperative agreement application package.

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.

Task	Commodity Partnerships	Commodity Partnerships Small Sessions	Targeted States	Total	Cleared Under Another OMB Control #
No. of Applications Received	92 – FY2007 90 - FY2008	64 – FY2007 38 – FY2008	23 – FY2007 18 - FY2008	179 – FY2007 119 – FY2008	
No. of Applications Awarded	50 – FY2007 0 – FY2008	43 – FY2007 34 – FY2008	15 – FY 2007 15 – FY2008	108 – FY2007 49 – FY2008	
Est. No. of Applications in FY2009	90	110	20	220	
Est. Time to read RFA Notice in Federal Register	45 minutes	45 minutes	45 minutes		
Est. Time to Complete RMA-301	10 Hours	2 Hours	10 Hours		
Est. Time to Complete RMA-302	5 Hours	2 Hours	5 Hours		
Est. Time for SF-424					2 hr.
Est. Time for SF-424A					6 hrs.
Est. Time for SF-424B					30 min.
Est. Time for SF-LLL					20 min.
Est. Time for AD-1047					20 min.
Est. Time for AD-1049					20 min.
Total Hours per application	16 hours	5 hours	16 hours		9 hrs.
Total Burden Hours for each program	1418 hours	523 hours	315 hours	2,256 hours	18 hours

Total burden hours: 2,274 hours. Total burden hours: 2,274 hours, minus 18 hours = 2,256 hours, which are the RMA burden applicable to this information collection package. The 18 hours subtracted from the total burden hours accounts for previously approved OMB forms being used in this information collection package (OMB Approval No. 4040-0004; OMB Approval No. 4040-0006; OMB Approval No. 4040-0007; and OMB Approval No. 0348-0046).

Organizations applying for RM educational programs prepare applications using current employees who have an in-depth knowledge of the organization's capabilities and finances.

Total annual cost of burden to respondent

In estimating the annual cost burden to applicants, hourly rate estimates from the Bureau of Labor Statistics National Compensation Survey have been used. A blended rate for level 11 economists (\$38.57/hour) and level 9 social scientists (\$32.31/hour) has been used with a weight of 0.5 applied to each category. A blended rate of \$36.15/hour in 2007 was derived by inflating wage data collected in 2001 and 1998, respectively, by 2.5 percent per year. Applying this hourly rate to the burden hour estimate yields a total annual cost of \$81,554.

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 over its expected useful life; and (b) a total operation and maintenance and purchase of services component.

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

14. Provide estimates of annualized cost to the Federal government. 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.

RMA estimates that the average amount of time required by RMA, or designated review panel members, to process and evaluate an application under both the Commodity Partnerships and Targeted States of RMA's risk management education programs is 20 hours. This estimate includes time spent by RMA staff to process an application (2 hours) and time spent by review panel members to conduct a thorough technical review (3 persons x 6 hours). Assuming 110 applications will be received in FY 2009, RMA estimates that 2,200 hours will be needed to process and review all applications. Assuming that the hourly cost of staff and reviewers is \$45 per hour, then the annual cost to the Federal Government is \$99,000 (2,200 hours x \$45).

RMA estimates that the average amount of time required by RMA, or designated review panel members, to process and evaluate an application under the Commodity Partnerships Small Sessions risk management education program is 8 hours. This estimate includes time spent by RMA staff to process an application (2 hours) and time spent by review panel members to conduct a thorough technical review (3 persons x 2 hours). Assuming 110 applications will be received in FY 2009, RMA estimates that 880 hours will be needed to process and review all applications. Assuming that the hourly cost of staff and reviewers is \$45 per hour, then the annual cost to the Federal Government is \$39,600 (880 hours x \$45). The total annual cost to the Federal Government for all three programs is \$138,600. The agreement awards resulting from the applications are expected to total about \$10 million for the three education programs.

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

There is no change in burden.

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

Information collected from agreement applications will not be published. Disclosure of information contained in the application package is subject to the Freedom of Information Act and the Privacy Act. RMA will publicize summary information of the applicants that receive funding.

- 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 RMA office orders or creates these forms in bulk processing to ensure lowered costs and to ensure a more efficient management. This will ensure that the users of this form will have access to it in a more timely manner. If RMA needs to order more forms prior to an OMB submission for extension of approval, there are no guarantees that a requested expiration date will be used by OMB. We are requesting not to display the expiration date due to confusion to respondents thinking their annual applications are good for the length of time noted in the expiration date rather than expiring at the end of the application submission.

- 18. Explain each exception to the certification statement identified in Item 19 “Certification for Paperwork Reduction Act.”**

There will be no requests for an exception to the certification statement identified in Item 19. RMA will include on the Application Package the required notice informing the public that, as required by the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number.

18. B. Collection of Information Employing Statistical Methods:

Statistical methods will not be used since there will be no attempt to draw inferences about a population from the applications received.