

2009 – Part A SUPPORTING STATEMENT
PACA Customer Service Line Survey
OMB No. 0581-NEW

A. Justification

- 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 COLLECTION OF THE INFORMATION.**

The Perishable Agricultural Commodities Act (PACA or Act) (7 U.S.C. 499a-499s) and PACA Regulations (7 CFR Part 46) establishes a code of fair trade practices covering the marketing of fresh and frozen fruits and vegetables in interstate and foreign commerce. The PACA protects growers, shippers, distributors, and retailers dealing in those commodities by prohibiting unfair and fraudulent trade practices. In this way, the law fosters an efficient nationwide distribution system for fresh and frozen fruits and vegetables, benefiting the whole marketing chain from farmer to consumer. AMS administers and enforces the PACA.

The law provides a forum for resolving contract disputes, and a mechanism for the collection of damages from any licensee (or one subject to license) who fails to meet contractual obligations. In addition, the PACA provides for prompt payment to fruit and vegetable sellers and for revocation of licenses and sanctions against firms or principals found to have violated the law's standards of fair business practices. The PACA also imposes a statutory trust that attaches to perishable agricultural commodities received by regulated entities, products derived from the commodities, and any receivables or proceeds from the sale of the commodities. The trust exists for the benefit of produce suppliers, sellers, or agents that have not been paid, and continues until they have been paid in full.

The PACA is enforced and financed through a licensing system. All commission merchants, dealers, and brokers engaged in business subject to the PACA must be licensed; however, growers that sell produce of their own raising only are not required to obtain a license. Those who engage in practices prohibited by the PACA may have their licenses suspended or revoked.

There are approximately 14,500 firms licensed under the PACA to operate in the produce industry. These customers are located nationwide and include fruit and vegetable growers, dealers, brokers and commission merchants who buy, sell, and negotiate to buy or sell fresh and frozen fruits and vegetables in interstate and/or

foreign commerce. These customers may request services from the PACA Branch's headquarters and/or field offices.

In addition to an informative website, PACA representatives participate in numerous outreach activities throughout the United States each year to promote PACA services to the fruit and vegetable industry. In consultation with leading industry members on the Department of Agriculture's Fruit and Vegetable Industry Advisory Committee, AMS has focused PACA resources on increasing the industry's awareness about PACA program services.

To better facilitate the delivery of services to the fruit and vegetable industry throughout the United States, AMS in early Fiscal Year 2007 launched the PACA Branch's Customer Service Line, a fast and easy way for fruit and vegetable industry members to get answers to their questions on a wide range of PACA-related issues. The customer service line provides callers with immediate access to experts who can offer advice on a variety of PACA topics including contract disputes, interpretation of inspection reports, guidance regarding a good delivery issue, and license information.

The goal of AMS' PACA Branch is to provide timely, accurate, consistent, and professional service that facilitates fair trading practices in the marketing of fresh and frozen fruits and vegetables in interstate and foreign commerce. To accomplish this goal and in accordance with Executive Order 12862, AMS is seeking feedback from customers to evaluate the services provided by the PACA Customer Service Line.

2. INDICATE HOW, BY WHOM, HOW FREQUENTLY, 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.

As a user fee program, AMS' PACA program is committed to understanding its customers' expectations as well as their satisfaction with existing services. Based upon verbal feedback, AMS has learned that the factors of most interest to PACA customers are the timeliness, cost-effectiveness, accuracy, consistency, usefulness of services and results, and the professionalism of PACA employees.

By conducting a voluntary, monthly telephone survey of 10 percent of the approximately 200 customers that utilize the PACA Customer Service Line each month, AMS can gauge its customers' current levels of satisfaction.

This voluntary survey would give customers of the PACA program an opportunity to provide feedback to AMS on the quality of the service they receive via the PACA Customer Service Line. It would also give them an opportunity to indicate what new PACA services, if any that they would like to receive.

By conducting this survey over a 3-year period, AMS' PACA program will be able to quantify customer satisfaction and compare results from year to year. Without such feedback, AMS would not have the knowledge necessary to provide the best services possible.

AMS and PACA Branch management will use the customer survey information to determine where and to what extent services are satisfactory, and where and to what extent they can be improved. The survey, which will be conducted by phone, will consist of nine or fewer questions. The results will be hand tabulated and may be stored electronically or on hardcopy. There is no survey form, nor will there be any form mailed to those customers participating in the survey to complete. The senior managers will share the results with all other PACA Branch managers and program leaders who are responsible for making any necessary improvements at the office, program, and project levels with the intent of increasing program and service efficiency and effectiveness. There are no plans to share the results with any other organizations inside or outside of the Department of Agriculture or Government, with the exception of the USDA's Fruit and Vegetable Industry Advisory Committee, which is charged with developing recommendations for submission to the Secretary of Agriculture on issues affecting the produce industry within the United States.

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 OR RESPONSES, AND THE BASIS FOR THE DECISION FOR ADOPTING THIS MEANS OF COLLECTION. ALSO, DESCRIBE ANY CONSIDERATION OF USING INFORMATION TECHNOLOGY TO REDUCE BURDEN.

AMS' PACA Branch personnel will manually collect data from customers using the PACA Customer Service Line who volunteer to participate in the survey. The PACA Branch does not anticipate use of electronic transmission techniques. As the PACA program gains more experience in this area, however, it will use improved information technology whenever possible to reduce the burden on the public.

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 PACA Branch has not previously conducted such a survey as the PACA Customer Service Line did not start until Fiscal Year 2007. In addition, it is

unaware of any other survey which is used for a similar purpose. AMS' PACA Branch does not plan to conduct any other surveys which duplicate the content of this proposed survey.

5. IF THE COLLECTION OF INFORMATION IMPACTS SMALL BUSINESSES OR OTHER SMALL ENTITIES, DESCRIBE ANY METHODS USED TO MINIMIZE BURDEN.

The Small Business Administration defines, in 13 CFR Part 121, small agricultural producers as those having annual receipts of no more than \$750,000 and small agricultural service firms (handlers and importers) as those having annual receipts of no more than \$6.5 million. Based on AMS' knowledge of the industry members that use the Customer Service Line, its best estimate is that 70 percent of survey participants will be small businesses. AMS, nonetheless, will keep the burden on such entities to a minimum by asking for opinions on a strictly voluntary basis and by asking for only the minimum amount of information needed to evaluate the performance of the PACA Customer Service Line.

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 LEGAL OR TECHNICAL OBSTACLES TO REDUCING BURDEN.

AMS plans to conduct the survey on a monthly basis. AMS believes that customer feedback would be a more accurate reflection of their experience if they were called during the month of their call, while their recollection of the phone call was still fresh in their mind. To collect this information less frequently, AMS would not be able to meet its customer needs and measure the level of customer satisfaction in key areas of concern including timeliness, accuracy, consistency, and cost-effectiveness.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES THAT WOULD CAUSE AN INFORMATION COLLECTION TO BE CONDUCTED IN A MANNER:

- **Requiring respondents to report information to the agency more often than quarterly;**
- **Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **Requiring respondents to submit more than an original and two copies of any document;**

- **Requiring respondent 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 the 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.**

This collection of information is consistent with 5 CFR 1320.5.

8. 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 FORM, AND ON THE DATA ELEMENTS TO BE RECORDED, DISCLOSED, OR REPORTED. IF APPLICABLE, PROVIDE A COPY AND IDENTIFY THE DATE AND PAGE NUMBER OF PUBLICATION IN THE FEDERAL REGISTER OF THE AGENCY'S NOTICE, SOLICITING COMMENTS ON THE INFORMATION COLLECTION PRIOR TO SUBMISSION TO OMB.

AMS' PACA Program has consulted with USDA's National Agricultural Statistics Service on developing the survey strategy. NASS' comments are: (1) AMS states it expects a response rate of about 80 percent, but doesn't explain how it arrived at that estimate (modified in Q18B), (2) It also states that data collection could not be conducted less frequently than once a month, but doesn't explain why (see Q6), (3) AMS doesn't explain how it arrived at a desired usable sample size of 20 responses per month (this is discussed fully in Q18B), and (4) AMS doesn't discuss how it will summarize the responses (see Q18B(2)). These comments have been addressed and further explanation is provided in this document at the responses to question numbers noted after each comment. AMS

has also re-ordered the survey questions as suggested by NASS (questions are shown in Q18B(2)).

AMS published a notice in the *Federal Register* on March 21, 2008, at 73 FR, Vol. 73, page 15120 soliciting comments on its intent to seek OMB approval of this collection. One comment was received in response to this notice. The comment did not pertain to the burden hours or address the practical utility of this information collection.

9. EXPLAIN ANY DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS, OTHER THAN RENUMERATION OF CONTRACTORS OR GRANTEES.

No payment or gift will be provided to respondents.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS AND THE BASIS FOR THE ASSURANCE IN STATUTE, REGULATION, OR AGENCY POLICY.

Documents submitted by the public are considered confidential and are only used for official purposes. All public records are maintained and handled according to the provisions of the Freedom of Information Act and the Privacy Act.

There is no basis in agency statute, regulation or policy that provides for assurance of confidentiality of the survey responses, however, the information provided by the respondents will be kept private. Personal identifiers will not be linked to the responses.

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.

This collection of information contains no questions of a sensitive nature.

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.

Public reporting burden for this collection of information is estimated to average 5 minutes (i.e., 0.083 hours) per response. The primary respondents will be customers of the PACA Branch that use the PACA Customer Service Line and agree to participate in the voluntary survey conducted by phone.

FY 2009:

- Estimated Number of Respondents: 240 (i.e., 10 % of 200 (average number of monthly customers using the Customer Service Line) x 12 = 240).
- Frequency of Responses: 1
- Estimated Annual Burden: 20 hours (240 responses x 0.083 hours/response = 19.92 hours).
- Annualized Cost to Respondents: There is no known cost to respondents.

The cost to responding industry members for customer service line information is estimated at approximately \$912.60 annually, based on 240 responses at 5 minutes per response at an hourly rate of \$45.63. This estimated hourly wage for a "Sales Manager" was obtained from the U.S. Department of Labor Statistic's publication, "Occupational Employment and Wages, 2007," published May 9, 2008 (USDL 08-0620). This publication can be found at the following website: <http://www.bls.gov/news.release/pdf/ocwage.pdf>.

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 OPERATIONS AND MAINTENANCE PURCHASE OF SERVICES COMPONENT.

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

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 annual cost to AMS' PACA program if all activities are undertaken is approximately \$1,050 (20 hours to collect the information + 20 hours to analyze the information x \$26.21 - the hourly rate for a GS-9 step 5 management analyst) per the Office of Personnel Management salary table for the Washington, DC -

Baltimore, MD metropolitan area found at the following website:
<http://www.opm.gov/oca/08tables/pdf/DCB.pdf>

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

This is a new collection.

16. FOR COLLECTIONS OF INFORMATION WHOSE RESULTS ARE PLANNED TO BE PUBLISHED, OUTLINE PLANS FOR TABULATION AND PUBLICATION.

The results of this collection of information are intended for internal use only.

17. IF SEEKING APPROVAL TO NOT DISPLAY THE EXPIRATIONS 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 this survey form and to keep reproduction costs to a minimum. Destroying forms with a given expiration date would be counterproductive to the Administration's goal of reducing costs and increasing program efficiency.

18A. EXPLAIN EACH EXCEPTION TO THE CERTIFICATION STATEMENT IDENTIFIED IN ITEM 19 "CERTIFICATION FOR PAPERWORK REDUCTION ACT."

There are no exceptions to the certification statement.